



Actuaries and human dignity in older age

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Jens Nielsen
Gautam Bhardwaj
Preeti Chandrashekhar
Kulin Patel

Session P7

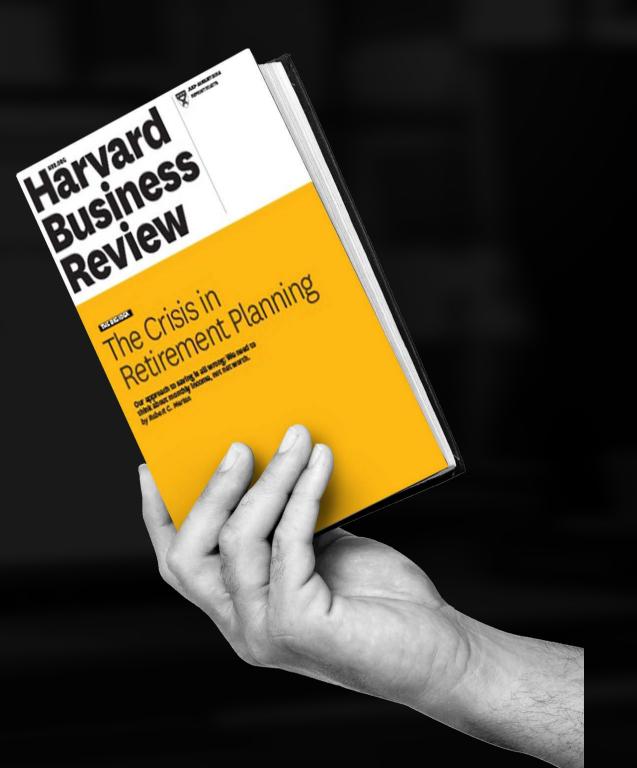
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Goals-Based Investment Strategies

Shaun Levitan



The Crisis in Retirement Planning



Our Panelists

• Lead Speaker & Moderator: Shaun Levitan, Co-founder and Executive Director, Colourfield Liability Solutions, South Africa

Panel Speakers:

- Jens Perch Nielsen, Cass Business School, UK
- Gautam Bhardwaj, pinBox Solutions Pvt. Ltd., India
- Preeti Chandrashekhar, Mercer Consulting, India
- Kulin Patel, Willis Towers Watson, India







Efficient use of data and technology



Old Age and Dignity Minimising Longevity and Investment Risk while optimising Future Pension Plans

Jens Perch Nielsen



Four big ambitions

- One short conversation with the customer: the entire bespoke pension design is back-calculated
- As much as possible of investment guarantee is shared. Perhaps all.
- As much as possible of mortality risk is shared.
 Perhaps all.
- Investment dynamics market timing should be incorporated



"Minimising longevity and investment risk while optimising future pension plans"

Communication and self control of a pension saver's financial risk

Jens Perch Nielsen, Munir Hiabu, Russell Gerrard, Ioannis Kyriakou



THE COMMUNICATION

- Your investment has a best-case (BC) and a worst-case (WC).
- You will never drop below your WC.
- Half-the-time you will get the BC and the other half-of-the-time you will get an investment result between WC and BC.
- Use a slider to see which WC suits you best
 - For every WC their is a link to a BC.

 And the BC increases when the WC decreases.



Old Age and Dignity - Helping the unpensioned

Gautam Bhardwaj



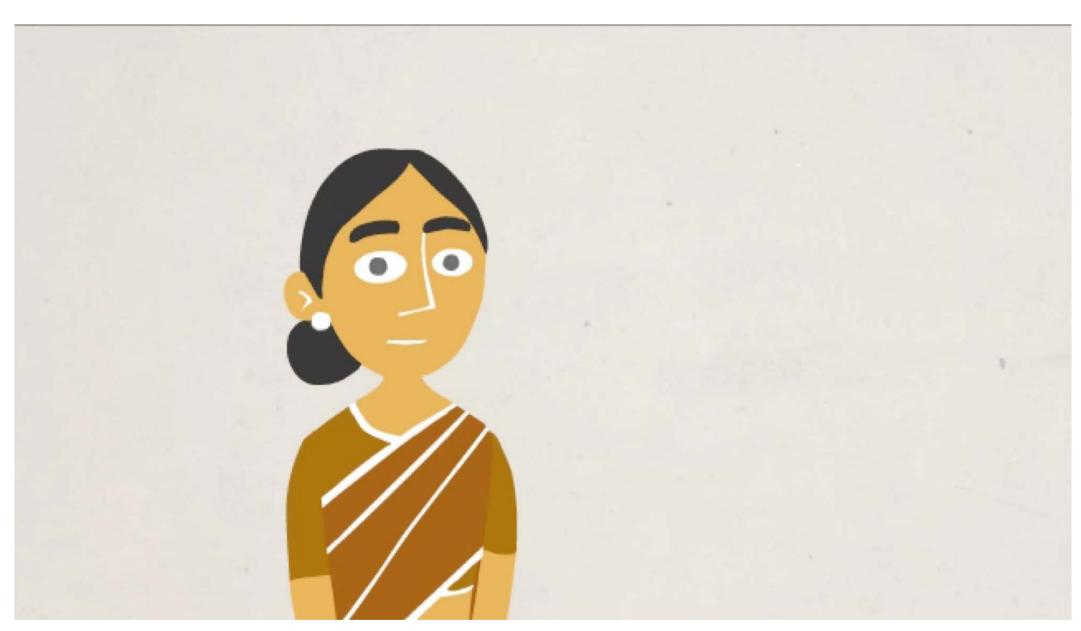


PINBOX DIGITAL MICRO-PENSION MARKETPLACE architecture



^{*} Government or Regulator or National-level Pension/ PF Administrator





THIS IS BEGINNING TO WORK...



Old Age and Dignity - Organised Sector

Preeti Chandrashekhar





Dignity in old age Four dimensions of Wellbeing

This couple wrote to the President of India seeking permission to die since they felt they would be terminally ill and would not be able to contribute to society



Financial, Social,

Physical and Mental

wellbeing

- All are important
- And interrelated



The India Inc story

MULTIGENERATIONAL WORKFORCE

Each generation has different expectations



Health is vital to Wealth





Me, Inc.





Employees are seeking ways to "make work work" for their individual circumstances

MANAGING MY MONEY



Mercer research shows that employees spend on an average over 10 hours per month worrying about money matters at work



Traditional retirement benefits of India Inc Their efficacy

Benefits
System design
Tax support

Coverage
Assets
Contributions

Regulation
Governance
Protection
Communication

ADEQUACY

SUSTAINABILITY

INTEGRITY

- Early access erodes the accumulation of retirement funds
- Flexibility comes with responsibility
- Lumpsum plans, largely
 voluntary except for Gratuity



Old Age and Dignity - Bringing it together

Kulin Patel

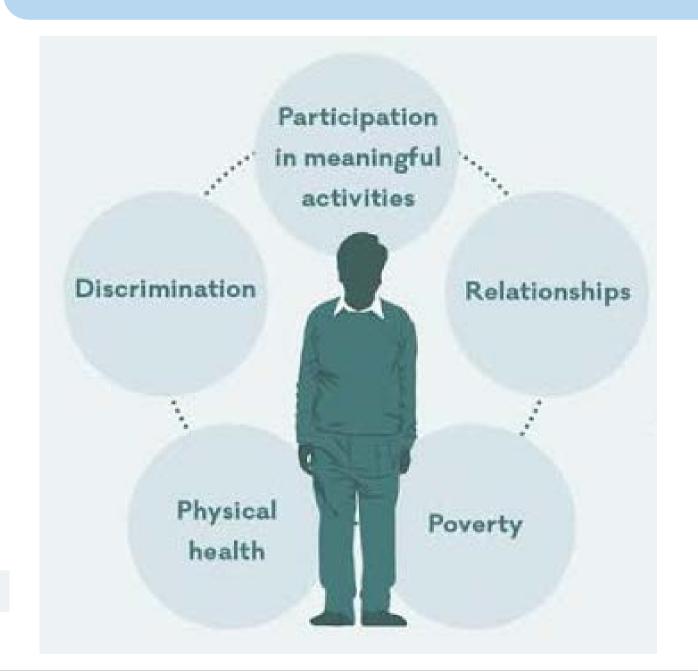








How do we define it?



(Age Concern and the Mental Health Foundation, 2006)



What will influence the future?











50%-60%



What can Actuaries do?

- Help to set goals, educate and communication
- Design and manage financial products that deliver services as the outcome?
- Expand actuaries' involvement across different segments
- Develop approaches that are "future" ready
- Ensure our views are heard to shape public policy and social security increasingly for the de-accumulation stage







THANK YOU