

Global Benefit Trends

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International Foundation 
OF EMPLOYEE BENEFIT PLANS

Agenda

- Day 1
 - Global Benefit Trends
 - Asia Pacific Benefits Updates
 - Latin America Benefits Updates
- Day 2
 - Africa Updates
 - Middle East Benefits Updates
 - Europe Benefits Updates
 - Case Study

Class Participation Tool

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Poll: Do You Know Global?



175/185/195 countries



37/47/57 million square miles (land)



8.3/8.5/8.7 billion people



>5,000/>6,000/>7,000 languages



170/180/190 currencies used

4

Global Economic Outlook for 2026

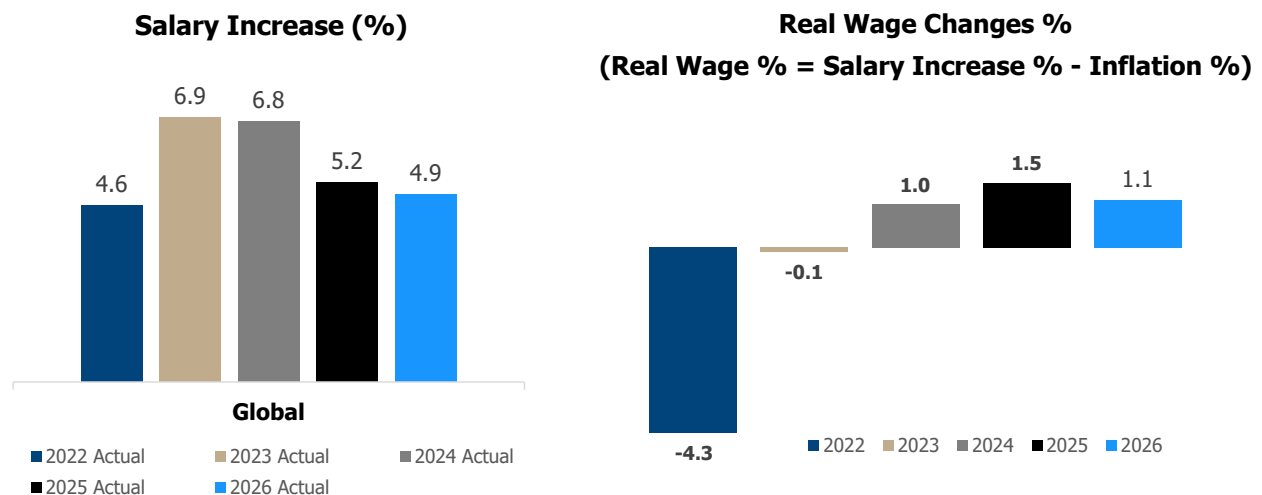
- Similar expected GDP 2026 compared with 2024

GDP/Year	Global
2024	3.2%
2025	3.0%
2026 (E)	3.3%

- Global highlights
 - **Growth is increasingly concentrated:** About two-thirds of global GDP growth in 2026 comes from Asia-Pacific, United States and India
 - **Technology is the key upside driver:** AI, semiconductors, cloud, and automation investment offset headwinds from trade policy and demographics
 - **Inflation Is Falling, Supporting Real GDP:** Global inflation: Declines to ~3.8% in 2026 (from ~4.1% in 2025)
 - **Trade Grows Slower Than GDP:** Grow more slowly than global GDP, reversing the pre-2010 globalization trend

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2026 Salary Is Expected a Drop Globally



Source: 2022-2025 WTW Salary Budget Planning Survey Report—Global (December Edition)
Overall median salary increase excluding zeros

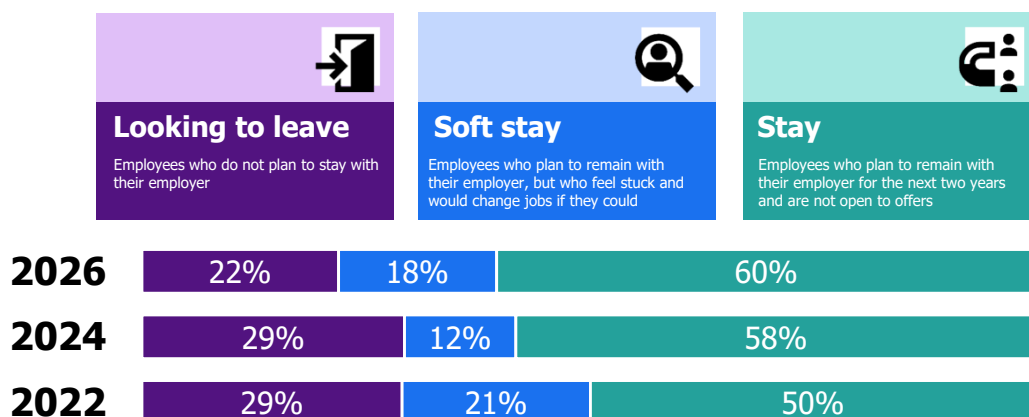
11

Key Workforce Trends



14

A Decline in Employees Looking to Exit, but Growing Number of Employees Feel Stuck



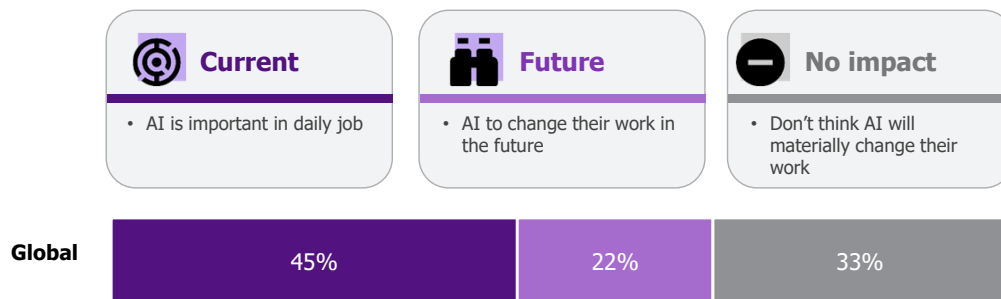
Q: Do you agree or disagree that "I intend to remain with my employer for the next 2 years" and "I feel stuck in my current job and would move to a new employer if I could"?

Sample: All employees except for Canada and US which are full-time employees only. Note: Percentages may not add up to 100% due to rounding

Source: Various years of Global Benefits Attitudes Survey, Global

15

Most Employees Think AI Will Reshape the Work They Do



Q: How important is artificial intelligence (AI) in your daily job? Do you agree or disagree that "I expect AI to fundamentally change my work in the future"?

Sample: All employees except for Canada and US which are full-time employees only. Note: Percentages may not add up to 100% due to rounding

Source: 2026 Global Benefits Attitudes Survey

16

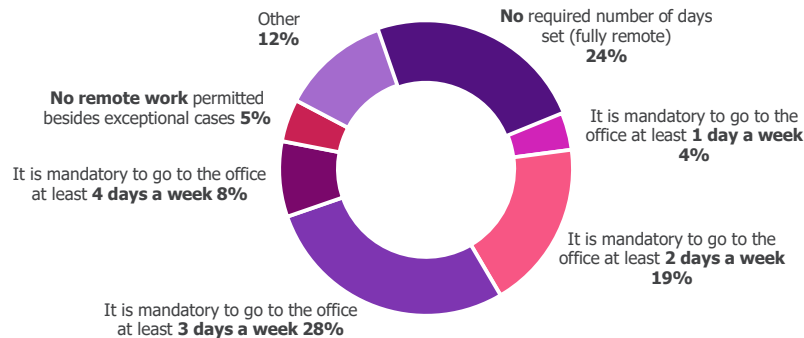
Does Your Company Request Employees to Return to the Office to Work?



17

Work Arrangement

Organization has a formal policy that requires employees to come to the office for a minimum of days

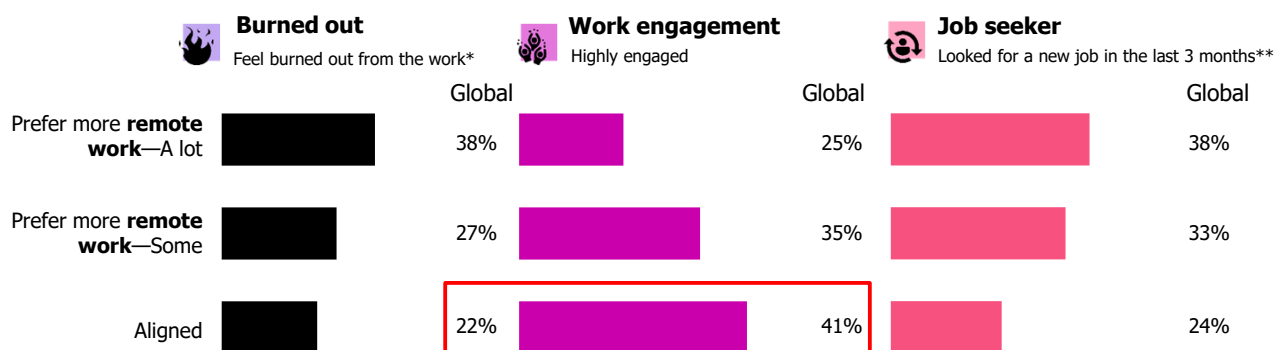


Average number of days a week do employees typically go to the office, beyond the formal policy

Number of weekly days in practice	
10 th Percentile	1
25 th Percentile	2
50 th Percentile	3
75 th Percentile	3
90 th Percentile	5
Average	3

18

Employees Who Want More Remote Work Are Less Engaged; More Likely to Feel Burned Out and to Look for a New Job



There is a tension between getting employees back into the office (and the benefits that brings) and the potential adverse effects on engagement and staff turnover

Note: *Percentages indicate "agree" or "strongly agree" **Percentages indicate "yes"
Sample: All employees
Source: 2024 Global Benefits Attitudes Survey, Asia Pacific and Global

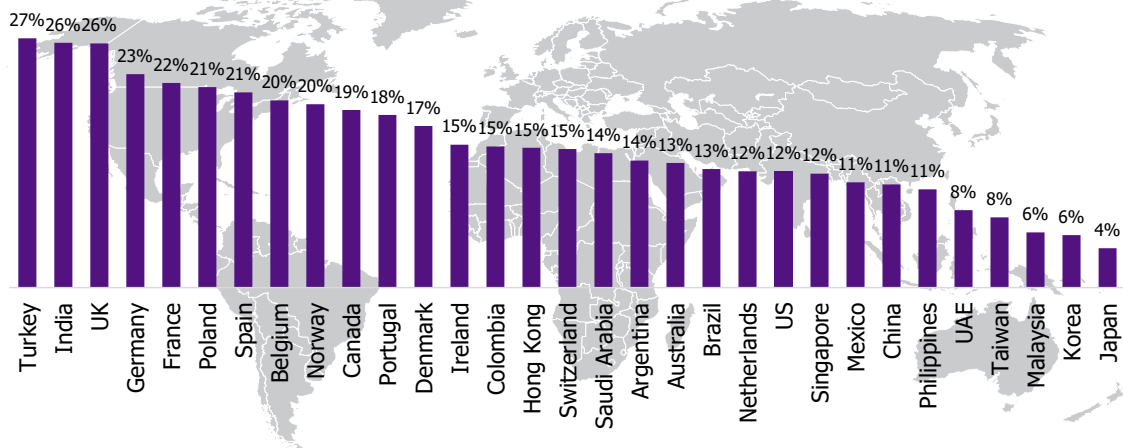
19

What Is the Role of Employee Benefits Within Your Organization?



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Difficulty Accessing Healthcare Around the Globe



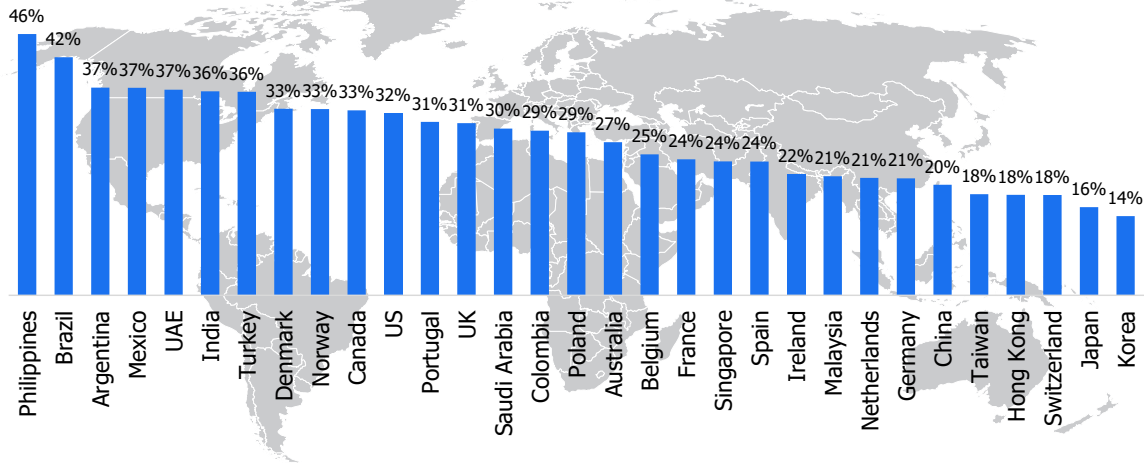
Q: Did you have difficulty getting a doctor's appointment in the past year? "Difficult", "very difficult" or "extremely difficult"

Sample: All employees—Except United States and Canada for which full-time employees only—Who needed a doctor's appointment

Source: 2026 Global Benefits Attitudes Survey

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Financial Worries Are Leading Employees to Delay Care



For Europe: Q: Have you delayed or skipped an appointment with a dentist due to money worries last year? Percent "Yes"

For all other countries: Q: Have you delayed or skipped an appointment with a doctor, nurse or dentist, etc. due to money worries last year? Percent "Yes"

Sample: All employees except for Canada and US which are full-time employees only

Source: 2026 Global Benefits Attitudes Survey

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Benefits Are Moving From Being Competitively Neutral to Driving Workforce Health Outcomes and Signalling What Companies Stand For

Benefits Strategy

Strategic focus



4 Signal what benefits represent

Signal our company's purpose and EVP with customers, investors and external stakeholders

3 Support wellbeing

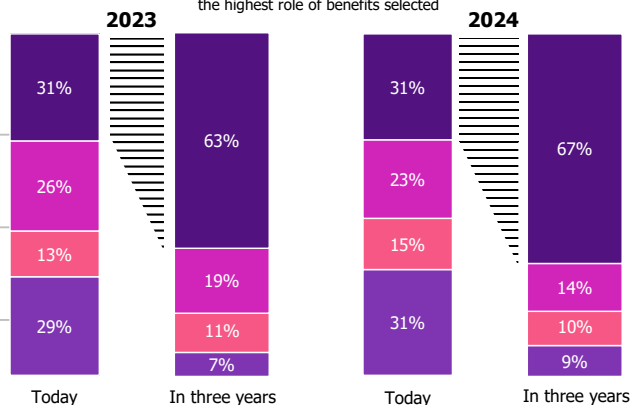
Differentiate the company's focus on supporting and improving employees' wellbeing

2 Attract and retain

Differentiate us as an employer to attract, retain and engage employees

1 Market competitive

Provide benefits that are similar to other employers we compete with for talent



Q: Which of the following best describes the role of employee benefits within your organization? Select all that apply

Note: Based on respondents that answered both for "Today" and "In three years". Percentages may not add up to 100% due to rounding

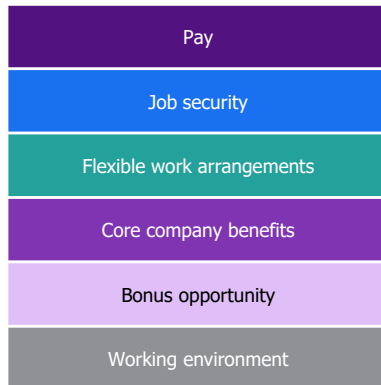
Source: WTW HQ Priorities Survey, 2024 and 2023

23

Job Security, Flexibility and Core Benefits Are Differentiators

Attraction

Global



Retention

Global



**Q: If you were looking to move to a new job at a different employer, what would be most important to you in selecting one employer over another?
Which are the most important reasons you stay with your current employer?**

Sample: All employees except for Canada and US which are full-time employees only
Source: 2026 Global Benefits Attitudes Survey

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What Is The Global Benefits Trend?



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Overall Global Benefits Trend

Challenges

Cost concerns escalate

Rising budgetary pressures and benefit costs are impacting companies' ability to enhance and deliver on their benefits more than ever before

Rising healthcare costs and difficulties achieving wellbeing goals are the biggest challenges

Objectives

Ambition to make benefits critical to the value

Talent issues persist and employers plan to use benefits as a tool to attract and retain talent and address wellbeing

Employers are looking to elevate the benefits they offer, to signal their purpose and values

Tactics

Extracting value in a cost-constrained environment

Few companies are expanding their benefits. Instead, most are looking to recalibrate spend to maximize value and to help employees make the best use of their benefits through greater choice and support

Costs are closely managed by looking for additional value from vendors via cost savings or extra services, asking benefits teams to do more and enhancing analytics on costs and risks

Focus

Address key pressure points and deliver an enhanced

Employers prioritize addressing key employee pressure points around emotional and financial wellbeing and family benefits

Core health and retirement benefits continue to be a focus for employers

Employers are adopting solutions to influence employee behaviors (technology, nudges and navigation)

Source: 2025 Benefits Trends Survey, Global

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What Is Your Benefits Strategy? What Are Your Focus Areas?



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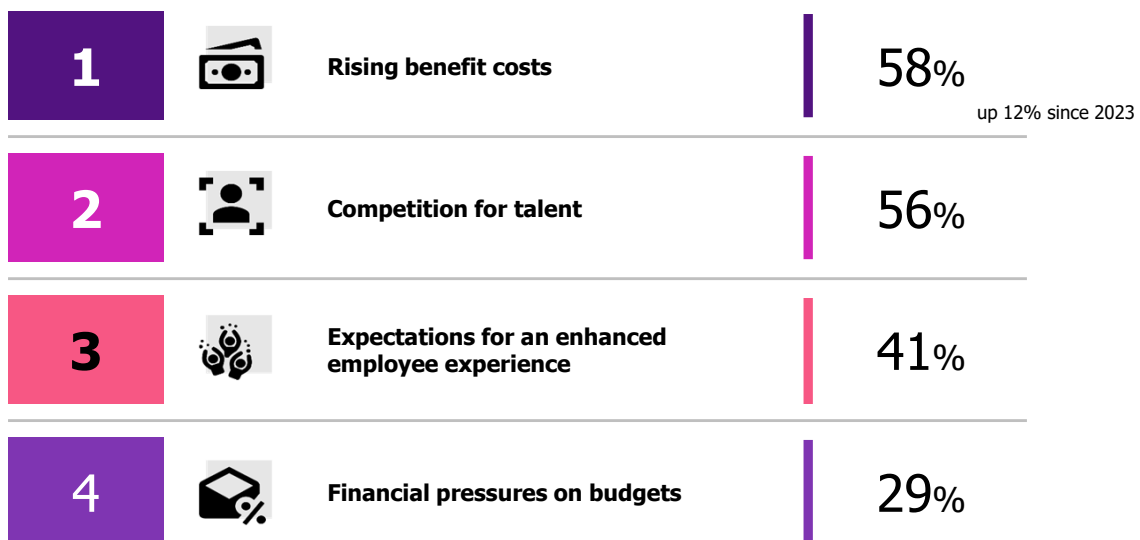
Poll: What Are the Key Business Issues Influencing Your Organization's Strategy for Benefits?

What are the key business issues influencing your organization's strategy for benefits?

- A. Financial pressures on budgets
- B. Rising benefit costs
- C. Cost-of-living issues for employees
- D. Rising mental health issues
- E. Work arrangements
- F. Expectations for an enhanced employee experience
- G. Competition for talent
- H. Pay and benefit transparency

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Key Issues Influencing Benefit Strategy



Q: What are the key business issues influencing your organization's strategy for benefits? Select at most four
Source: 2025 Benefits Trends Survey, Global

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Benefits Teams of the Future Will Be More Focused on Total Rewards and Have a Wider Range of Skills



Total reward focus

Integrate management of benefits within wider total reward strategy

62%



Technology

Upskill HR or benefits team (skills in analytics, data, legislation, IT)

56%



Upskill team

Increase automation, use of technology in operations and benefits management

53%



New areas of benefits

Increase expertise in "newer" areas of benefits

42%



Outsourcing

Outsource more of the management or operations of employee benefits

15%

Q: To what extent are the following priorities for enhancing the capability of the team that manages employee benefits in your organization?

Note: Percentages indicate "top priority" or "high priority"

Source: 2025 Benefits Trends Survey, Global

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Understanding Benefits Strategy

Use data for advantage

- Knowing what employees want
- Key drivers of risk/cost
- Horizon scanning

Operate effectively, sustainably and efficiently

- Simplify operating model
- Governance model improvements
- Vendor management
- Data security

Analytics and Reporting

Administration and Operations

Elevating Benefits

Employee Experience

Portfolio

Financing

Align benefit design with employee preferences and market values

- Support employee wellbeing and resilience
- Inclusive benefits (DEI)
- Enabling flexible ways of working
- Global minimum standards
- Align with company's values and purpose

Protect your company

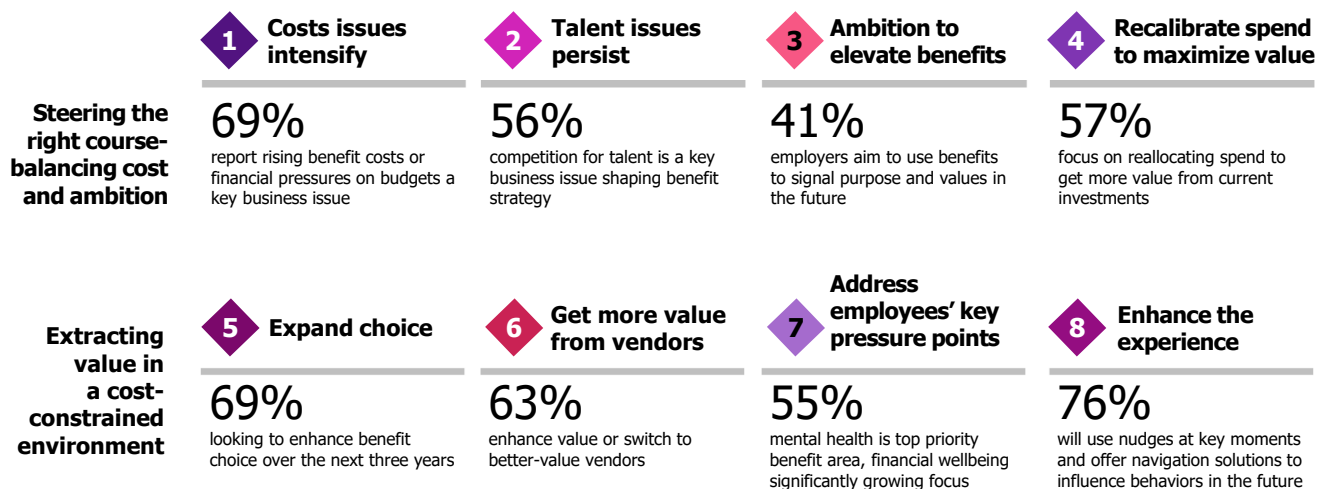
- Leverage global scale
- Balance risk retention and transfer
- Optimize use of capital

Help employees utilize and engage with their benefits

- Awareness and education
- Decision-making support
- Change navigation

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Benefits Strategies Are Evolving to Balance Cost, Talent, and Employee Needs



Source: 2025 Benefits Trends Survey, Global

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Key Actions Leaders Use to Deliver Value

Portfolio	Financing	Employee experience	Administration and operations	Analytics and reporting
- Provide choice and flexibility - Programs to support financial wellbeing - Mental health - Family support	- Targeted programs to tackle high-cost conditions - Cost sharing - Enhance value from or replace vendors - Network of preferred providers	- Regular and segmented communication - Navigation and decision support for benefits - Personalized online portals and cost modelers - Use of nudges	- Regularly review vendor performance - Use performance standards as part of contracts - Assess employee feedback on vendor performance - Regular vendor selection exercises and vendor consolidation	- Regular reporting on usage of benefits and communications - Forecasting of costs and risks - Employee listening - Online dashboards

Note: Leaders are employers who are highly effective in their benefits strategy based on their self-assessed responses across five areas: Portfolio, financing, employee experience, administration and operations, and analytics and reporting
Source: 2025 Benefits Trends Survey, Global

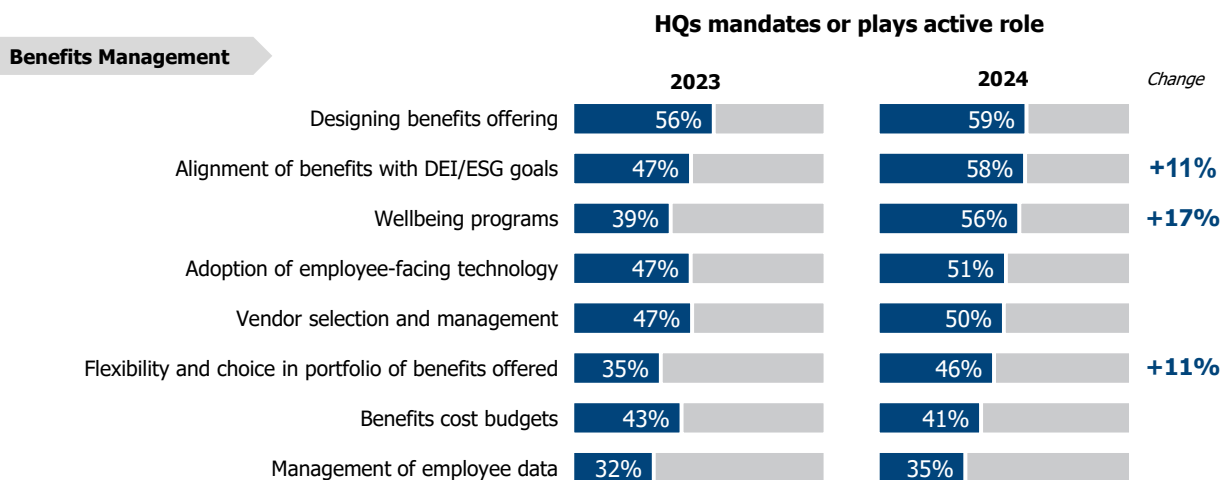
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What Is Your HQ Role in Benefits Decision Making?



35

HQs Have Been Expanding Their Role Around DEI/ESG, Wellbeing and Choice



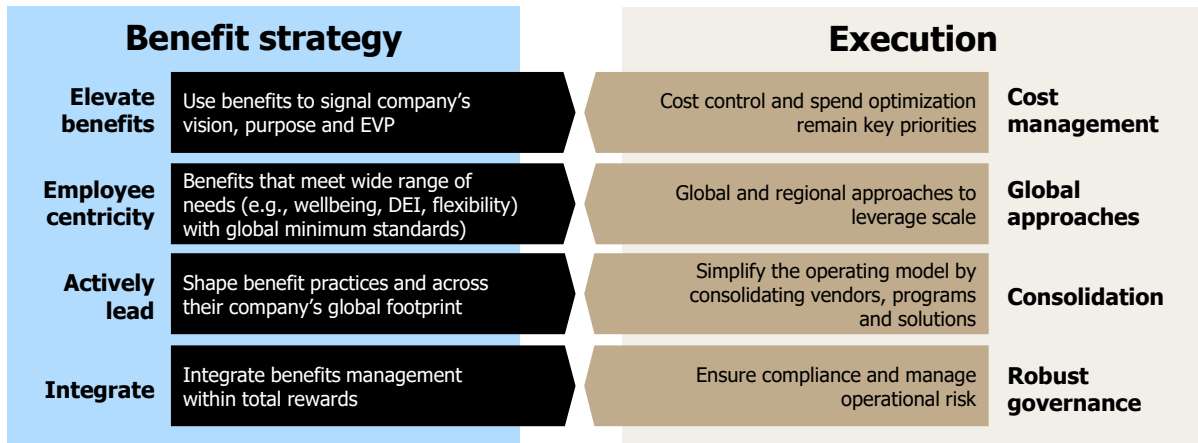
Q: What best describes the HQ role in decision making for the following?

Note: Not sure excluded. Differences greater than 7% only were included in right hand side column. Percentages indicate HQ mandates requirements or HQ plays active role or equivalent

Source: WTW HQ Priorities Survey, 2024 and 2023

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What Benefits Mean for Employees and Companies Is Evolving, and HQs Have an Important Role to Play to Make It All Work



Source: WTW HQ Priorities Survey, 2024

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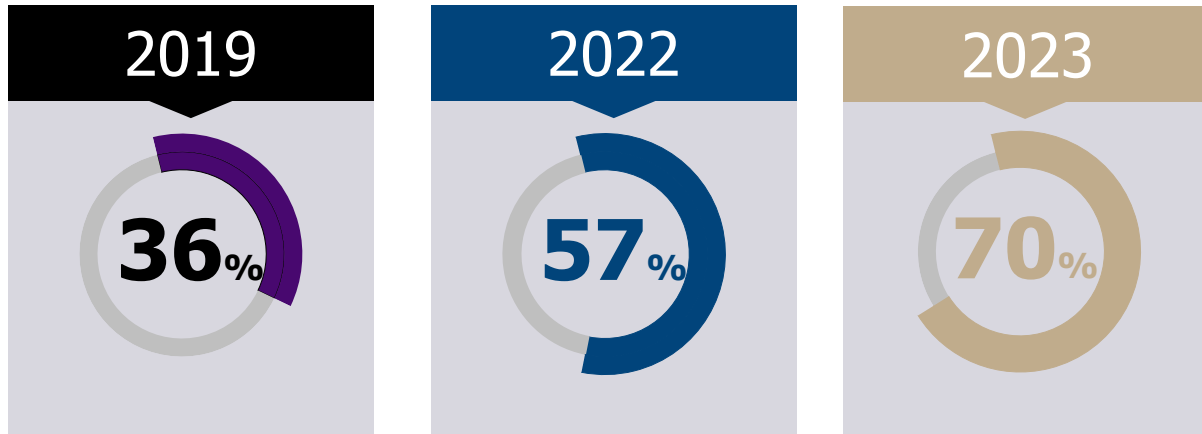
Does Your Company Set Up Global Benefits Minimum Standards?



38

Focus on Global Minimum Standards Is Increasing Rapidly

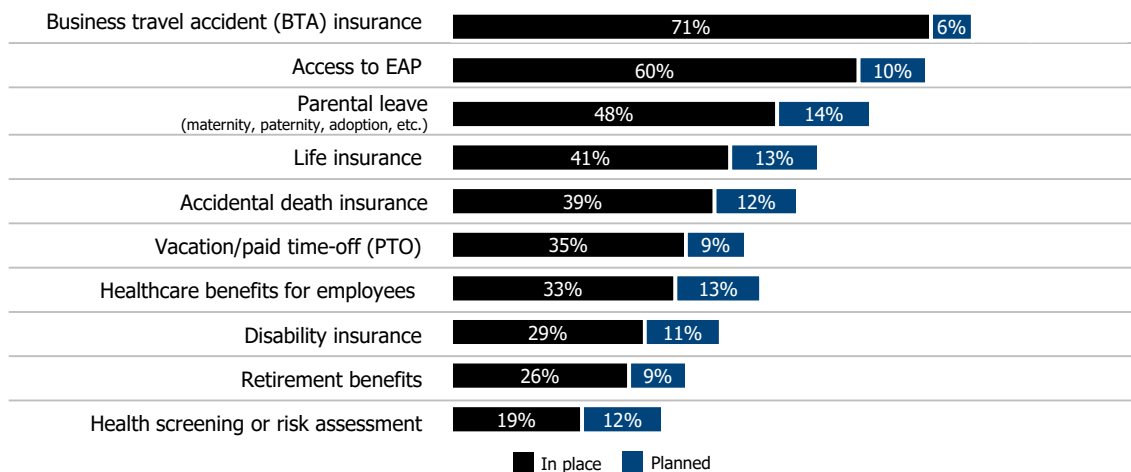
Global minimum standards in place for employee benefits



Note: 2019, 2022 it was directly asked if they had global minimum standards in place for employee benefits, in 2023 percentage represents at least one of the following: Life, accident, disability insurance, employee healthcare, health risk assessment, retirement benefits, vacation, family leave
Source: WTW HQ Priorities Survey, 2023, 2022 and 2019

40

Companies Are Setting Global Minimum Standards Across a Larger Number of Benefits



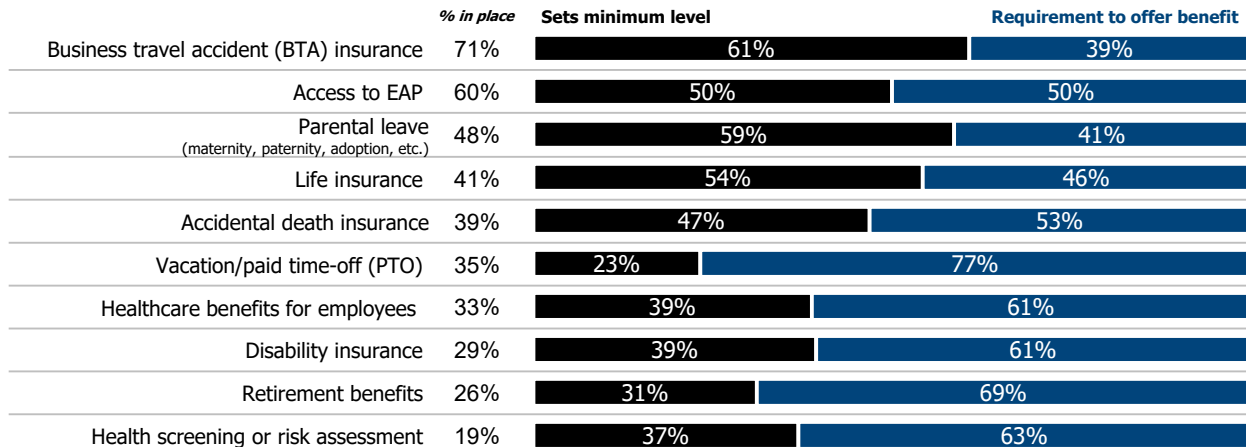
Q: Does your organization have in place or plan to adopt global minimum standards for any of the following benefits?

Note: Percentages may not add up to 100% due to rounding. BTA are typically implemented as a cross-border benefits programs rather than a minimum standard (as such we exclude it when calculating the prevalence of global minimum standards)

Source: WTW HQ Priorities Survey, 2024

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Minimum Standards Range From Simply Requiring Benefits to Be Offered to Defining Minimum Levels of Benefits Globally



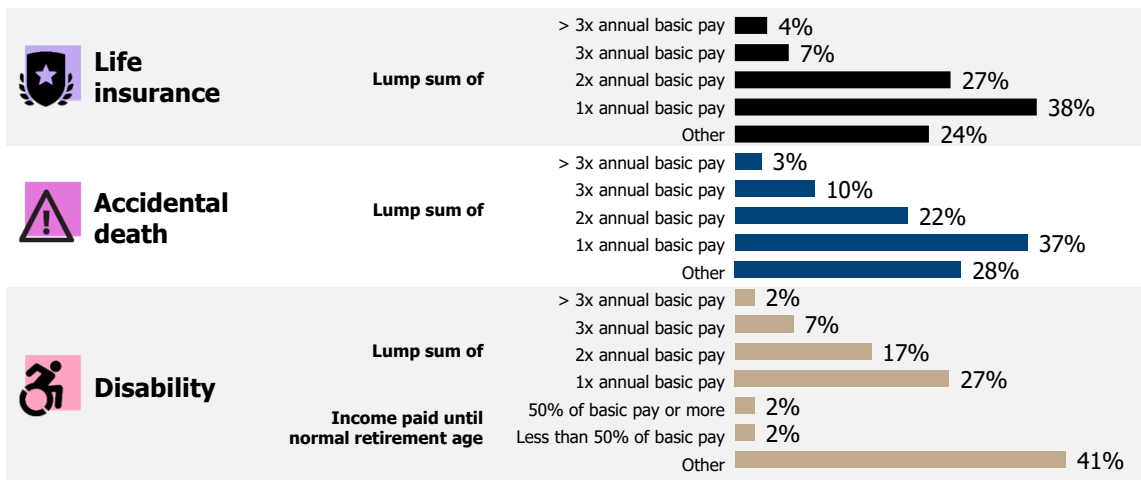
Q: What is the global minimum standard for the following benefits (currently in place only)?

Note: Don't know excluded

Source: WTW HQ Priorities Survey, 2024

42

Global Minimum Standards—Risk Benefits



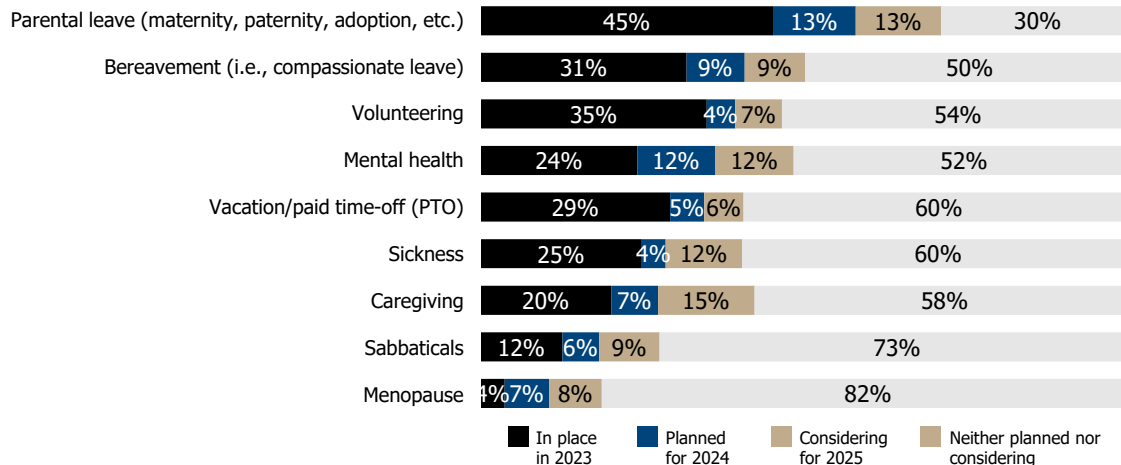
Q: Please indicate the global minimum standard for the following benefits

Note: Based on respondents who have minimum level of provision standards for the corresponding benefits. Percentages may not add up to 100% due to rounding

Source: WTW 2023 HQ Priorities Survey

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Global Minimum Standards Are Developing Quickly for Leave Policies



Q: Does your organization have in place or plan to adopt global minimum standards for any of the following leave policies?

Note: Percentages may not add up to 100% due to rounding

Source: WTW 2023 HQ Priorities Survey

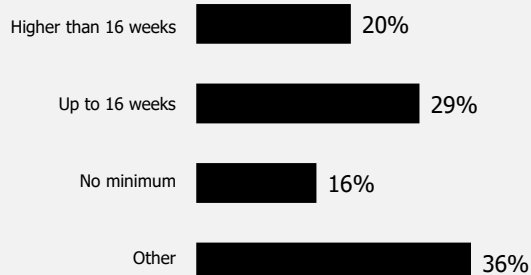
44

Global Minimum Standards—Maternity and Paternity Leave



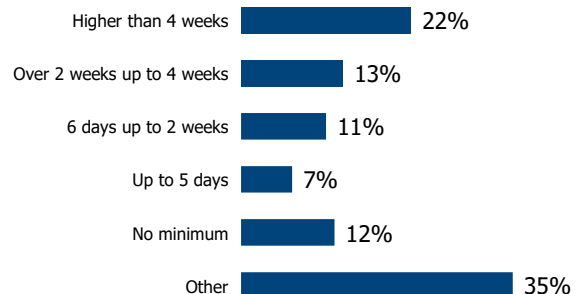
Maternity leave

Minimum



Paternity leave

Minimum



Q: Please indicate the global minimum standard for the following leave policies

Note: Based on respondents who have minimum level of provision standards for the parental leave policies. Percentages may not add up to 100% due to rounding

Source: WTW 2023 HQ Priorities Survey

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Does Your Company Have a Wellbeing Strategy?



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What Is Wellbeing?

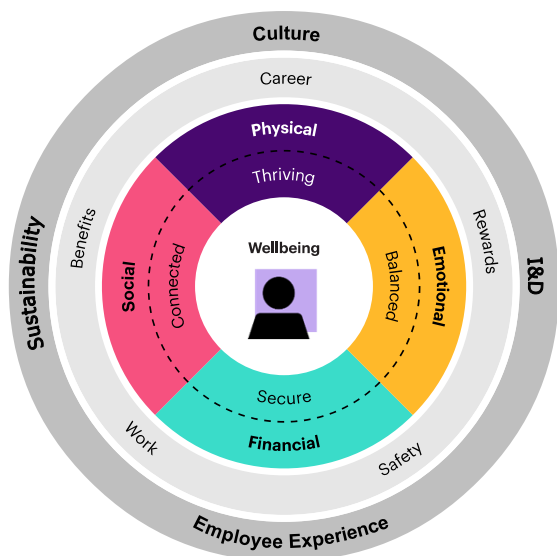
Wellbeing is continuing to evolve from being solely a benefits-focused offering to an approach that is connected to culture and human capital strategy, integrated with I&D and other reimagined workplace strategies



Wellbeing is:

- A shared mindset with aligned behaviors, enabled through leaders and managers
- Made real through programs, policies and practices
- Accelerated through connections to total rewards, careers, benefits and work and safety practices
- Embedded in the EX and reflective of corporate values

Source: 2026 Wellbeing Diagnostic Survey

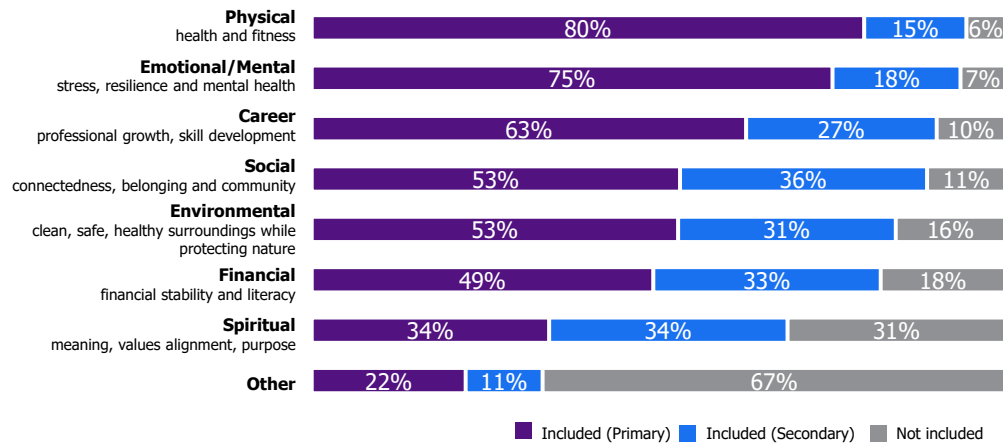


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Components Included as Part of Employee Wellbeing Strategy



What components does your company include as part of its employee wellbeing strategy?



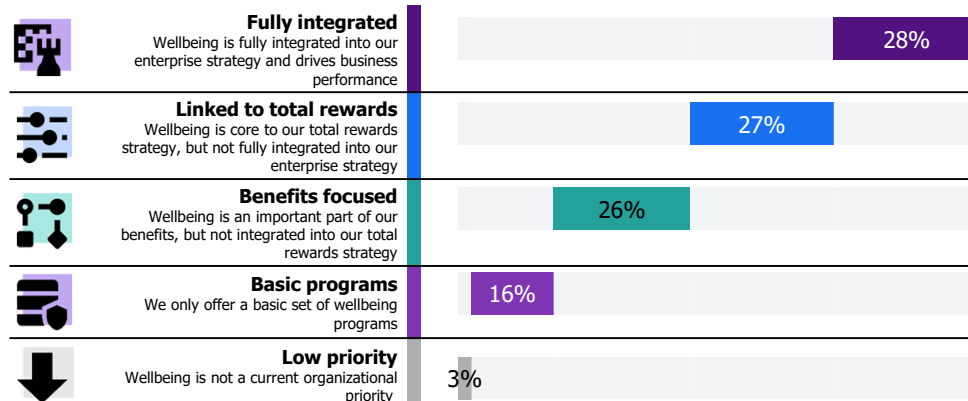
Note: Percentages may not sum up to 100% due to rounding
Source: 2026 Wellbeing Diagnostic Survey, Global

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Three-in-10 Employers Think Wellbeing Is Fully Integrated Into Their Enterprise Strategy and Drives Business Performance



What best describes wellbeing at your organization?



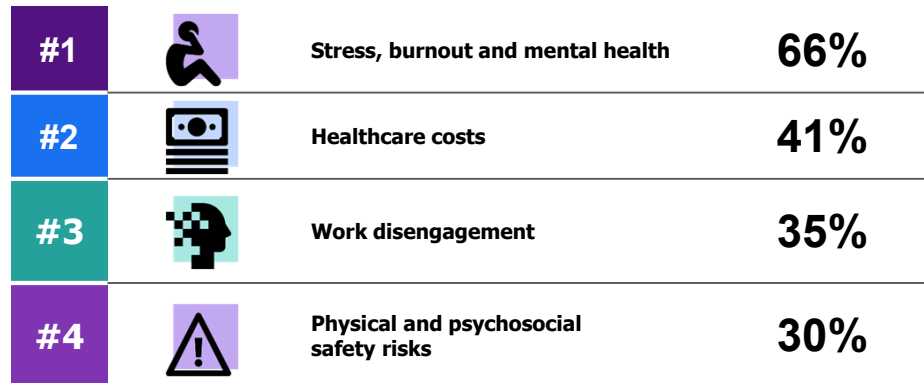
Note: Percentages may not sum up to 100% due to rounding
Source: 2026 Wellbeing Diagnostic Survey, Global

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Mental Health and Healthcare Costs Are the Top Workforce Issues That Employers Are Looking to Address Through Wellbeing Programs

Priorities: Top 3 workforce issues employers are looking to address



Q: Which of the following workforce issues is your organization looking to address through its wellbeing program?

Note: Percentages indicate ranked as top 3

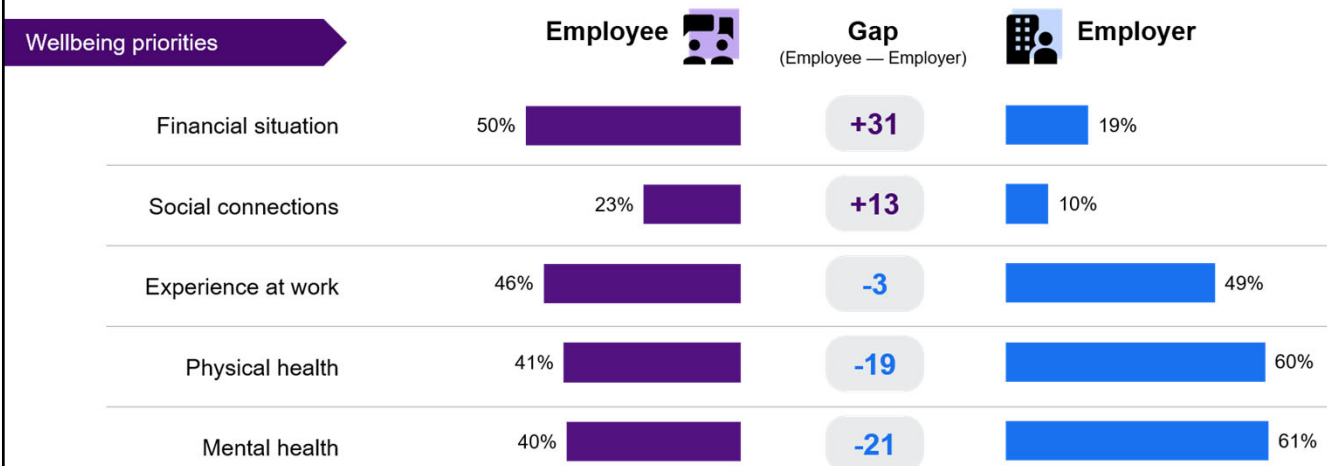
Source: 2026 Wellbeing Diagnostic Survey, Global

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Employer Priorities Are Misaligned With Employee Needs

Financial support is gaining much greater attention from employees than from employers



Q: *Which of the following would you most want your employer to support you with?

Please rank the top areas in order of importance, where 1 is most important, 2 is second most important, etc.

Note: Percentages indicate item selected in the top 2

Sources: 2026 Wellbeing Diagnostic Survey, Global; 2026 Global Benefits Attitudes Survey, Global

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Wellbeing Has Become a Business Imperative; The Challenge Now Is Making It Sustainable



Rising cost pressures are making it increasingly difficult for organizations to sustain investment in wellbeing, even as it remains a strategic priority within total rewards



Employers are refining their strategies to improve value through streamlined delivery and tighter cost control



Emotional and physical wellbeing remain top priorities, with a growing emphasis on preventive care and early intervention



High-risk employees continue to be underserved, and optimization initiatives may unintentionally widen gaps in care



Financial wellbeing remains an underinvested area, creating a persistent mismatch between employer priorities and employees' evolving financial needs

Sources: 2026 Wellbeing Diagnostic Survey, Global

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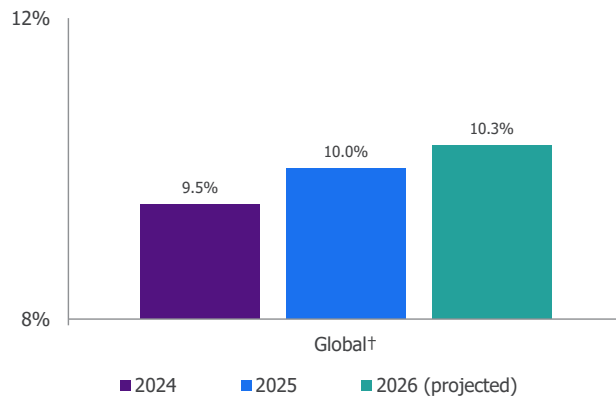
What to Expect in Medical Cost Impacts Over the Coming Years?



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Overall 10% Medical Cost Increase Globally Over the Last Three Years

The cost of medical care escalates around the globe



*Net of general inflation. †Global, Latin America, Europe and Middle East and Africa numbers exclude Argentina, Turkey, Egypt, Nigeria and Zimbabwe as outliers due to inflationary pressures
Source: 2026 Global Medical Trends Survey

The most significant factors driving medical and pharmacy costs per person

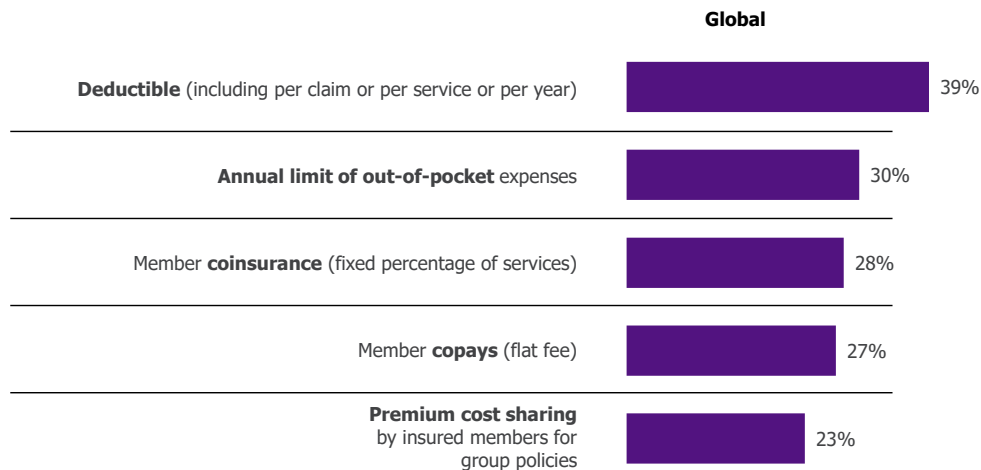
Global	
1	New medical technologies
2	Decline of public health systems
3	Advancements in pharmaceuticals
4	Fraud, waste and abuse
5	Little or no cost sharing

55

Cost Sharing Is Prevalent in the Americas But Less So in Other Regions

Deductibles and out-of-pocket limits are the most common approach in the products offered globally

How common are the following cost-sharing approaches for the medical products your organization offers?



Note: Percentages indicate "common" and "very common"
Source: 2026 Global Medical Trends Survey

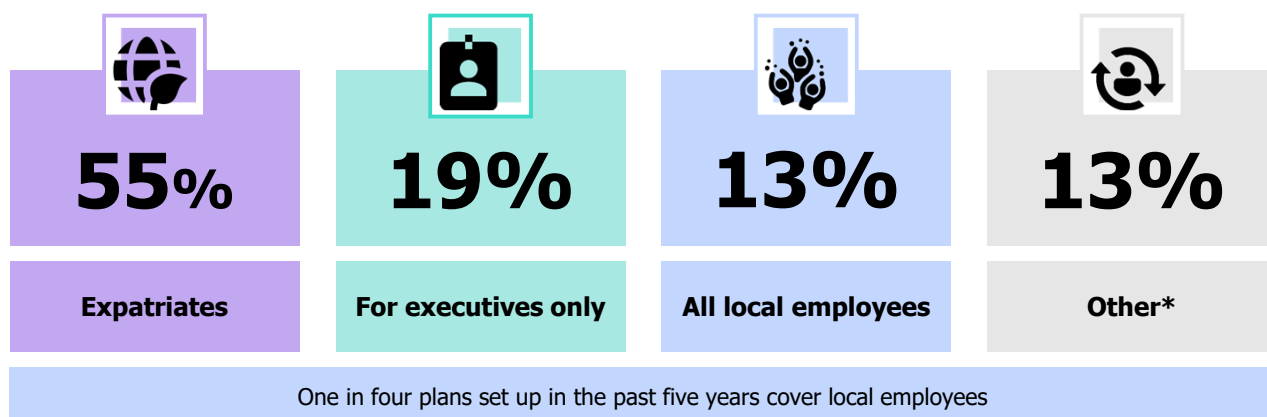
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What's the Trend for Global Pension Plan?



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Most Plans Are Set Up for Expatriates Who Are Not Covered by Any Home Country Plans



Note: Total number of plans: 1,122; not disclosed: 32

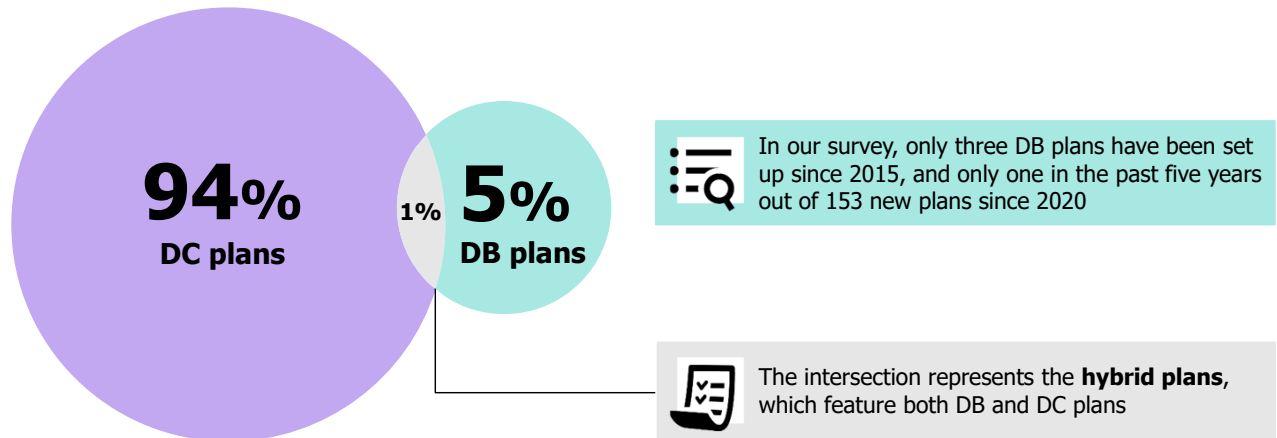
*Other includes other employer-defined criteria such as all members of a legacy defined benefit arrangement or non-U.S. employees who are transferred to another country and are not enrolled in another pension plan

Source: International Pension Plan Survey 2025

58

The Vast Majority of Plans Are Defined Contribution Plans

Defined benefit (DB) plans are typically closed to new members and are falling in numbers

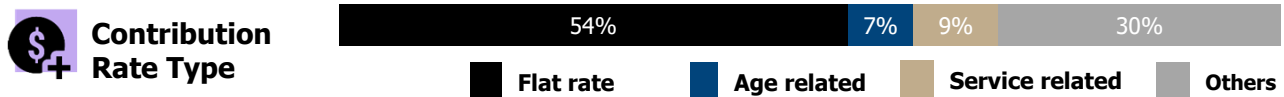


Note: Total number of plans: 1,151; not disclosed: 3
Source: International Pension Plan Survey 2025

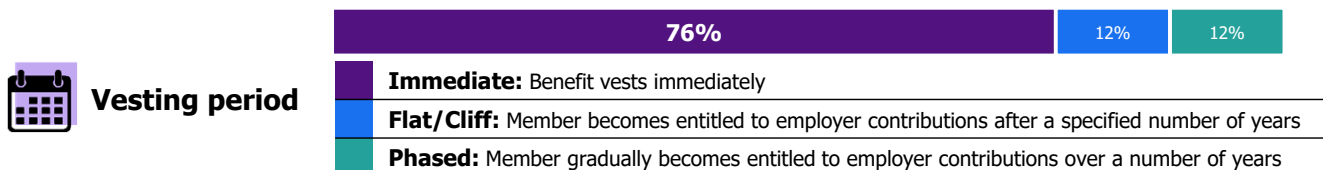
59

Over Three-in-Four Plans Have Immediate Vesting of Their Benefits

 **Waiting period** Waiting periods are typically one year or less when they are in place



 **Matching** Half of DC plans offer **no matching contributions** by employers

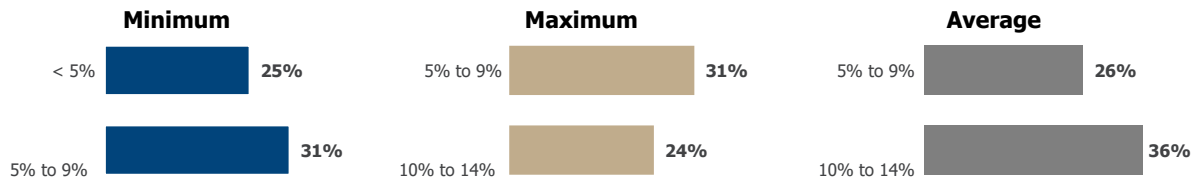


Source: International Pension Plan Survey 2025

60

Average Employer Contributions Are Between 10% and 14%

Employer Contributions: Average Employer Contributions Between 10% and 14%



Employee Contributions: Largely Voluntary, But the Average Has Remained 5% to 9%



Note: Percentages may not sum to 100% due to rounding
Source: International Pension Plan Survey 2025

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What Is Employee's Feedback Regarding the Benefits They Receive?



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Job Security, Flexibility and Core Benefits Are Differentiators

Attraction		Retention	
Pay	60%	Pay	52%
Job security	42%	Job security	46%
Flexible work arrangements	36%	Working environment	37%
Core company benefits	35%	People I work with	36%
Bonus opportunity	34%	Flexible work arrangements	32%
Working environment	33%	Core company benefits	32%
Career opportunities	32%	Paid time off and leave policies	31%

Q: If you were looking to move to a new job at a different employer, what would be most important to you in selecting one employer over another? Which are the most important reasons you stay with your current employer?

Sample: All employees except for Canada and US which are full-time employees only. Note: Percentages indicate "top 5"

Source: 2026 Global Benefits Attitudes Survey, Global

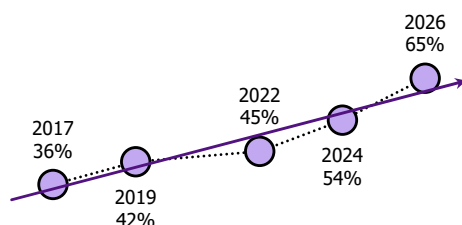
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Benefits Matter More Than Ever for Attraction and Retention



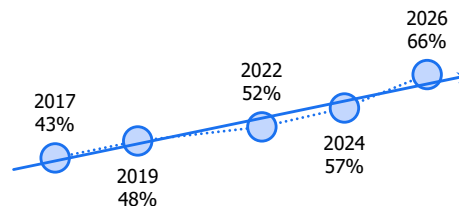
Attraction

My company's benefits package was an important reason I decided to **work** for my current employer



Retention

My company's benefits package is an important reason I will **stay** with my current employer



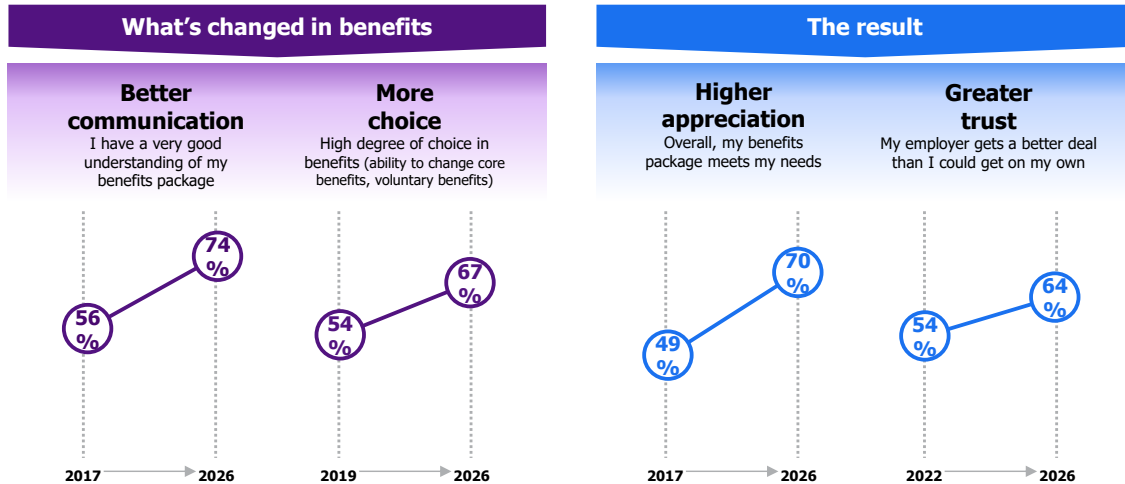
Q: Do you agree or disagree that "my benefits package was an important reason I decided to work for my current employer" and "my benefits package is an important reason I stay with my current employer"?

Sample: All employees except for Canada and US which are full-time employees only. Note: Percentages indicate "agree" or "strongly agree"

Source: Various years of Global Benefits Attitudes Survey, Global

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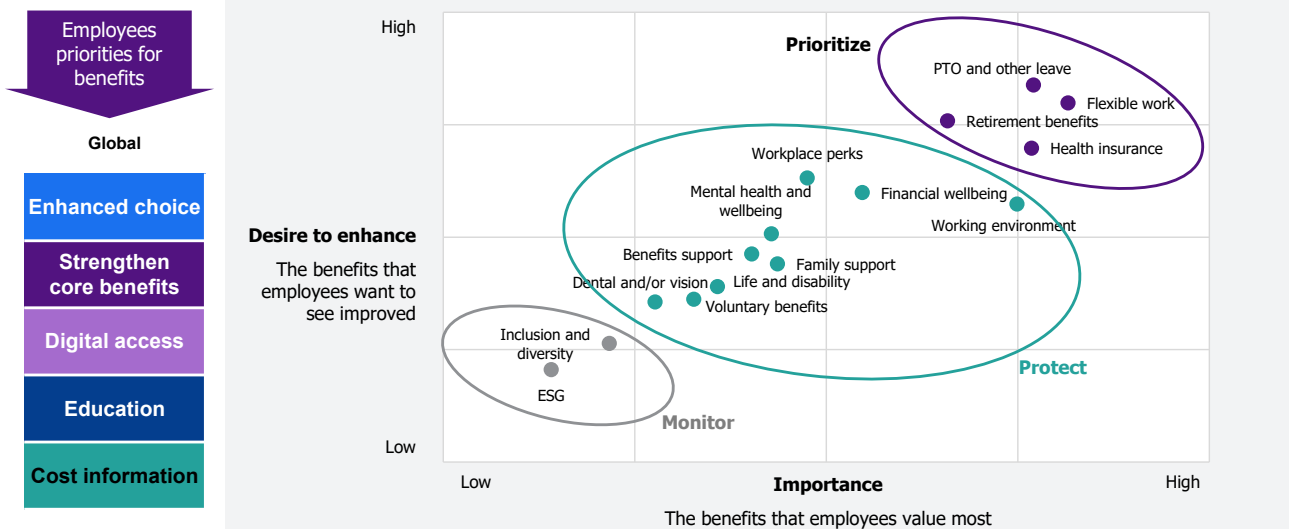
Employer Investments in Benefits Are Paying Off



Sample: All employees except for Canada and US which are full-time employees only
Source: Various years of Global Benefits Attitudes Survey, Global

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The Benefits Employees Want and Need



Q: Which of the following types of benefits are most important to you? Which of the following do you most want your employer to improve?

Sample: All employees except for Canada and US which are full-time employees only
Source: 2026 Global Benefits Attitudes Survey, Global

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Key Takeaways

- Workforce expectations are increasingly shaped by **flexibility, job security** and **flexible working**
- Benefits are becoming a **strategic driver** of talent, wellbeing and organizational value
- **Benefits strategy** must better align with employees' evolving health, financial and flexibility needs
- **Cost pressures** demand greater optimization, digital enablement and vendor discipline
- **Global governance** and **minimum benefit standards** continue to expand
- **Benefits functions** require stronger analytics, broader capabilities and closer integration with total rewards