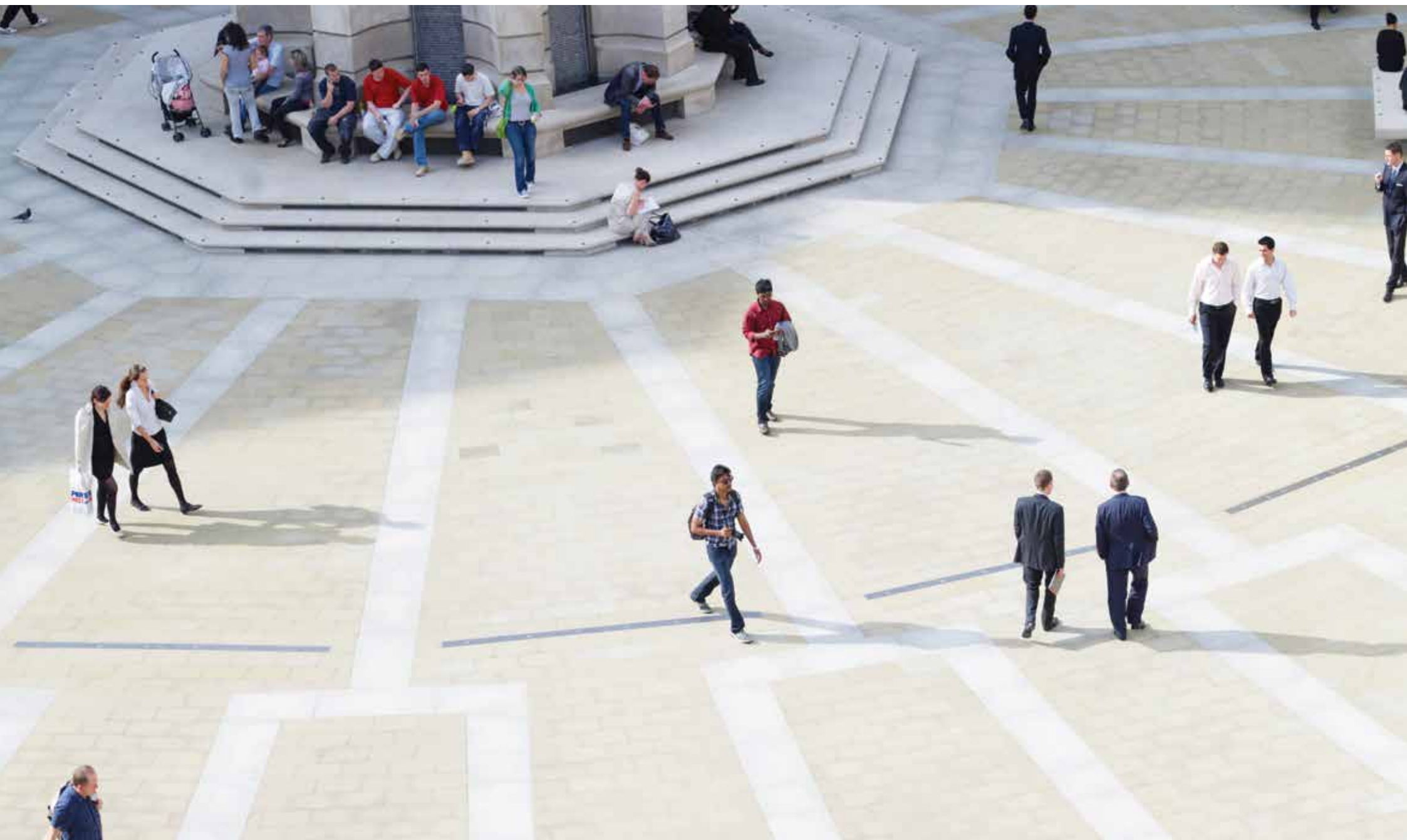


Moving on: Global retirement benefits in a post-defined benefits world

*A PwC survey of global
multinationals*

February 2014







Tackling the defined benefits legacy

Embedding 'new paternalism' to reinforce defined contribution

Improving governance: striking the right balance between local and central decision making

Introduction

Our major multinational clients asked us to carry out this survey because, like us, they're increasingly concerned that the risks associated with their global retirement benefits outweigh their value to the organisation and its stakeholders.

Multinationals are working through the biggest change in benefits strategy that we've ever seen. Over the past decade, costs of defined benefit (DB) employee retirement plans have mushroomed; people are living longer, investment market conditions are difficult, the cost of healthcare is increasing, regulation is tightening and state pension provision is in decline. And in spite of the best efforts of sponsoring employers, deficits have remained stubbornly on corporate balance sheets.

At the same time, the nature of the workforce is changing dramatically with far more diversity and less predictability in individual career paths, family and financial circumstances, demographics and the form and timing of "retirement".

The results of this survey (of 114 major multinationals from across the globe) confirm that DB arrangements are a thing of the past and defined contribution (DC) plans are widely accepted as the preferred alternative. But large and dangerous legacy DB liabilities remain and employers aren't yet satisfied that the optimal DC alternatives are in place.

Competition has never been so fierce in the marketplace, so employers need to be at the very top of their game at a time when many are tackling a DB legacy that could prove crippling. This is a delicate balance to strike and there are many challenges to address. Our survey uncovers the thinking of major multinationals and the actions that employers are contemplating.

What the survey tells us

Consistently around the industrialised world, major multinationals are resoundingly rejecting the open-ended financial risks of DB, but are unsure of what that means for their future role in providing retirement benefits. Employers want to control their own costs and risks but also recognise that they have a critical role in helping employees to make sound decisions. Future employers of choice must navigate effectively the contradictions and tensions involved.

Most major employers understand the considerable risks posed to them by their legacy DB obligations. Removing and reducing DB liabilities and risks requires thoughtful oversight and attentive execution, with clarity around priorities and governance.



Key findings

1. The death of DB is a global phenomenon

Only 6% feel that DB arrangements are the best way to provide pensions to employees



90% intend to use defined contribution as the predominant form of retirement provision

71% intend to freeze current DB accruals for all employees

2. Legacy DB obligations are seen as a huge risk

88% are concerned about the adverse impact of legacy DB liabilities



45% intend to transfer liabilities off their balance sheet (e.g. to an external insurance company) and 39% are actively considering hedging unwanted interest rate, inflation and longevity risks

3. Employers still believe they've a critical role to play in the provision of retirement benefits, but they're unsure of what that role should be

90% believe that the employer should continue to play a significant role in the provision of retirement benefits to employees



91% feel it's important that employers help employees to make informed decisions about their retirement savings

70% feel they have a role in protecting employees from the risks that have been transferred to them

We see employers spending more time and resources on helping their employees to make well-informed decisions about their retirement provision. We call this 'new paternalism'.

4. Flexibility is seen as essential

83% believe they need to give more flexibility to their employees, in the way they save for retirement and in how and when they can use their benefits



15% only 15% feel that their current benefits policy is effective for the new world of work

Employers agree almost unanimously that flexibility will be an essential ingredient in retirement benefits in the future. But most haven't yet resolved how this might work in practice.

5. Pension governance and control is a work-in-progress

Only half of employers have formal global policies that they expect local management to follow



73% feel that they have insufficient quality information about local benefit arrangements in order to make well-informed decisions.

There are diverse practices regarding the roles of head office and local management, with most companies opting for some form of collaboration. **Overall, the trend is towards greater involvement of head office in governance.**

What does this mean?

The survey confirms two key facts:

1. Across the globe, employers **no longer have the motivation to perpetuate DB** and there is renewed determination **to take action to address the risks that legacy DB obligations pose**.
2. Employers are grappling with their responsibility for future benefits provision. There is little desire to take on unacceptable risks and costs, so **DC is being preferred by 9 out of 10 employers**. But, at the same time, there is recognition that employers have a role in helping employees to understand what they need to do to save for their retirement, and to **provide the flexibility and access to a range of retirement savings that an increasingly diverse workforce demands and appreciates**.

Multinationals are challenged with finding the most efficient and sustainable way of addressing legacy DB risks while putting in place something more suitable and palatable for the future needs of the organisation and its workforce. They also recognise that some kind of value-adding oversight is required from head office on the governance of these important decisions and actions.

Multinationals need to have a firm grip on their strategy for managing retirement obligations to achieve their financing, risk and HR goals. More than ever, it's important to have a coherent global policy for retirement benefits, one that's adaptable to multiple locations and formed with local considerations in mind, but also one that's appropriately and rigorously applied. That means that head offices must work out what levels of controls and engagement are required, and how to create a culture of engagement with local management such that an appropriate decision-making and decision-implementation culture is in place.

Hugely complex and diverse local environments (including laws, policies, culture, maturity of appropriate financial products, and level and type of state provision) don't allow employers to take desired action easily.



We believe that a successful global pension strategy consists of three main elements:

1. Affordable workplace benefits provision that employees value

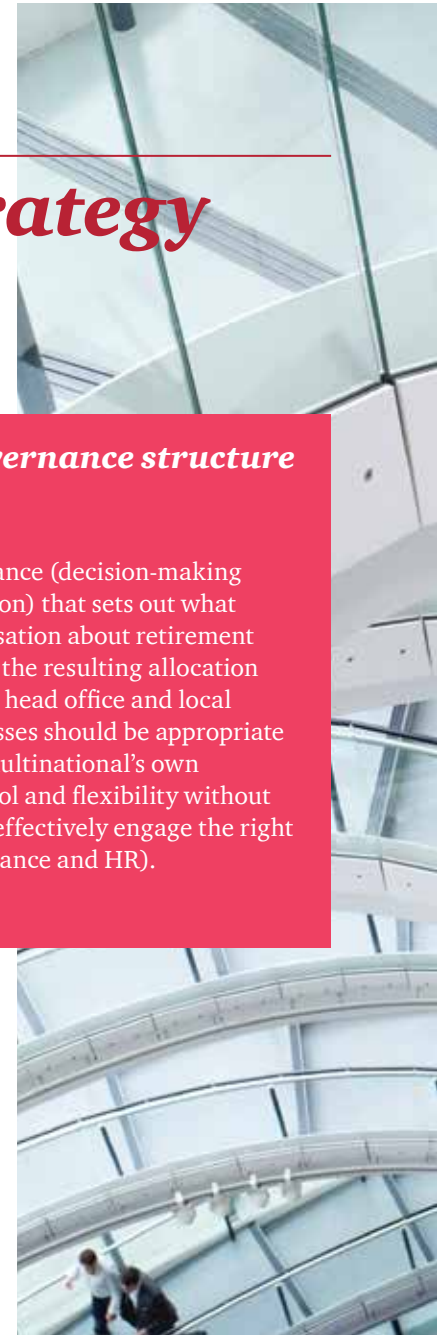
This means the ability for local entity management to provide appropriate retirement savings flexibly to their workforce, but within clearly understood affordability and risk constraints. The amounts spent must be justifiable in terms of the dividend they provide to the employer and their suitability for an increasingly diverse workforce. Flexibility and innovation are required to address local regulation, culture, competitive environment and workforce requirements.

2. A rigorous and nimble approach to financial and risk management

Financial and risk management should continuously monitor pension risk in the context of broader business risks. They must allow the company to quickly take action to pursue known and wanted risks, hedge or remove unwanted risk and to execute risk reduction measures at the right time and at the right price.

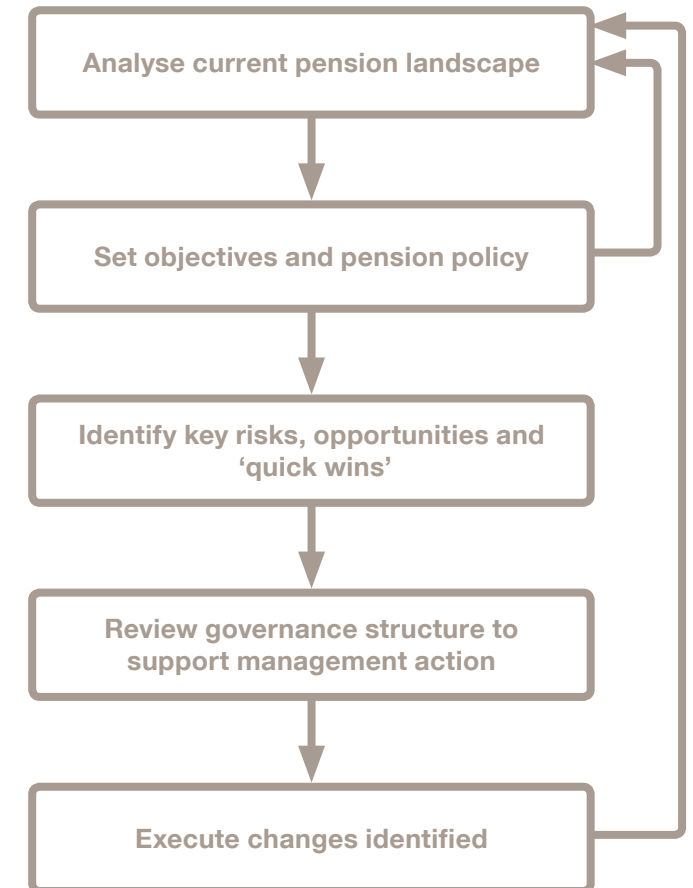
3. Appropriate governance structure

Clearly articulated governance (decision-making and decision-implementation) that sets out what matters most to the organisation about retirement benefits management, and the resulting allocation of responsibilities between head office and local entity management. Processes should be appropriate and proportionate to the multinational's own circumstances, bring control and flexibility without excessive complexity, and effectively engage the right stakeholders (including finance and HR).





Many organisations have some of these elements already in place. For those that haven't, the starting point should be a framework approach:



1. The death of defined benefit is now a global phenomenon

The death of DB (pension and healthcare) retirement arrangements isn't new to some countries but what is striking about the survey is how pervasive this has become globally, even in those countries with the most complex and restrictive regulatory and labour environments. Guaranteed retirement provision is no longer viewed as a 'sacred cow'. The recessionary environment with weaker labour markets has enabled employers to challenge unions and works councils more effectively. We're seeing swift shifts to arrangements that have less exposure for the employer.

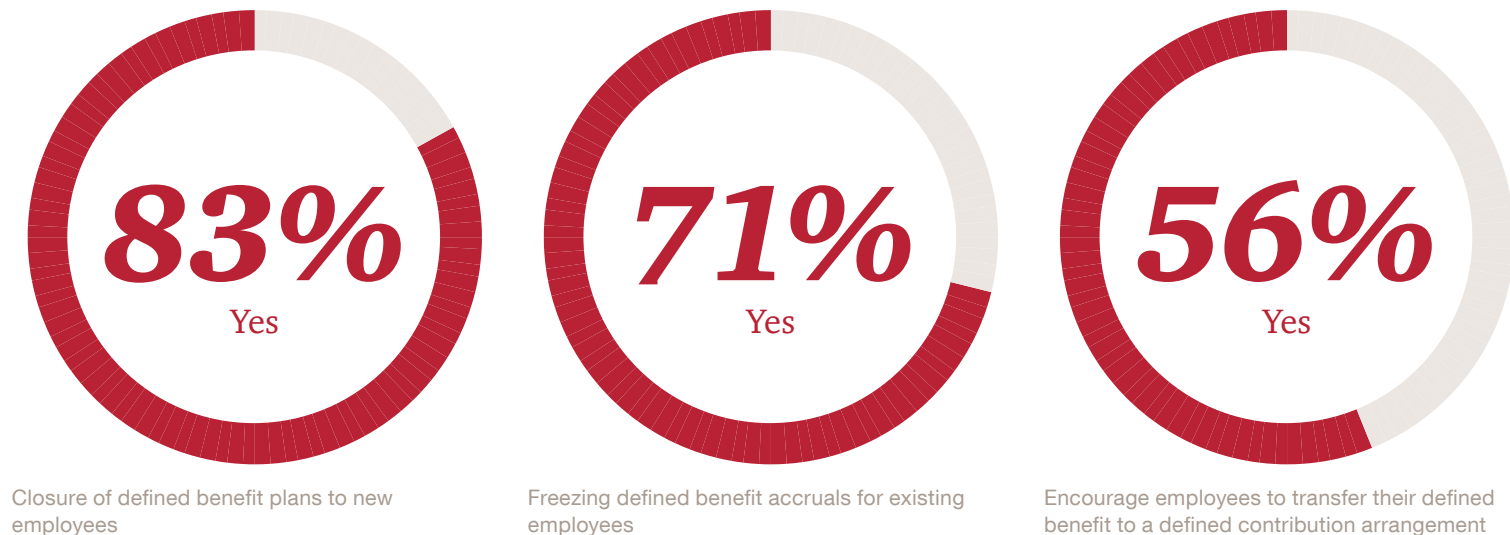
“Having DB plans has put us in a cash crunch for funding when the economy has been down and, on top of this, we are providing too rich an underlying benefit versus the marketplace.”

VP Human Resources, Manufacturing Multinational, US

To what extent do you agree with the following statements?



Which of the following actions, subject to local regulation, is your organisation considering to reduce or eliminate defined benefits provision?



What does this mean?

The move away from DB and towards DC arrangements creates a number of challenges and opportunities that now need addressing. There is a continued shift in responsibility for the management of legacy DB obligations from HR to finance, as more and more of the liabilities and risk are linked to past (rather than current) employees.

The fundamental challenge for **finance**, **treasury** and **risk management** is to reduce or eliminate the risks posed by legacy DB obligations in a financially, economical and reputationally acceptable way. While for **HR**, it is to create a retirement savings structure for each business that balances the employer's need for controlled risk and affordability with the level of flexibility needed to help employees bear their own responsibility for retirement.



What Finance and HR need to be discussing with the board

For finance, risk and treasury – dealing with the DB legacy

Continued pressure from external and internal stakeholders to address legacy DB obligations that remain on the balance sheet, with greater focus on internal risk management and external transactions to hedge risks and transfer obligations off-balance sheet.

Taking advantage of greater innovation in local markets from financial services providers in creating and offering financial and risk options and solutions to hedge and reduce DB risks.

Being better informed on a regular basis on the financial and risk positions of major retirement plans around the world, to inform faster and more-effective decision making and implementation.

Greater speed to be able to implement opportunities to reduce or eliminate risk and/or capture asset upside.

Greater involvement in working with the local fiduciaries of each major plan.

For HR – dealing with retirement benefits as part of the desired overall reward and employment deal

Increasing workforce tensions around justifying continuing legacy DB benefits for an increasingly small proportion of the (longer-serving, older) workforce, given the huge difference in costs and risks for the employer versus what is being provided for (younger, shorter-service) employees participating in DC arrangements.

In the increasingly DC world, dealing with the issue of ‘adequacy’ of retirement provision. Without education and action, many employees will retire with inadequate retirement savings.

Improving the knowledge, financial literacy and decision-making among employees.

Addressing the increasing diversity in employees’ needs and wants. Providing appropriate flexibility in the form and timing in which people can use their retirement savings.

Ensuring money spent by the employer on retirement savings is a good use of the reward budget relative to other options.

Securing the appropriate arrangements with financial services and administration suppliers. Flexibility to have fit-for-purpose provision that takes into account the local needs of the business and its employees, including addressing the local environment, regulation, customs and competition.

2. Financially significant legacy DB obligations need increasing control and action

The widespread concern about the risk to the organisation posed by large and volatile legacy DB obligations comes across clearly from the survey. Almost 80% of participants have global retirement liabilities that exceed a third of their group's market capitalisation.

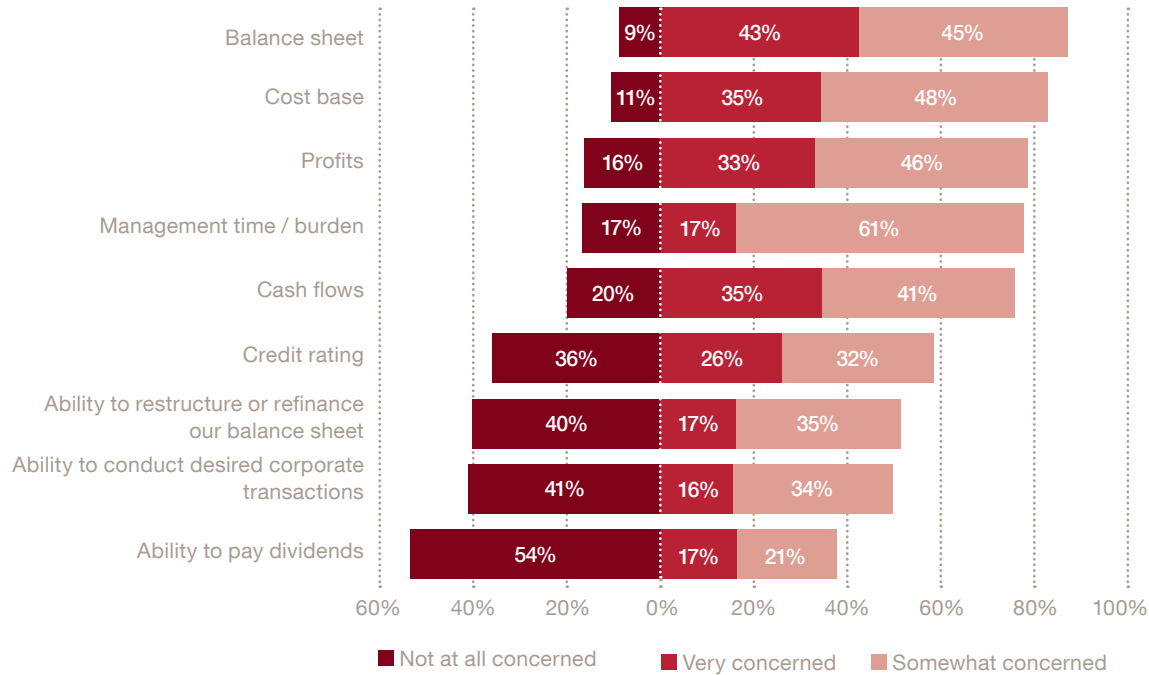
“The significance and cost of DB benefits has increased at a much faster pace than our business growth, yet applies to a smaller percentage of the workforce.”

Head of Pensions and Benefits, Services Company, Germany

“We have large legacy deficits that are not sustainable. Our short term business issues drive inappropriate long-term pension financing policy.”

VP Benefits, Financial Services Company, US

How concerned are you about the risks that your global retirement obligations create for the financing and sustainability of your organisation?

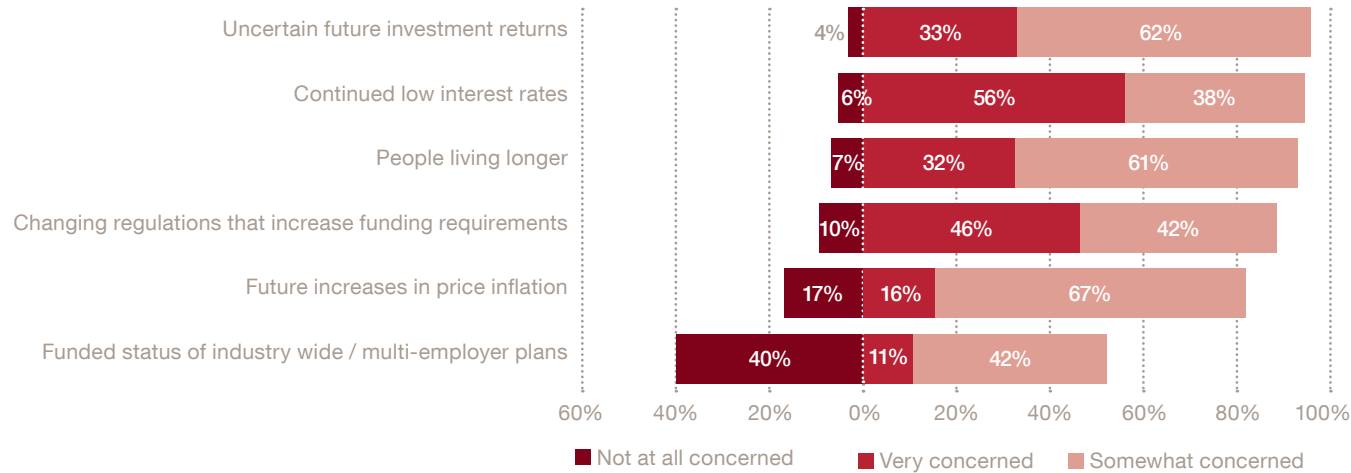


It's clear that many multinationals are concerned about their inability to manage the external pressures on pensions financing that can have a volatile impact on an organisation's balance sheet, cash demands and credit rating.

“People are living longer, regulation to protect defined benefits is getting tougher and equity, bond and interest rate market movements mean we have no control over cash demands – scary!”

CFO, Global Energy Organisation, UK

Of the following factors, how concerned is your organisation regarding the impact on your pension financing?



There's an increasing determination to address these risks, even in those countries where the regulatory and financial services environment has so far been unhelpful or is insufficiently mature.

Which of the following actions do you intend taking to reduce the size of defined benefit obligations on your balance sheet and the risks they pose to the sponsoring organisation?

49% Encourage employees to take cash to eliminate their defined benefit pensions

45% Transfer defined benefit liabilities to insurance companies

39% Enter into arrangements with counterparties to hedge inflation, interest rate or longevity risk

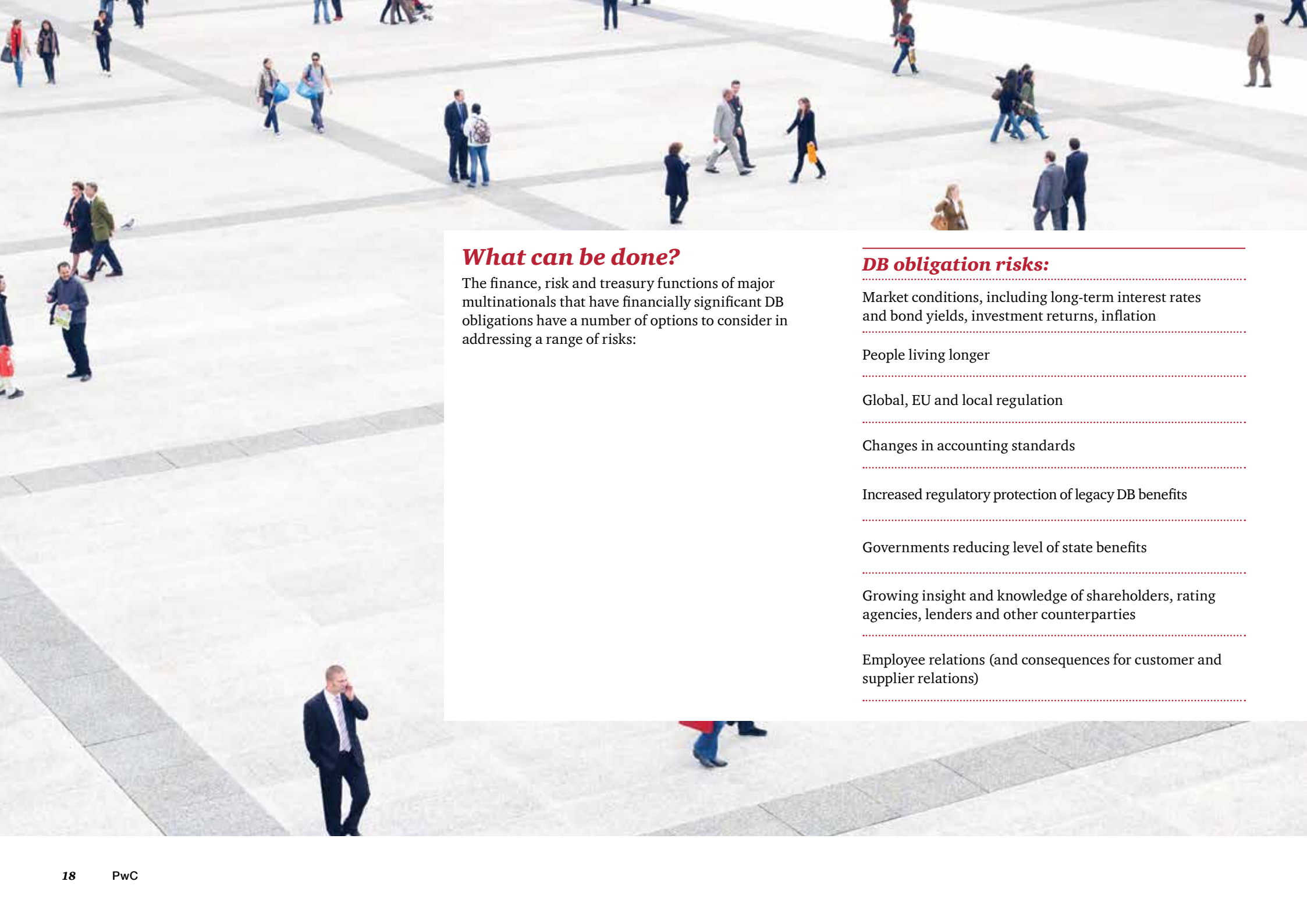
“Our challenge is to find acceptable returns, closing the gap between plan assets and obligations in a balanced approach. We want to exit defined benefit plans whenever possible and with acceptable financial consequences.”

Finance Director, FMCG, Scandinavia



“We are taking action to ensure that the risk within current DB plans is commensurate with the risk appetite that has been set and that risks are properly monitored, managed and mitigated”

Head of Risk Management, Financial Services Company, UK



What can be done?

The finance, risk and treasury functions of major multinationals that have financially significant DB obligations have a number of options to consider in addressing a range of risks:

DB obligation risks:

Market conditions, including long-term interest rates and bond yields, investment returns, inflation

People living longer

Global, EU and local regulation

Changes in accounting standards

Increased regulatory protection of legacy DB benefits

Governments reducing level of state benefits

Growing insight and knowledge of shareholders, rating agencies, lenders and other counterparties

Employee relations (and consequences for customer and supplier relations)



Action you can take, subject to local regulation:

Decide what risks you want to take and what risks you want to reduce or hedge, being cognisant that reducing risks can absorb cash:

- invest in return-seeking assets in expectation of producing excess asset returns over time that contribute to reducing deficit
- hedge risks of deficit re-emerging in future (e.g. hedging any or all of interest rate, inflation, longevity and capital markets risk)

Take action to reduce or remove DB liabilities, including:

- ceasing or reducing DB accrual
- limiting discretionary benefits and pension indexation to minimum legal requirements
- limiting design exposure to changes in state arrangements
- offering employees trades (cash or changes in other terms and conditions) in exchange for giving up or reducing their DB entitlements
- ceasing participation in multi-employer arrangements

Increase employee cost and risk sharing

Assertively manage policy around the world on benefits provision and on financing and risk management

Engage collaboratively with local management to ensure sound governance and management of local fiduciaries, employees, union and regulators

Pay counterparties (such as insurers) to take the obligations off your books

Manage your group debt and equity structure, recognising that DB obligations are like creditors

Manage perception of shareholders, lenders, analysts and rating agencies

Consider using non-cash assets (including debt and equity) to more effectively finance benefit obligations



3. Employers still believe they've a critical role to play in providing retirement benefits, but they're unsure of what that role should be

While the appetite for providing DB has largely ended, the belief that employers have a role to play in retirement provision remains. Our survey participants were very clear that continuing to provide retirement benefits remains important to them:

93% said it's needed to maintain their reputation as an employer of choice

92% said it helps them hire the people they want

96% said it helps them retain the people they want

The question is how does DC provision fit into meeting these goals? It's debatable whether just providing a traditional DC arrangement really helps to differentiate employers in the way that they'd like and to enable employees to have adequate retirement savings. The survey results are consistent across the globe; employers recognise that, in a DC world, they need to do more to help employees, but are currently failing in this aim.

How important is it to your organisation to achieve the following goals with regard to workplace retirement benefits and to what extent are you currently sufficiently effective?

Importance



■ Very ■ Somewhat

Effectiveness



■ Sufficiently effective

We should empower our employees with knowledge and resources to make their own decisions about their retirement savings

Employees should share in the cost of providing their retirement benefits

Offering flexibility to our employees as to the form and timing of using their retirement savings/benefits

Offering flexibility to our employees as to how much of their ongoing reward they receive as retirement savings/benefits

We should protect employees against the investment, inflation and longevity risks of providing their retirement benefits

“Our challenge is to optimise between good intentions and financial constraints.”

Finance Director, Manufacturing Company, Switzerland

“More risks and decision-making is needed to be passed onto our employees. Employees must take more responsibility for caring about their retirement income. It’s our role as a corporate to help them achieve this; we have a responsibility to enable them through training, education, etc, and to give employees access to the best available platforms and products ...”

Head of Compensation and Benefits, Financial Services, Spain

The answer is ‘new paternalism’

In a world in where employers still believe the provision of retirement benefits is important to attract and retain the best talent, but are not willing or able to offer benefits with open-ended costs and risks, we think the answer lies with ‘new paternalism’.

‘New Paternalism’ is the employer taking responsibility and dedicating resource to educate, encourage and enable employees to improve their overall financial wellbeing, including saving for retirement.

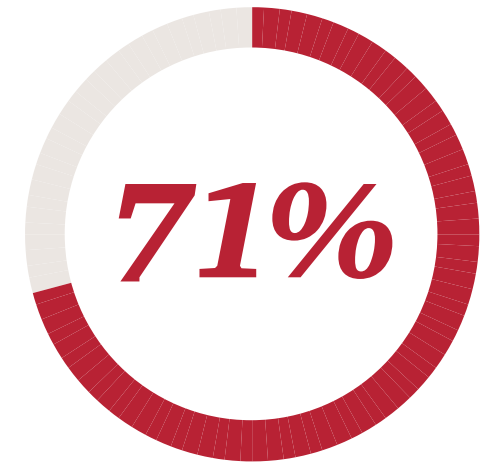
The survey tells us that multinationals are embracing the idea of ‘new paternalism’:



Feel it's important to give employees the knowledge and resources to make their own decisions about their retirement savings



Say employees should have choice as to how and when they use the proceeds of their retirement benefits



Feel it's important to help employees protect themselves against the risks of investment, inflation and longevity

“Education and positive engagement are key to ensure employees simply don’t sleepwalk into retirement and face a crisis of expectation.”

Pensions and Benefits Leader, Utilities Company, UK

“Benefit provision will remain an important part of the company's obligation to its employees.”

Pensions Director, Services Company, Belgium

Governments are increasingly reducing state benefits and are unwilling or unable to fill in the resulting retirement saving gaps. In many countries and to varying degrees, it's now up to employers (and their employees) to decide how to save for retirement.

We expect many employers to spend more time and money on embracing 'new paternalism' as part of incorporating DC within their reward strategies rather than to return to much more expensive and riskier DB arrangements. But there's still some way to go, with only 11% to 18% of companies feeling they're already sufficiently effective in helping their employees make sensible decisions about their retirement savings.

Employers need to think carefully about their role in the retirement planning of employees. The answers depend on the corporate culture and nature of the workforce. Which employees are ready to take on more responsibility for their retirement? For those that aren't, how do you help them get there?

“We must help our DC plan participants protect their benefits as they approach and are in retirement.”

Finance Director, Manufacturing Multinational, Switzerland

Embracing 'new paternalism' requires employer-directed support and resource to enhance both the savings experience and outcomes of individual employees, and can include all or any of the following five elements.

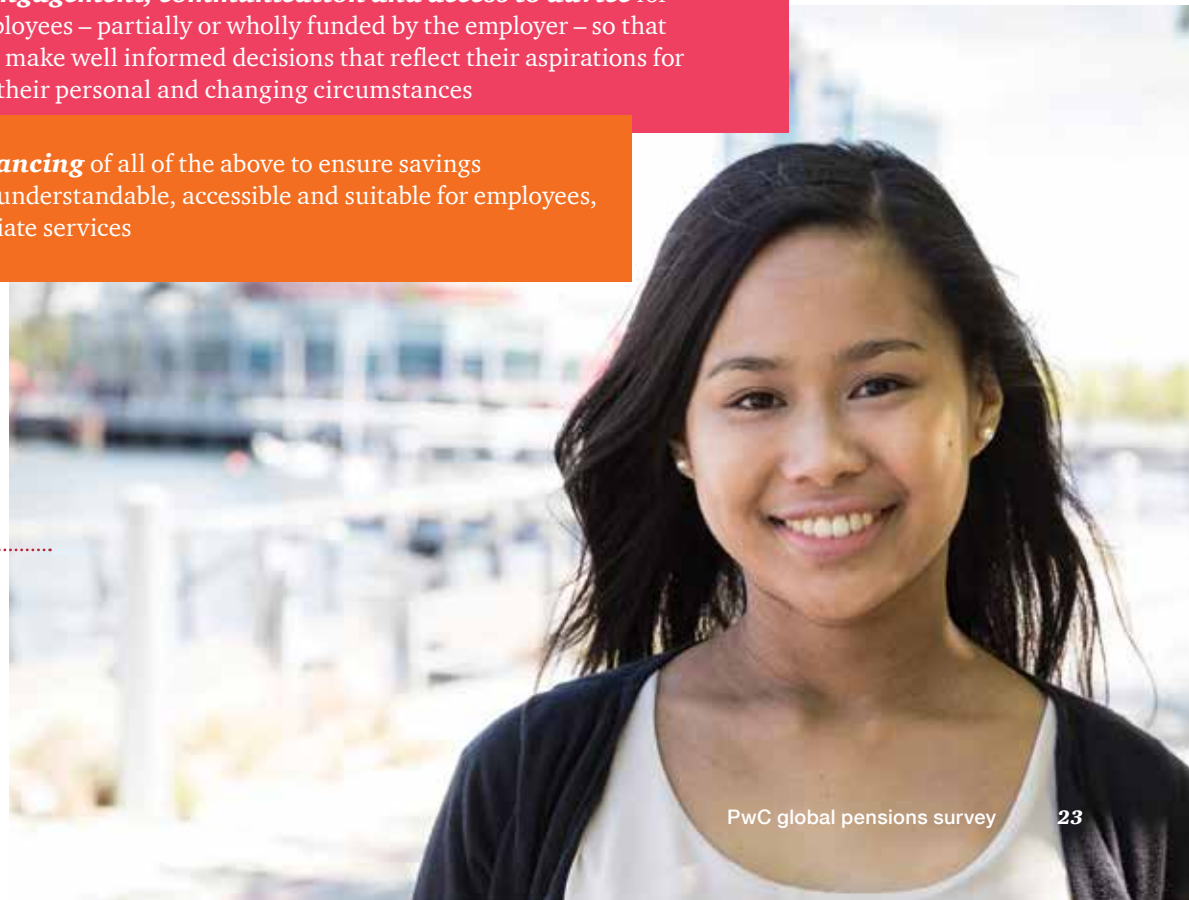
Easy access for employees (through the employer) to understandable and relevant savings options

Financial support (contributions) from the employer to supplement the employee's own regular savings

Lower cost, more secure and better serviced savings arrangements than each employee could secure on their own, negotiated and monitored by the employer

Education, engagement, communication and access to advice for individual employees – partially or wholly funded by the employer – so that employees can make well informed decisions that reflect their aspirations for adequacy and their personal and changing circumstances

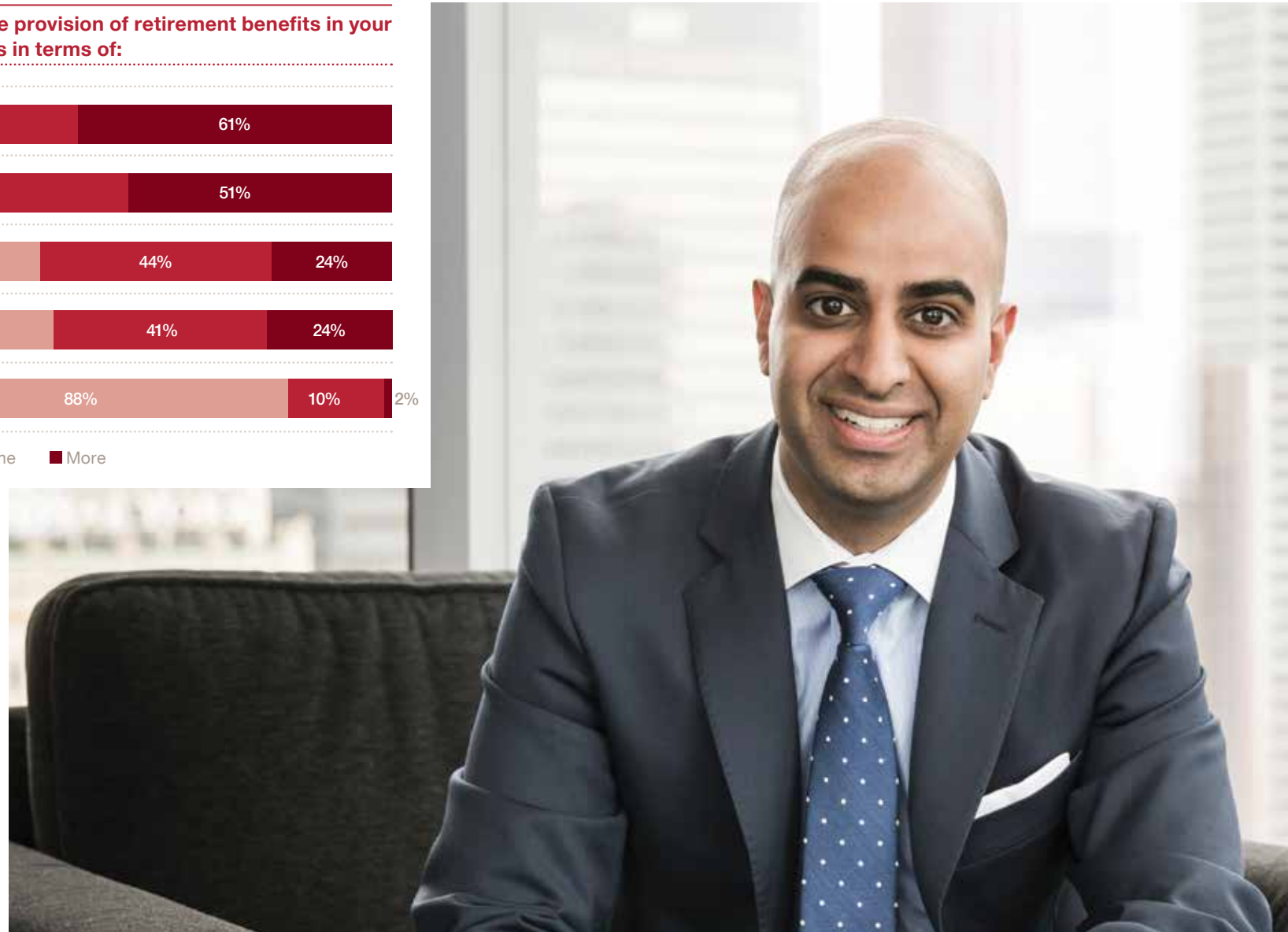
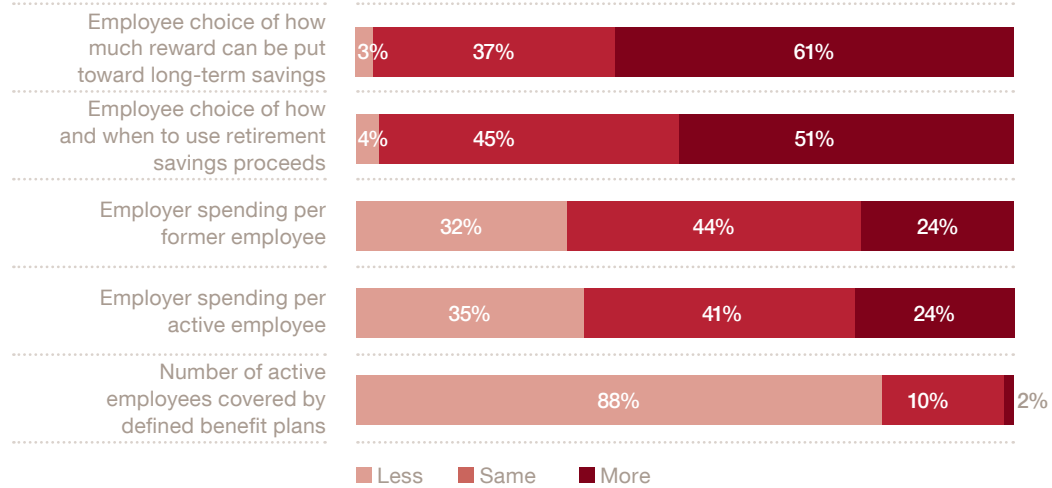
Employer oversight and financing of all of the above to ensure savings arrangements remain relevant, understandable, accessible and suitable for employees, with providers offering appropriate services



4. Flexibility is the future

Providing greater flexibility to individuals within the workforce is seen by employers as critical to this new world. Flexibility allows employers to meet the preferences of a diverse workforce whose choices depend on their age, family, financial, cultural, geographic and lifestyle circumstances. Almost all companies surveyed said they expect to offer more flexibility in the way that people receive their retirement savings reward and in the form in which they can take their benefits.

In 10 years' time, do you expect the future provision of retirement benefits in your organisation to be more, the same or less in terms of:



Flexibility in practice

A flexible benefits policy recognises that different entities in different markets have different priorities and needs. State benefits and national culture create varying levels of demand for (and trust in) corporate retirement plans, and employees value benefits provision differently according to their own family and financial circumstances, stages in their career, local customs and culture and influence of unions and works councils.

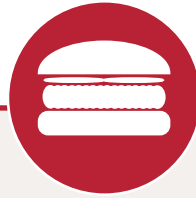


The hamburger conundrum

You need to look no further than fast food for lessons on adapting a central philosophy to the idiosyncrasies of local culture. The core product may be a ‘burger’ in its home market of the US, but in France it’s a ‘hamburger’, and cross the border into Germany, where a ‘hamburger’ is a resident of Hamburg, it’s a ‘beef burger’. And while branded menus may look the same worldwide at first glance, the detail is very different. In India, the burgers are vegetarian. In Greece, where meat isn’t eaten by sections of the population on a Friday, fish burgers appear in their place. And then there’s customisation; in some countries it’s normal to ask for a bespoke burger, medium-rare with no tomatoes, on yeast-free bread with poppy seeds,

with low fat cheese and extra onions. In others, you order a burger and you get a burger, no questions.

This isn’t a lesson in ordering lunch; it’s an illustration to show that you can’t underestimate the importance of understanding local culture as well as individual requirements when thinking about choice and flexibility in anything, including benefits. Local environments vary and some techniques and products will work better in some regions than in others. This is a constraint, but it shouldn’t be an excuse for ignoring change.



The types of flexibility that employers should (subject to local laws and culture) increasingly consider include:

- Helping employees decide how much they need to and can save.
- Enabling employees to vary the timing and amounts of their savings.
- Providing a suitable range of savings options (tax-efficiently where possible) with the employer supplementing employees’ own savings.
- Flexibility for employees to invest the proceeds of their savings accounts sensibly to reflect their own aspirations and changing circumstances at each stage of working life.
- Enabling employees to have flexibility regarding when and how to use the proceeds of their savings accounts for them and their families.

Some employers are already considering a number of options to help their employees improve their financial wellbeing and save over the long term, and which may not be recognisable as pension savings in their traditional form. Savings options of the future could include, in addition to traditional DC pension plans, stock-based investments, access to third party savings funds and access to debt finance.

Local regulatory and cultural barriers often play a role making flexibility a challenge. Countries like Switzerland have mandatory pension provision while others, such as The Netherlands, make it hard to opt out. But there are many ways to improve both flexibility and the overall employee experience while working within the constraints.

We expect to see more imagination and innovation as employers seek ways to enhance the employee experience and savings outcomes.

“Employees have to become more interested and in control of their future retirement.”

HR Director, Manufacturing Multinational, Netherlands

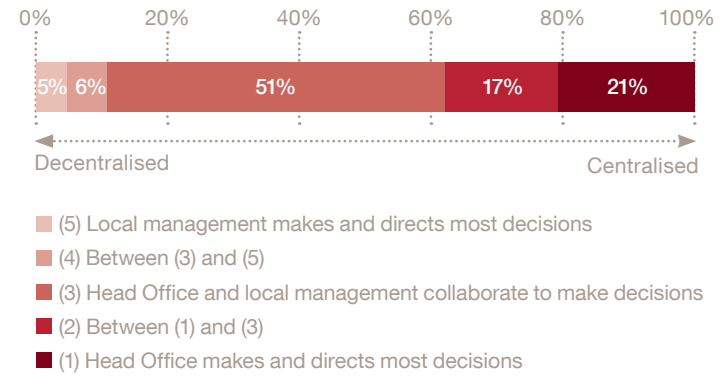
5. Pension governance and control is a work-in-progress

As we've seen, many organisations are facing the need to be innovative and forward-thinking in order to design a robust and sustainable approach to workforce retirement benefits while simultaneously managing the critical risks of the legacy of DB liabilities. These are big tests in which head office oversight is often needed to provide the organisation with incremental value that comes with strong control and governance, together with effective engagement of local management around the world.

A decentralised structure can make perfect sense for HR and benefits' management. Local laws and cultures often mean local management is well-placed to make the best decisions. But the risks posed by DB liabilities are so great that there's no option but for head offices to take a leading role, even in the most decentralised organisations. **In practice, effective governance (i.e. decision-making and decision-implementation) needs effective engagement between head office and local management.** Our survey participants agree that a collaborative approach is needed, with a trend towards greater head office control that still has some way to go.



How would you describe your organisation's global decision making culture for retirement benefit obligations?



Room for improvement?

Those organisations that tend to be more successful in achieving their goals are those that have:

Strong oversight by head office, with effective relationships and engagement of local management

Clarity around the respective roles of global and local management

Explicit guidance on policy for benefit design, financing and risk management

There is definitely room for improvement given the survey uncovered diverse practices surrounding:

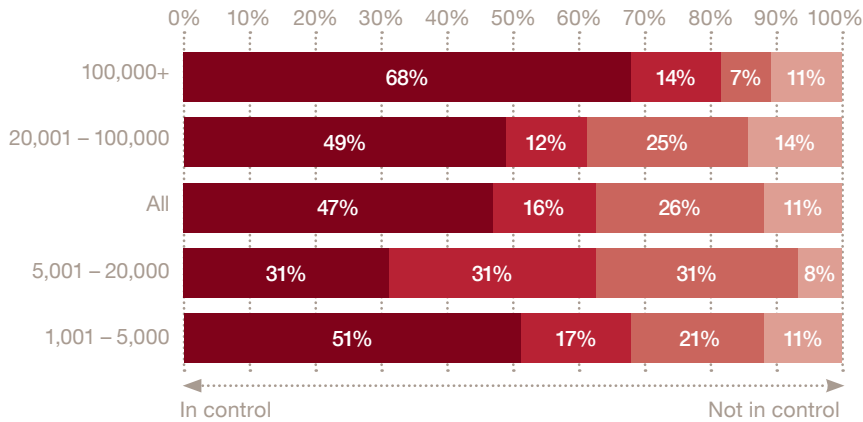
The extent to which global guidance exists

The extent to which global guidelines are followed

The quality of data that is held at head office to help inform decision-making

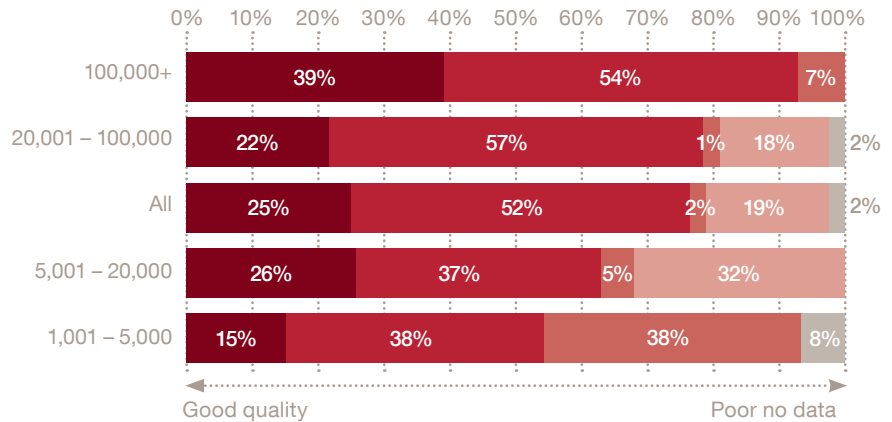


Global guidelines for retirement benefits – issuance and success by number of employees



- We have issued guidelines to local management and they are well adhered to
- We have not issued guidelines to local management and have no plans to do so
- We have not yet issued guidelines to local management – but are planning to do so
- We have issued guidelines to local management but they make little difference

Quality of information to make decisions and exercise governance – by number of employees

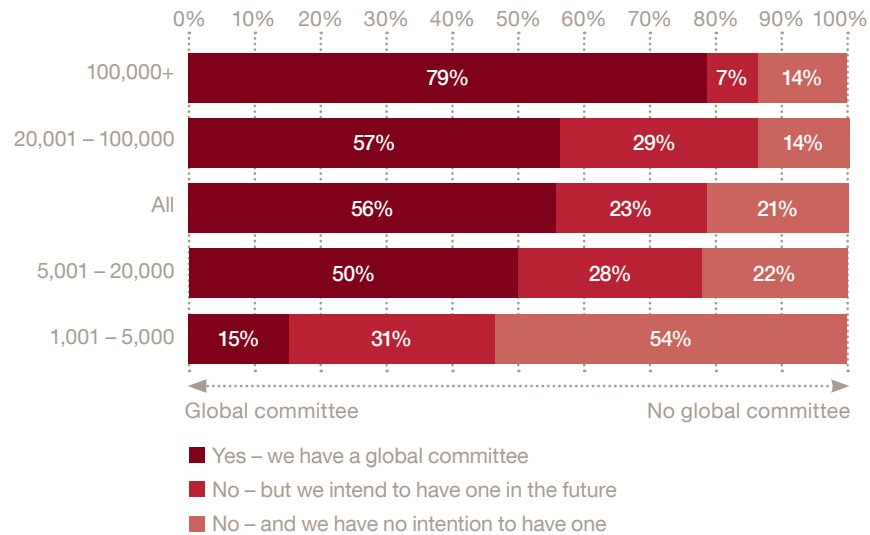


- Great quality information that is sufficient to make good decisions and exercise appropriate governance
- Variable quality of information, sufficient for our needs
- Don't have any information, none is needed
- Variable or poor quality information, insufficient for our needs and requires improvement
- Don't have any information and we need to address this

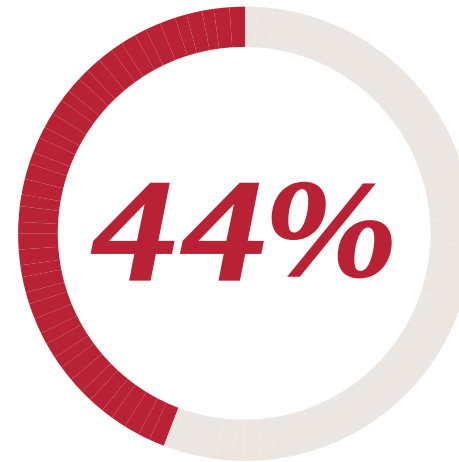
“Our global strategy is not yet aligned, providing very different benefit provision and financing disciplines in different parts of the world.”

Head of Compensation and Benefits, FMCG, Netherlands

Global pensions oversight committee – by number of employees



Many respondents commented that they believe they need to improve their head office oversight of decision-making and implementation.



Have no global pensions oversight committee.

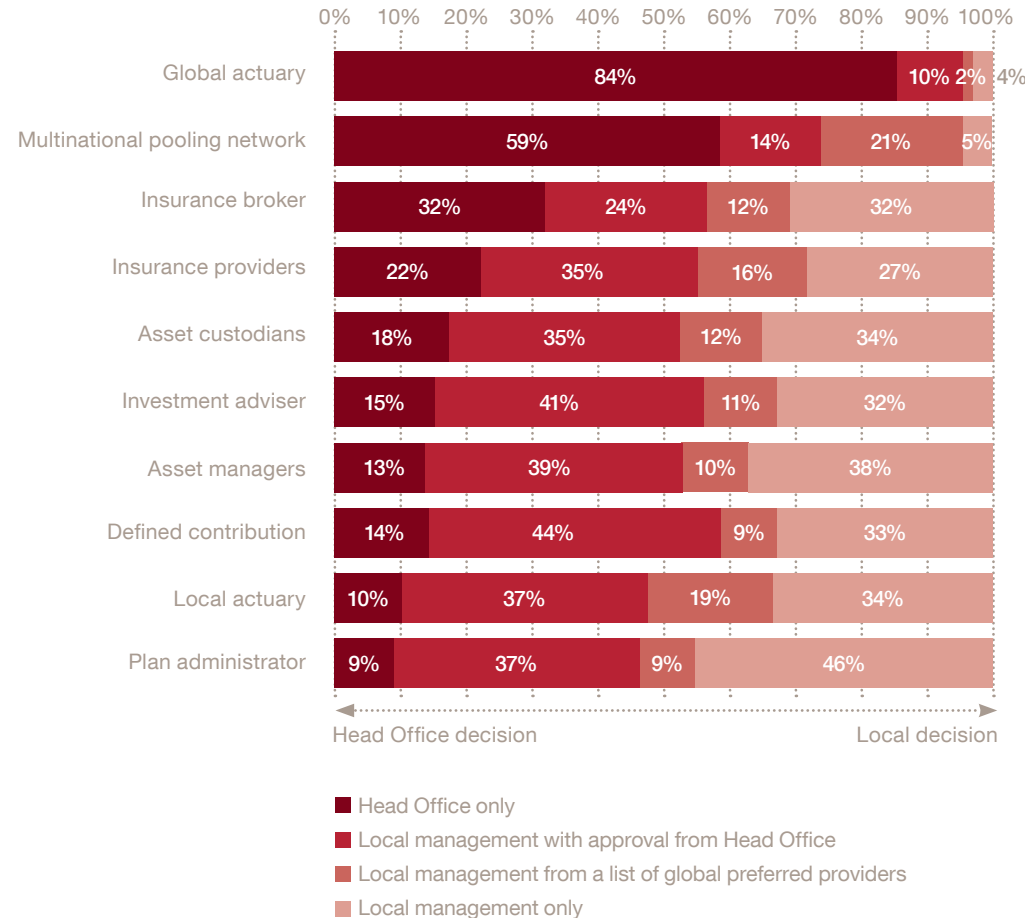
“The establishment of a risk committee is an urgent matter.”

Pensions Director, Technology & Telecoms, Germany

Using head office oversight to save money and improve services from external suppliers

One of the implications of the mushrooming financial significance of retirement obligations together with tough recent business environment are much improved and tighter controls by head offices over the global use of external suppliers and advisers. As a result, many multinationals are achieving significant improvement in service levels, governance and reporting at the same time as enhancing value-for-money.

What is your policy for appointing the following types of pension suppliers to your organisation around the globe



What does this mean?

Global benefits management is an area where many organisations are failing to apply the same rigorous governance as to the rest of their business. This is critical given that retirement obligations are often larger and more impactful than other business risks. We also see huge growth in the need for head office to have better quality data and analytics to inform faster and better quality decision-making and implementation.

Facing the future

The results of our survey are clear: the landscape for employer-supported retirement benefits has shifted and is still shifting

There's renewed determination to remove globally DB liabilities and risks from the balance sheet

At the same time, employers recognise that a different form of retirement benefits is needed for the future but are struggling to implement effective solutions in the diverse businesses and territories across the globe

Major multinationals understand that it's important to their business success and reputation that the employer continues to play a strong role in helping their employees save for their retirement – and so we expect them in future to focus greater resource and attention on implementing flexible arrangements to cope with an increasingly diverse workforce in these unpredictable times

Head offices need to play a greater role with more rigorous controls and governance, and increasingly assertive actions



These are tough challenges for every multinational. The employers that emerge with competitive advantage will be those that positively embrace the dual challenge of tackling DB risks at the same time as being innovative in implementing fit-for-the-future employee retirement savings programmes.

We believe that embracing ‘new paternalism’ will be an essential step in creating retirement benefits that result in predictable costs and risks for the employer and improved empowerment and responsibility by employees. However, in the meantime, employers need to recognise that firm and urgent action is required to address their large and dangerous legacy DB liabilities.

Survey participants

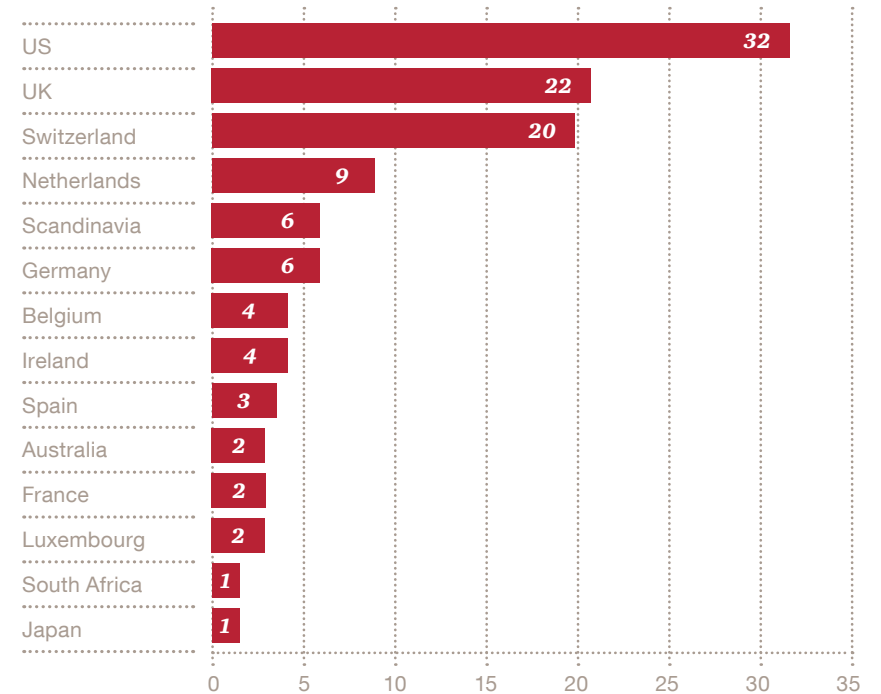
114 companies participated, most of which are in the Global Fortune 500, representing:

- around 4.7 million employees
- \$950 billion of pensions liabilities

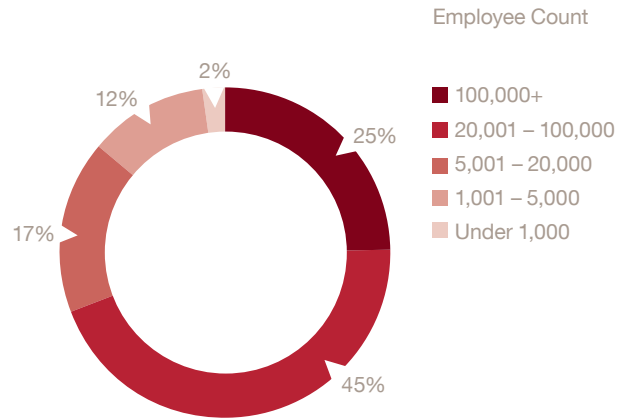
84% are publicly quoted companies and 16% are privately owned.

Questions were answered by a combination of finance, HR and pensions leaders during a three month period in late 2013.

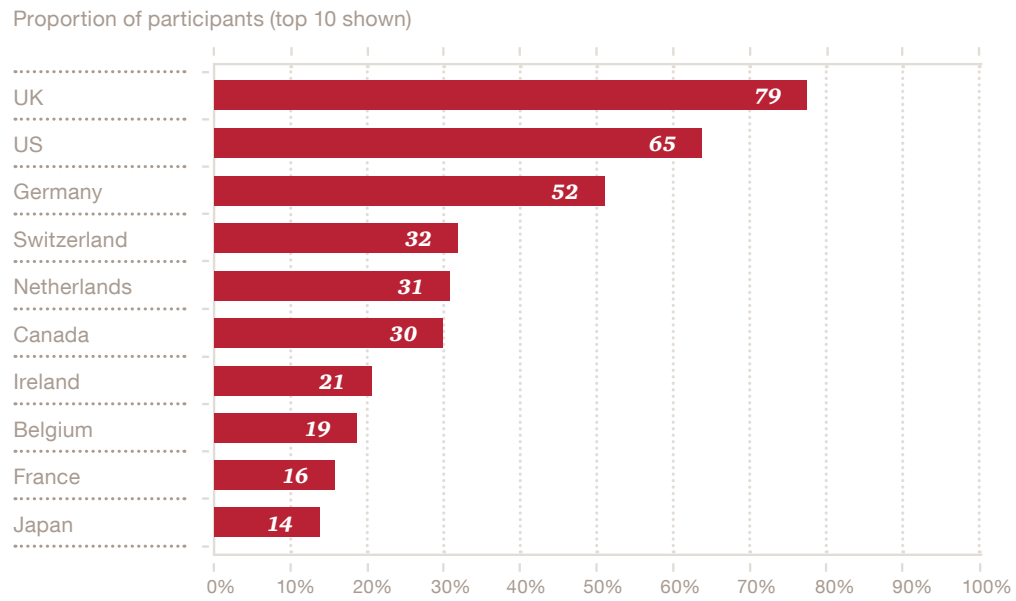
By country of head office



By number of employees globally



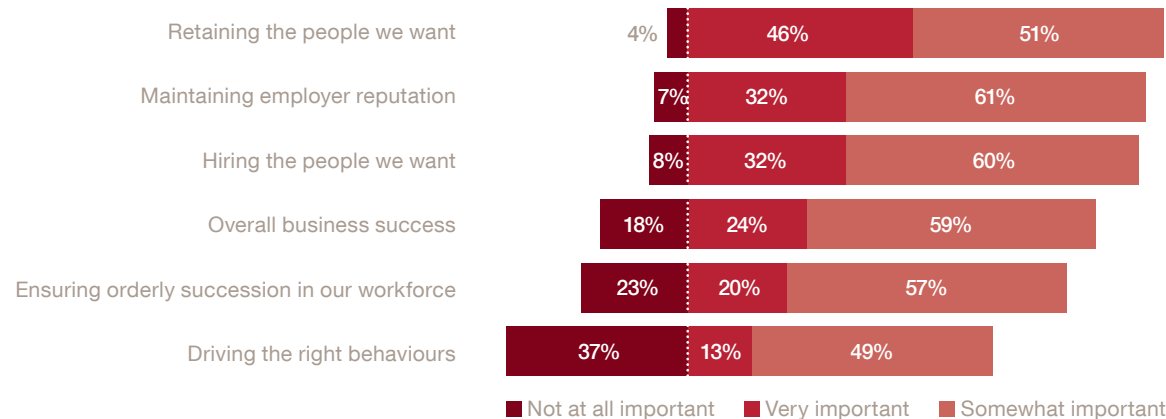
In which country does your organisation have a financially significant DB plan?



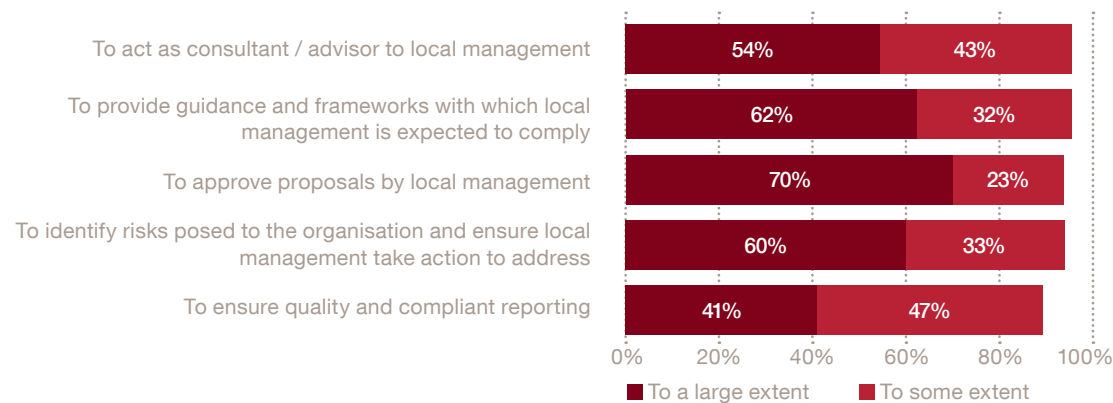
Appendix

Further results from our survey:

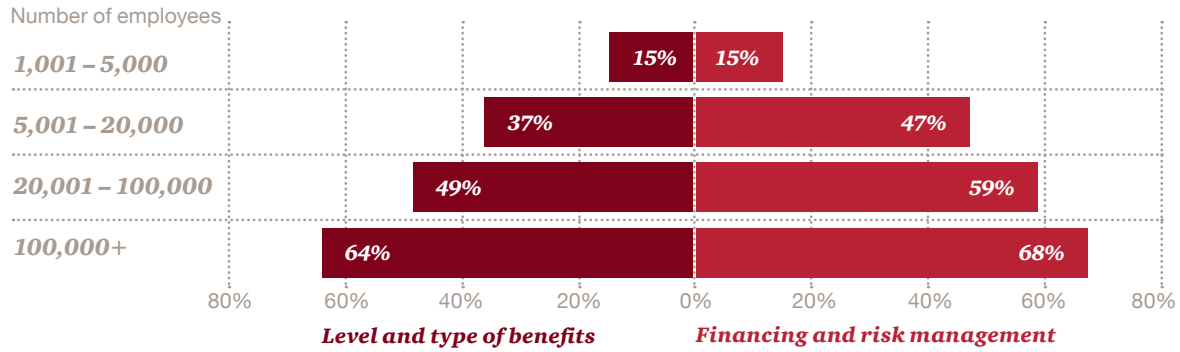
How important is providing retirement benefits to meeting these business objectives?



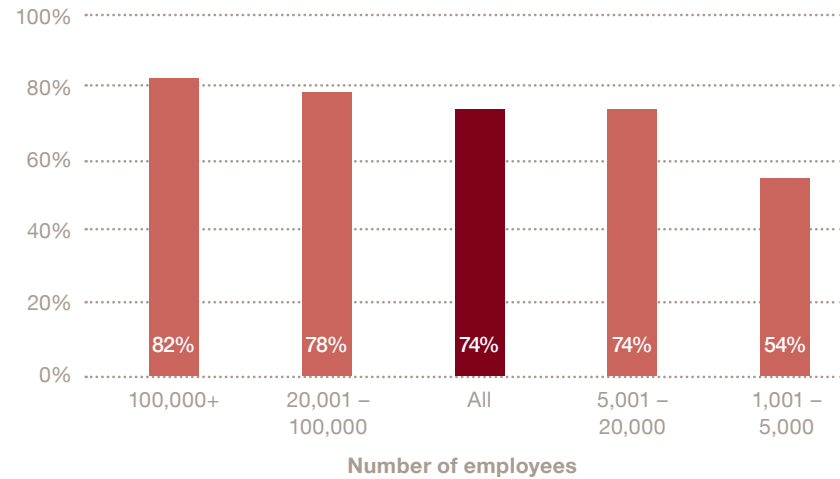
What is the role of Head Office with regard to governing global retirement benefits



Proportion of companies that have a global policy and guidelines for retirement benefits



Proportion of companies with an individual at Head Office accountable for global benefits management?



Acknowledgements and further insights

Conducting a survey across the globe that is relevant, meaningful and valuable to a wide-ranging geographical, cultural and organisational audience is always a challenge. We'd like to thank our many clients around the world who agreed to give their valuable time to participate and to share their views.

Please get in touch with one of the survey authors or your local PwC contact if you would like to discuss the survey in more detail, have the data broken down in a way that is more relevant to your business, and/or understand how you can use the survey data and analysis to better inform your own decision making.

PwC is a global leader of advice on employer-provided retirement benefits, from design and employee engagement as part of an employer's reward deal through to effective management of financing, risk, reporting and compliance. Our clients comprise publicly-quoted and private employers, fiduciaries, investors, lenders, financial services providers, governments and policymakers. Our comprehensive global network comprising deep and broad expertise in all the major and emerging markets around the world enables us to provide highly effective support to both head office and local management.

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