





Helping plan members mind the gap — the manageable risk gap

Elisha Ribeiro

National Sales Director
Group Customer, National Accounts
Canada Life (she/her)

Christine van Staden

Regional Vice-President
Group Customer, National Accounts
Canada Life (she/her)

Current landscape

The S&P 500 just had its worst first half in more than 50 years. CNBC, July 1, 2022

IMF warns of higher recession risk and darker global outlook. Financial Post, October 7, 2022

GLOBAL WARMING

Inflation rises again, to new 39-year high. CBC News, July 20, 2022

Energy crisis

RECESSION

Dow tumbles 1,200 points for worst day since June 2020 after hot inflation report. CNBC, September 18, 2022

War in Ukraine enters a dramatic new phase. CBS News, August 14, 2022

MARKETS ON A WILD RIDE



High inflation

Inflation at **40-year high**

71% of Canadians say saving
for retirement is a challenge



Volatile markets

Investor losses from emotional investing doubled to over **6% a year**

Only **21% of Canadians** are confident they can retire when they want to



Member complacency

35% of workers under 35 and 30% over 35 haven't saved for retirement

40% of employees don't take advantage of employers' match for savings plans

Risks members face

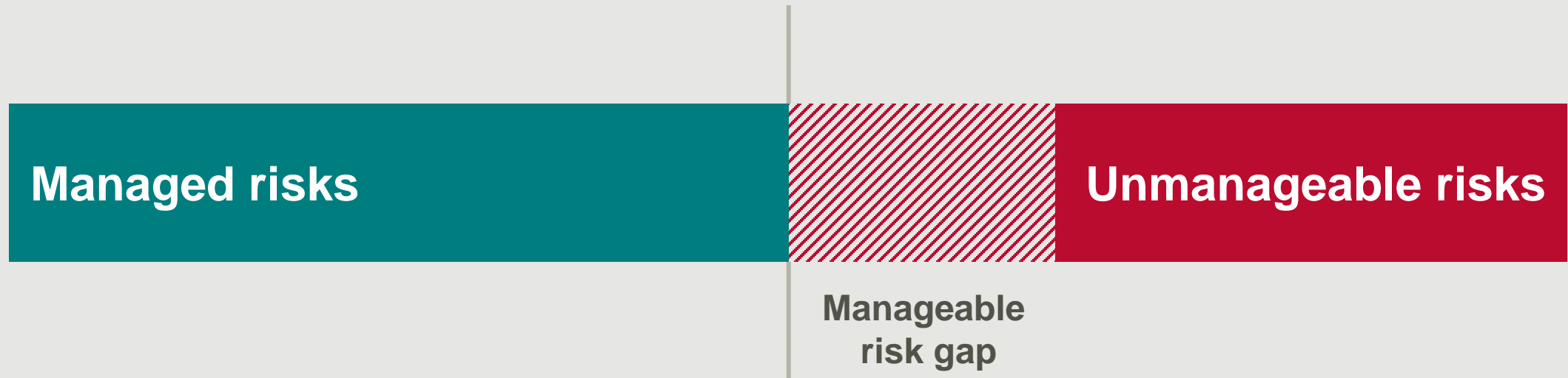
Managed risks

- Plan availability
- Access to plan information
- Professionally managed funds

Unmanageable risks

- High inflation
- Volatile markets
- Member complacency

Shifting the balance



Shifting the balance



Rethinking unmanageable risks



High inflation



Volatile markets



Member complacency





High inflation

- Manage expenses
- Pay off debt
- Set financial goals



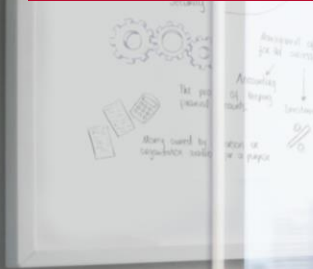
Volatile markets

- One-on-one support
- Diversified, lower risk asset allocation funds



Member complacency

- Prompts to keep savings top of mind
- Auto enrolment



Case study



The need

- Increase member plan participation
- Participation rate in 2015 was 72%



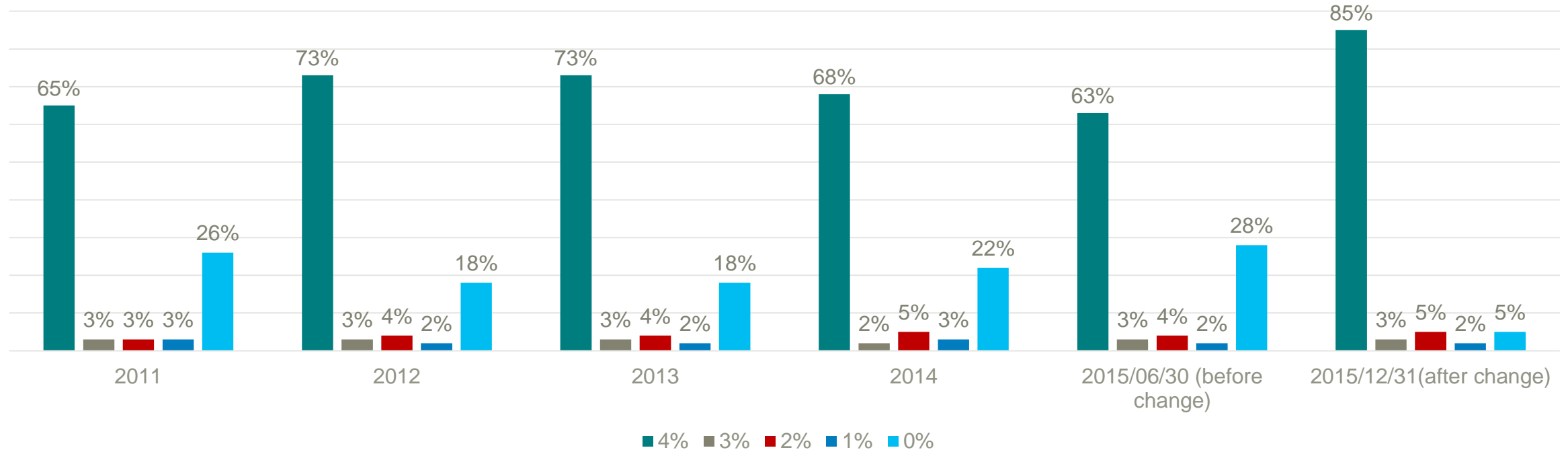
What happened

- Education campaign
 - Encourage member participation
 - Show value of automatic match
- Set default at 4% for member contributions



The results

Year-over-year defined contribution member contributions



95%

of members contribute to the plan as a result of the communication campaign and change in employee contribution default rate, compared to 72% in 2015



Let's manage