Principal®

2025

Global Financial Inclusion Index

Tracking progress in financial inclusion and security across global economies

Contents

Financial inclusion is defined as…

"Individuals and businesses having access to useful and affordable financial products and services that meet their needs—transactions, payments, savings, credit, and insurance—delivered in a responsible and sustainable way."

ACCORDING TO THE WORLD BANK

Foreword

by **Deanna Strable**
Chair, President, and CEO of Principal Financial Group®

When we launched the Global Financial Inclusion Index in 2022, it was about more than research. It was about putting our values into action. This work reflects our ongoing commitment to helping more people achieve greater financial security. We recognize true financial security begins with access to several key elements: financial tools, resources, and education.

Our ambition is to chart how financial inclusion is evolving globally and to identify the key drivers that either enable or hinder progress. Now in its fourth year, we find ourselves navigating an environment where the pressures—economic, geopolitical, and societal—have intensified, and the importance of financial inclusion is more evident than ever.

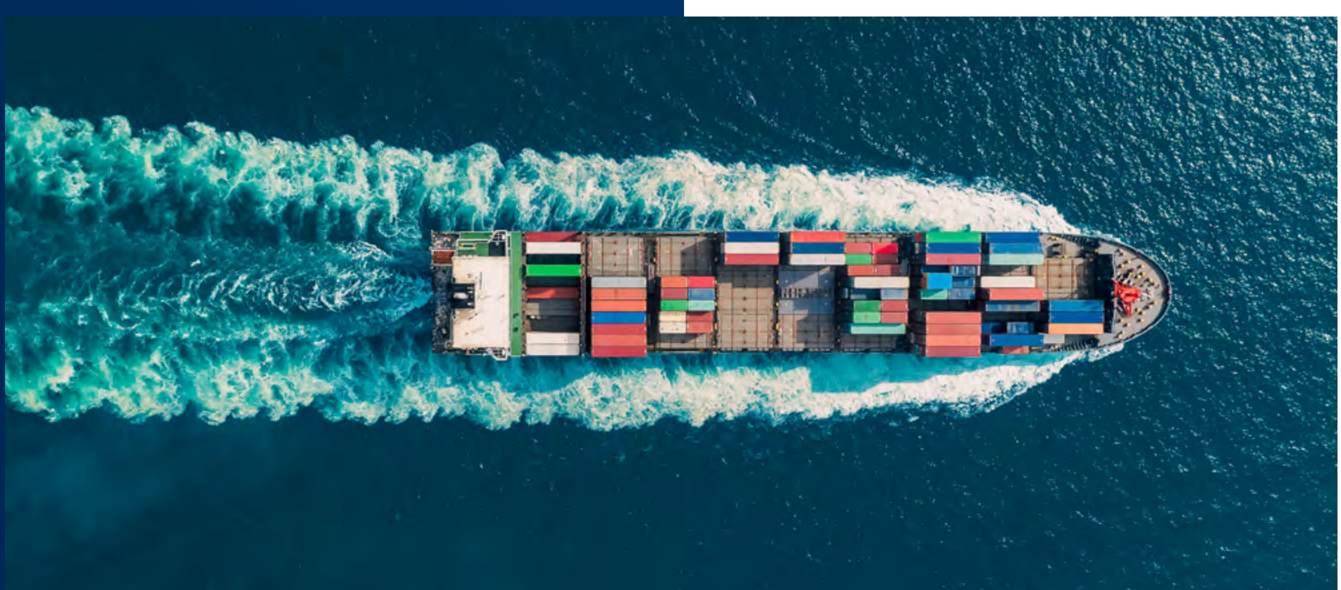
Over the past year, the world has entered a new era of global trade alongside increased market volatility and escalating geopolitical tensions. The data for this year's report was gathered during a period defined by turbulence and uncertainty for businesses and consumers and at a time when many of the markets we study had recently experienced changes in political leadership.

This year's report reveals that after two years of notable gains, global progress in financial inclusion has plateaued. The overall Index declined only slightly but remains above its 2022 baseline, signaling a stronger foundation for financial inclusion—though further progress is neither automatic nor guaranteed.

Macroeconomic headwinds, tighter funding conditions, and a more selective investment climate have all contributed to this deceleration of progress. This underscores the reality that achieving meaningful financial inclusion requires ongoing investment, innovation, and policy responses from governments, financial institutions, and employers alike.

Our data has uncovered important themes, and I find myself drawn to three in particular:

- The role of government during times of economic uncertainty.
- The power of technology to offer access to critical financial tools.
- The value of financial literacy education on household financial health and economic growth.



In 2025, we saw governments step in as a critical safety net, offsetting employers' reduced capacity to offer support in the face of business uncertainty. While economic pressures forced companies worldwide to scale back measures and initiatives promoting financial inclusion, the investment and progress made in financial inclusion by governments meant they were well-positioned to fill the gap.

Although this is especially important in economies with less developed financial systems where there are fewer social safety nets, the findings related to employers in the United States could be a window into an international trend—the divide between large and smaller employers.

Large companies in the U.S. have been able to moderate, and even slightly regain ground, amidst a precipitous fall in U.S. employer support since 2022 in relation to providing guidance on financial issues or via employee benefits. However, the segment of the market most adversely impacted by business uncertainty has been smaller companies—those with 11–100 employees, which have fallen the furthest since 2022 and been unable to regain any ground. This is a critical insight as these companies account for approximately 40% of the U.S. labor force.[1]

The benefits of digitizing the financial system are impossible to overstate. Markets investing in open banking and instant payments have made the biggest and most rapid progress in financial inclusion. This has not only provided ready access to financial products and services to communities previously cut off from such resources but has also changed the way users interact with their finances. A household's ability to engage more easily with savings, pensions, and investments—as well as products like insurance—goes hand in hand with helping improve financial literacy and developing better money management skills.

It's somewhat concerning, therefore, to see scores for fintech quality declining in many parts of the world as funding becomes more challenging. A small cluster of world-leading fintech hubs are emerging, including Singapore, the U.S., and Israel, while the UAE and Saudi Arabia are also making significant strides. However, economic headwinds may derail the advancements made globally in financial technology and digitization.

(1) Estimate based on US Census Bureau statistics and U.S. Bureau of Labor Statistics (BLS) data

Better financial literacy is a powerful driver of a well-functioning lending environment and, ultimately, of economic growth. Our data shows improved financial literacy leads to fewer defaults on personal debt and to higher affordability of household credit. In turn, we see a knock-on effect on GDP growth. Personally, I found it interesting to see the extent to which East and Southeast Asian economies are investing in financial education initiatives. These efforts seem to be a crucial part of their strategy to address the economic challenges caused by the region's rapidly aging populations.

In short, investing in financial literacy is an economic imperative—as well as the right thing to do from a social standpoint.

At Principal®, we're deeply committed to advancing financial inclusion—not simply as a benchmark to be measured but as the bedrock of social resilience and economic progress. Together with our partners at the Centre for Economics and Business Research (Cebr), we hope this report inspires governments, businesses, and communities around the world to champion practical, data-driven strategies that empower people everywhere to build brighter financial futures.

Deanna Strable
Chair, President, and CEO
Principal Financial Group

Executive summary

Financial inclusion in an era of geopolitical tension and market turmoil

The data for this year's report was collected after a year of unprecedented political upheaval, with new governments and/or changes in ruling party leadership in many of the economies we monitor, including the U.S., U.K., Germany, Ghana, Mexico, Indonesia, Taiwan, Finland, and Ireland. Markets faced turmoil and economic anxiety marked by global tariff uncertainty amid a time of conflict across the globe. Against this backdrop, our findings offer insight into the extent to which incoming political regimes are seeking to address the issue of financial access and how economic concerns impact those efforts.

Since launching our inaugural report in 2022, our data has shown financial inclusion is not only a key determinant of social mobility but also of market resilience. In today's challenging and unpredictable geopolitical climate, tracking shifts in financial inclusion worldwide is crucial to understanding and supporting population development globally, as well as promoting economic stability and growth.

The 2025 Global Financial Inclusion Index (Index) provides a comprehensive evaluation of financial inclusion on a global scale and captures how it has shifted over the past 12 months across each of the 42 markets analyzed.[(2)]

(2) Due to the conflict with Hamas during 2024, Israel was not included in last year's Index, meaning the 2024 edition of the Global Financial Inclusion Index was a study of 41 rather than 42 markets. Israel has been added back into this year's index. Therefore, the rises or falls in scores and rankings for Israel are reflective of 2025 data compared to 2023 data rather than from last year as with all other markets.

Overall financial inclusion

2025 top 10 markets

1. Singapore
2. Hong Kong
3. Switzerland
4. South Korea
5. Sweden
6. Denmark
7. United States
8. Thailand
9. Australia
10. United Kingdom

2025 bottom 10 markets

33. Mexico
34. Turkey
35. Kenya
36. South Africa
37. Indonesia
38. Italy
39. Colombia
40. Nigeria
41. Peru
42. Ghana

Explore an interactive map of the findings, market fact sheets, and additional insights at **principal.com/financial-inclusion**.

TOPLINE FINDINGS

- **Global progress in financial inclusion has plateaued** following two consecutive years of solid improvement. The overall global financial inclusion score stands at 49.4 out of 100—a marginal drop of 0.2 points from its score of 49.6 in 2024—but markedly higher than 41.7 when the Index launched in 2022. Of the 42 markets monitored, 20 markets improved their overall financial inclusion scores while 19 declined.

- **Singapore tops the Index as the most financially inclusive market for the fourth consecutive year,** driven by further improvements across the government and financial system pillars (detailed in the next section). However, its score and ranking in the employer support pillar dipped—largely due to declines in the provision of guidance and support around financial issues and employer pay initiatives.

- **As economic and business pressures hindered employers' support for financial inclusion, governments stepped up.** Scores in the employer support pillar fell in 35 of 42 markets (83%), with only seven (17%) improving, as trade risks and geopolitics impacted business confidence.

  With employers less able to provide supportive measures, governments acted as a safety net. Globally, the score for government support rose by 0.6 points, and 25 of 42 markets (60%) registered an increase in their scores in this pillar.

- **The top- and bottom-ranked markets remain highly consistent year over year.**

  Nine of the top 10 markets are the same as last year, with the U.K. entering the top 10 and Norway dropping out. Half are in the Asia Pacific and four are in Europe, with the U.S. (ranked 7th, consistent with 2024) completing this group.

  The lowest 10 ranked markets in 2025 are the same as 2024, with only a slight change in their order. These markets are primarily in Latin America and Sub-Saharan Africa.

- **The tighter funding environment slowed fintech progress globally, but a small cluster of markets have pulled away as global leaders.** While the scores for the presence and quality of fintechs fell in 32 of 42 markets (76%), the smaller number of markets saw rises tended to be the existing top-ranked markets in this indicator. The biggest risers (Singapore, Israel, and the U.S.) are ranked 1, 2, and 3, respectively.

- **Investment in instant payments and open banking, which allow for more seamless sharing of financial account information between parties, has underpinned improvements in markets making the fastest progress in financial inclusion.** Since the Global Financial Inclusion Index launched in 2022, markets experiencing the biggest leaps in their scores were those with digitized financial systems.

  Argentina has been the standout example of the impact of digitization, increasing its overall Index score between 2022 and 2025 by 28.9 points and its financial system pillar score by 40.3 points, leading to a ranking increase of 14 places. Although its marginal gains in 2025 represent a clear moderation from the 20.8-point surge seen in 2024, the country continues to make steady progress.

  South Korea, Brazil, Thailand, and Singapore are the other markets making the biggest strides in financial inclusion due to digitization and modernization of their respective financial systems. Notably, open banking frameworks—or similar initiatives—have given consumers better access to financial services.

- **The Middle Eastern Gulf states saw the largest year-over-year increase in the financial system pillar, fueled by fintech and digital transformation.** The United Arab Emirates (UAE) was the biggest riser in the pillar (up five positions and 3.9 points), followed by Saudi Arabia (up four positions and 1.8 points).

  Their progress in the financial system pillar is due to increases in the presence and quality of the fintechs indicator, where they were two of only eight markets to improve their score. The UAE rose seven places, and Saudi Arabia rose four places.

- **Populations keenly feel the impact of increased or decreased support for financial inclusion from governments, employers, and the financial system.** The scores in the main Index and in the supplementary consumer sentiment survey are directionally the same, indicating individuals' perception of how financially included they are is directly and quickly impacted by measures being implemented at the government, employer, or financial system level.

- **Newly elected governments typically lead to higher optimism among their populations regarding their level of financial inclusion.** Of the 19 markets with an election since the start of 2024, 15 recorded an improvement in their population's perception of financial inclusion.

- **Asian markets are making strides in financial literacy and access to education as they search for ways to tackle economic issues associated with an aging society.** The majority of Asian markets experienced declines in the finances in retirement indicator—some of them very significantly, such as China. In response to the twin challenges of a rapidly aging population and a brewing crisis within finances in retirement, East and Southeast Asian markets are making sustained improvements in their financial literacy levels. This has improved their scores for equal access to education.

  China, Vietnam, Taiwan, and Singapore all experienced large jumps in financial literacy scores.

  Vietnam, China, Indonesia, and Hong Kong all improved significantly in relation to equal access to education, with Singapore and Thailand also improving their ranking.

- **Higher financial literacy levels are associated with lower default loan rates, higher loan affordability, and stronger GDP growth.** A 1-percentage-point improvement in financial literacy levels is associated with a 2.8-percentage-point reduction in defaults on household loans and a 6.7-percentage-point reduction in household debt-to-income ratios. As a result, a 10-percentage-point improvement in financial literacy levels could generate a 0.3-percentage-point improvement in the rate of GDP growth after a four-year period.

Defining financial inclusion and its key pillars

According to the World Bank, financial inclusion means "individuals and businesses have access to useful and affordable financial products and services that meet their needs—transactions, payments, savings, credit, and insurance—delivered in a responsible and sustainable way."[3]

While this is a helpful starting point, the broad and complex nature of ensuring more people have equitable access to financial tools and resources implies there is no single catch-all metric for observing the state of financial inclusion globally.

Accordingly, we constructed the Global Financial Inclusion Index to address this limitation and provide a holistic overview of the state of financial inclusion across multiple markets. This year marks the fourth iteration of the Index.

The Index consists of three clearly defined pillars—government support, financial system support, and employer support—each of which comprises multiple indicators capturing a specific element of financial inclusion relevant to the pillar to which they are assigned.

The pillars of financial inclusion

Government support

Evaluates the degree to which governments promote financial inclusion in each market

Financial system support

Examines the availability and uptake of various types of financial products and services central to financial inclusion

Employer support

Relates to the level of support employers provide their employees in each market

(3) World Bank

Indicators by pillar

Government support indicators

- State of public pensions and retirement offerings
- Existence and coverage of deposit protection schemes
- Scope of consumer championing regulations
- Employment levels (adjusted to account for informal employment)
- Awareness and uptake of government-mandated pension and retirement schemes
- Education levels
- Complexity of corporate taxation systems
- Availability of government-provided financial education
- Levels of financial literacy
- Levels of online connectivity
- State of finances in retirement
- Equal access to education
- Levels of vulnerable employment

Financial system support indicators

- Volume of real-time transactions
- Access to credit
- Borrowers' and lenders' protection rights
- Access to bank accounts
- Presence and quality of financial technology companies (fintechs)
- Access to capital
- The financial system as an enabler of small and medium enterprise (SME) growth and success
- The financial system as an enabler of general business confidence

Employer support indicators

The employer support pillar examines the efficacy of business support for employee financial well-being and inclusion across various dimensions, such as:

- Provision of guidance and support around financial issues by employers
- Employer pension contributions
- Employer insurance schemes
- Employer pay initiatives (delivery, flexibility)

The indicators constituting the 2024 Index have been retained in their entirety for the 2025 iteration. However, adjustments have been made to the source data of the borrowers' and lenders' protection rights indicator within the financial system pillar to mitigate a lack of new data.

→ The full methodology can be found in **Appendix A**.

→ A comprehensive list of indicators used in the 2025 Index and organized into specific pillars is available in **Appendix B**.

2025 results and analysis

2025 Index results

Overall, 20 markets showed annual improvements in their financial inclusion scores, and 19 out of the 42 markets analyzed experienced declines. Compared to previous iterations of the Index, the picture is much more mixed in 2025, and the pace of improvement has decelerated.

This leveling-off is illustrated by the narrowing spread of year-over-year changes. In 2024, annual score changes ranged from increases exceeding 20 points to declines of around four points. In 2025, improvements are capped at two points, while declines remain modest and less than four points across the board, suggesting a plateau this year in progress on financial inclusion.

Singapore preserves its position as the most financially inclusive market for the fourth consecutive year, with a score of 81.1, an improvement of two points.

Although its score and ranking declined in the employer support pillar by nine points and three places, respectively, its score improved by 0.9 points in the government support pillar, where it remains ranked first, and improved by 5.6 points in the financial system support pillar, where it rose three places to first.

Israel shows the steepest decline upon re-entry into the Index. Due to limitations in gathering accurate data, Israel was excluded from the 2024 Index. While it has been reincluded this year, its drop of three places, driven by sharp falls in the employer support and government support pillars, may reflect ongoing challenges related to the conflict in the Middle East.

PRINCIPAL INSIGHT

Howe Chung Wan
Head of Asian Fixed Income
Principal Asset Management®

"Singapore's leadership in financial inclusion is no accident—it reflects bold, coordinated innovation across government, technology, and financial services. From SingPass and SGFinDex to MAS-led AI initiatives and open banking frameworks, digital adoption is seamlessly embedded into daily life—even food hawkers are part of the digital economy.

While access has expanded dramatically, mass adoption raises new questions: Are people receiving the right advice?

We're witnessing a transformation in how people access financial services—from traditional banking to a proliferation of digital platforms at their fingertips. But increased accessibility brings new challenges. Social media influencers are now among the top sources of financial advice for Gen Z and millennials, raising concerns about the quality and relevance of guidance.

That's why early financial education is critical. As the financial landscape grows more complex, we can strengthen literacy initiatives to help individuals make informed decisions aligned with their long-term goals. Singapore's model—pairing digital innovation with robust financial education—offers a blueprint for expanding access while promoting responsible financial behavior."

The U.S. remains ranked 7th, although its overall financial inclusion score rose marginally this year by 0.6 points.

On a ranking basis, the UAE, Canada, and Finland are the biggest risers between 2024 and 2025, each jumping two positions, to 22nd, 16th, and 14th, respectively. Behind Singapore, the UAE experienced the largest year-over-year score improvement (up 1.9 points) and, alongside Malaysia, is the only market whose year-over-year scores have risen in each of the three pillars.

The highest and lowest ranked markets show little change from 2024, with the U.K. entering the top 10 and Norway dropping out. While the rankings of 16 markets out of 42 changed from 2024 to 2025, there was very little movement in the top or bottom quartiles of the table.

The bottom 10 markets remain identically ranked, except South Africa and Indonesia, which exchange places in 36th and 37th positions respectively. All four African markets monitored are in the bottom 10.

Seven of the top 10 markets remain ranked the same in 2025 as in 2024, although Switzerland (third this year) and South Korea (fourth this year) switched places. The U.K. rose one position to 10th in the table, driven by improvements in the government support and financial system support pillars, with Norway falling out of the top 10.

Economic pressures and business uncertainty hindered employers' support for financial inclusion. In wealthier markets, financial inclusion is driven primarily by the financial system and supported by the government, while in poorer economies, employers are typically the bedrock of efforts to promote financial inclusion.

Employer support faltered globally this year. Thirty-five of 42 markets (83%) registered declines in their employer support pillar scores, with only seven (17%) improving scores—strongly pointing to the impact of geopolitical and trade risks on business confidence has caused companies to adopt more conservative approaches to employee benefits and flexibility initiatives.

PRINCIPAL INSIGHT

Seema Shah
Chief global strategist
Principal Asset Management

"Since we began collecting data in 2022, we've seen that employers are typically the initial safety net for populations in relation to their financial inclusion. Then, as markets become wealthier and their economies develop and their financial systems become more mature, governments and financial institutions increasingly contribute, and the reliance on businesses as the sole safety net decreases. What we can ascertain from this year's data is the support provided by employers is also the most vulnerable to negative shifts in the economic and business outlook.

After consecutive years of improvements, this was the first year the overall financial inclusion score fell globally. The main factor was a pullback in employer-driven financial inclusion across most markets, as macroeconomic pressures constrained companies' ability to provide generous benefits, guidance, and flexibility. Richer economies and markets that have invested in structural measures that enable greater access to and understanding of financial tools—from digitizing their banking infrastructure to rolling out financial literacy campaigns—have built a more resilient framework for financial inclusion. In turn, this helps create a stronger foundation for economic resilience and, ultimately, promotes growth and attracts international capital."

Assessing the three pillars of financial inclusion

Government support: The degree to which governments promote and attain elements of financial inclusion

Government support scores:

- Improved in **60%** of markets (25)
- Remained unchanged in **4%** of markets (2)
- Declined in **36%** of markets (15)

2025 top 10 markets

1. Singapore
2. Switzerland
3. Hong Kong
4. Norway
5. New Zealand
6. Ireland
7. Denmark
8. Sweden
9. Australia
10. South Korea

2025 biggest movers

On a ranking basis, **New Zealand** was the best performer, jumping four places to 5th, with a significant improvement to its score (up 2.4 points).

Israel saw the sharpest slide, dropping six places to 20th and a score decline of 3.2 points since 2023.(4)

2025 bottom 10 markets

33. Kenya
34. Italy
35. Indonesia
36. Brazil
37. Colombia
38. Turkey
39. India
40. Nigeria
41. Peru
42. Ghana

Government support key findings:

Momentum is slower than last year. Government support scores rose in 25 of 42 markets (60%), fell in 15 (36%), and were flat in only two (Hong Kong and Finland). By comparison, 71% of markets improved in 2024.

Governments most successful in promoting financial inclusion remain consistent with last year's Index. The top four markets by rank in 2025 (Singapore, Switzerland, Hong Kong, Norway) are identical to 2024.

Top of the table still leans European, albeit slightly less so than last year. Five of the top 10 slots are held by European markets (Switzerland, Norway, Ireland, Denmark, Sweden—three of them Nordic), down from six last year. Of these five markets, only Denmark's score has improved year over year, with the other four all declining by a small amount.

Lower ranks dominated by Latin America and Africa. Six of the bottom 10 are in those two regions (Brazil, Colombia, Peru, Kenya, Nigeria, Ghana). Italy, Indonesia, Turkey, and India round out the cohort.

(4) Israel data was not available for the 2024 Global Financial Inclusion Index report.

Financial system support: The creation, availability, and uptake of products, services, and information enabling financial inclusion

Financial system support scores:

Improved in **57%** of markets (24)

Declined in **43%** of markets (18)

2025 biggest movers

The **UAE** rose five places (to 24th) on a strong gain, up 3.9 points, the biggest upward move. Its Middle Eastern neighbor, **Saudi Arabia**, is the second strongest performer on a ranking basis, moving up four positions. Both are driven by strong improvements in the presence and quality of fintechs indicator and, in the case of the **UAE**, a significant leap in the access to capital indicator.

Vietnam recorded the largest drop, sliding four places to 17th (down 1.4 points). This decline was fueled by notable decreases in the access to capital and borrowers' and lenders' protection rights indicators—falls of 10 and nine places, respectively.

2025 top 10 markets

1. Singapore
2. Thailand
3. South Korea
4. Hong Kong
5. Sweden
6. United States
7. Denmark
8. United Kingdom
9. Switzerland
10. Brazil

2025 bottom 10 markets

33. Mexico
34. Poland
35. Saudi Arabia
36. South Africa
37. Nigeria
38. Colombia
39. Indonesia
40. Italy
41. Peru
42. Ghana

Financial system support key findings:

Pace of improvement decreases, mirroring trend in government support pillar. Financial system support scores improved in 24 markets (57%) but fell in 18 (43%), compared to three quarters (76%) of markets whose scores rose last year.

Asia's financial systems remain the most progressive.

The first four positions are all Asian markets: Singapore, Thailand, South Korea, and Hong Kong. Of the rest of the top 10, four are European, while the U.S. and Brazil represent the remaining two.

Singapore rose three positions to take the top position in the pillar, with the highest year-over-year points increase of any market (up 5.6 points), as its fintech sector continues to make rapid advances.

The U.S. also strengthened its top 10 position, moving from seventh to sixth position. Despite economic headwinds, the U.S. maintained top-five rankings in four indicators—borrowers' and lenders' protection rights, presence and quality of fintechs, access to capital, and access to credit.

Tighter funding conditions weigh on scores.

Access to credit and access to capital subscores contracted in about half the markets, reflecting challenging lending conditions.

Access to credit declined in twice as many markets (22) as it rose (11), while access to capital declined in 21 and rose in 17 markets.

A small group of global fintech leaders emerges as progress slows globally.

Only eight markets saw their scores rise in the presence and quality of fintechs indicator. It's notable the largest risers—Singapore (up 43.8 points), Israel (up 27.6 points), and the U.S. (up 12.7 points)—ranked 1, 2, and 3, respectively. In other words, the top global fintech hubs are pulling away from the rest of the world.

Scores fell in 32 of 42 markets (76%), driven by falling valuations of fintech firms and a more difficult funding environment.

CEBR INSIGHT

"The presence and quality of fintech indicator is a composite of unicorn valuations (as a percentage of GDP) and financing for start-ups data. The primary driver of this year's declines has been the fall in unicorn valuations[(5)], but the climate for venture capital and private equity fundraising also became more challenging.

This, in turn, has made the funding environment globally more selective, driving capital flows towards the world-leading markets, which are perceived to have lower exposure to China's economic struggles and wider trade risks. Hong Kong was certainly caught up in this trend, with the largest year-over-year score decline (down 34.4 points) in the indicator. As a caveat, however, it should be noted that the drop in its unicorn valuations as a percentage of GDP from 5.3% to 2.5% was partly due to exposure to the downturn in China but also partly due to modest GDP growth, which increases the denominator and inflates the overall fall."

Pushpin Singh
Managing economist
Centre for Economics and Business Research

(5) Unicorn valuation refers to the total value of privately held start-up companies—called "unicorns"—that are each valued at over $1 billion. In the Index, this value is often shown as a percentage of a country's GDP to help compare how strong and innovative its start-up ecosystem is. These valuations are used as a signal of a country's fintech strength, showing how well it supports innovation, attracts investment, and creates jobs—especially in the financial technology space.

Employer support: The degree to which employers provide employees with financial benefits, information, and support to help enable financial inclusion

Employer support scores:

Improved in **17%** of markets (7)

Declined in **83%** of markets (35)

2025 biggest movers

Alongside **Nigeria**, the **U.S.** makes the largest improvement on a ranking basis, leaping nine places to 12th. This could reflect **U.S.** employer expectations about the policy and regulatory landscape becoming more favorable for businesses under the Trump Administration.

New Zealand suffers the steepest fall, moving down 18 places. This may reflect the more challenging economic climate in **New Zealand**, with the near-to-medium term outlook having worsened considerably in the last 12–18 months. It's possible this has prompted employers to reduce the scope and size of benefits packages.

2025 top 10 markets

1. India
2. Vietnam
3. Thailand
4. Singapore
5. China
6. UAE
7. Malaysia
8. Switzerland
9. Saudi Arabia
10. Turkey

2025 bottom 10 markets

33. Finland
34. Poland
35. Ireland
36. Germany
37. Spain
38. United Kingdom
39. Australia
40. Italy
41. Canada
42. Japan

Employer support key findings:

A broad pullback, reflecting a hit to business confidence caused by trade and geopolitical tensions.

Only seven markets (17%) recorded higher employer support scores; 35 (83%) declined. This is a stark reversal from 2024, when roughly three-quarters of the markets improved.

Employers appear to be evaluating benefits after the post-pandemic surge, especially in retirement and insurance offerings. In several emerging markets and in the U.S., where pay-flexibility tools—such as the ability to obtain an advance or choose their method of payment—are expanding, scores are holding up better.

Markets where employer support for financial inclusion is highest are typically those where support from the government or financial system is scarcer.

Of the top 10 markets in the employer support pillar, seven are in the bottom half of the table for either government support or financial system support, or both (India, Thailand, China, Malaysia, Saudi Arabia, Turkey, the UAE).

Eight of the top 10 markets are Asian or Middle Eastern economies.

Developed world lags on employer support.
Large, mature economies with more sophisticated government or financial system safety nets occupy nine of the bottom 10 ranks (including seven European markets Finland, Ireland, Germany, Spain, the U.K., Australia, Italy, Canada, Japan).

CEBR INSIGHT

"The notable declines seen in the employer support scores this year appear to reflect the impact of macroeconomic pressures. The surveys on which this pillar is based capture sentiment in the direct aftermath of the U.S. Liberation Day tariff announcements. Many of the most significant decreases in scores are in developed, export-oriented economies such as New Zealand, the Netherlands, Norway, Ireland, and Hong Kong.

We believe these decreases stem primarily from trade-related uncertainty. Declining business confidence is limiting employers' capacity to offer discretionary support such as pay flexibility or well-being initiatives, which would have weighed on sentiments more broadly, especially amongst export-oriented economies."

Pushpin Singh
Managing economist
Centre for Economics and Business Research

2025 Global Financial Inclusion Index rankings

	Overall		Government support		Financial system support		Employer support	
Market	**Rank**	**Score**	**Rank**	**Score**	**Rank**	**Score**	**Rank**	**Score**
Singapore	1	81.1	1	81.9	1	81.3	4	76.8
Hong Kong	2	71.7	3	73.1	4	73.2	18	58.3
Switzerland	3	71.1	2	75.7	9	66.8	8	69.2
South Korea	4	70.8	10	65.8	3	79.5	30	53.7
Sweden	5	68.8	8	67.7	5	72.6	21	57.1
Denmark	6	68.4	7	68.5	7	71.3	24	54.9
United States	7	65.9	17	59.9	6	72.6	12	62.8
Thailand	8	64.3	30	46.0	2	79.7	3	77.5
Australia	9	62.5	9	67.4	12	61.7	39	44.0
United Kingdom	10	61.8	16	60.4	8	67.0	38	44.5
Norway	11	61.6	4	72.0	18	52.4	22	56.1
The Netherlands	12	60.8	11	65.8	13	55.6	16	61.5
New Zealand	13	58.3	5	69.8	21	47.7	28	54.3
Finland	14	58.1	13	64.9	16	52.8	33	51.8
Vietnam	15	57.2	21	56.7	17	52.6	2	80.2
Canada	16	56.2	15	61.3	14	54.5	41	40.6
Israel	17	56.2	20	58.1	15	52.9	13	62.4
Taiwan	18	55.4	14	61.8	22	47.5	15	61.9
Ireland	19	53.5	6	69.6	30	38.5	35	48.8
Germany	20	53.3	12	65.8	26	42.0	36	48.0
Malaysia	21	53.1	25	51.1	19	51.5	7	69.3
United Arab Emirates	22	52.7	19	58.9	24	42.8	6	69.8
Brazil	23	52.0	36	38.4	10	63.3	14	62.3
China	24	51.0	27	48.5	20	48.5	5	74.1
India	25	49.7	39	29.8	11	62.4	1	82.5
France	26	47.9	23	53.3	27	39.9	17	58.9
Japan	27	47.0	18	59.2	28	39.9	42	24.0
Argentina	28	46.2	31	44.6	23	46.2	31	53.4
Chile	29	46.0	28	48.2	25	42.4	32	52.6
Saudi Arabia	30	45.0	22	54.3	35	30.3	9	69.1
Spain	31	44.1	24	52.9	31	34.9	37	45.4
Poland	32	41.9	26	50.7	34	31.1	34	51.0
Mexico	33	41.0	29	46.7	33	31.6	19	57.6
Turkey	34	39.3	38	33.8	29	38.5	10	67.3
Kenya	35	38.4	33	41.4	32	31.9	25	54.8
South Africa	36	37.8	32	41.8	36	29.4	20	57.3
Indonesia	37	37.6	35	40.9	39	28.1	11	65.7
Italy	38	34.9	34	41.1	40	27.0	40	42.3
Colombia	39	33.8	37	34.2	38	28.6	23	55.5
Nigeria	40	30.8	40	27.6	37	28.7	27	54.5
Peru	41	27.5	41	26.2	41	22.7	26	54.7
Ghana	42	25.1	42	22.3	42	21.4	29	54.3

Tracking progress

How has financial inclusion changed globally in the past 12 months?

The Global Financial Inclusion Index shows how the 42 markets analyzed have performed in terms of financial inclusion relative to each other over the 12 months since our last report.

In addition, this section of the report shows the changes in financial inclusion on an absolute basis, globally and regionally, for those same 42 markets. This provides a sense of the overall trend toward, or away from, financial inclusion across the world, and enables the identification and analysis of the regions making the most progress as well as those facing the greatest challenges.

Global and regional trends in financial inclusion across the Index

Following two consecutive years of robust improvement, global progress has stabilized, recording a subtle decline, yet remains significantly above the 2022 baseline from the inaugural Index.

- The overall global financial inclusion score stands at 49.4 out of 100—a marginal drop of 0.2 points from its score of 49.6 in 2024. Despite this slight fall, the 2025 global score remains notably elevated compared to 41.7 in 2022, underscoring the substantial long-term progress since the Index began.
- Despite a dip in the global financial inclusion score, most regions saw modest gains—though the Asia Pacific's weaker performance weighed down the overall result. The Asia Pacific fell by 0.5 points overall, driven by notable declines in the subregions of Southeast Asia and Oceania.
- No region experienced uniform movement across all pillars. The Americas, Europe, and the Middle East all recorded modest gains in the government support and financial system support pillars but experienced a decline in their employer support scores. The Asia Pacific's scores for employer support and financial system support dropped, but its government support score increased. Africa's financial system score decrease was offset by a year-over-year improvement in both the government support and employer support pillars.
- The Middle East made the most progress overall year over year, rising 0.9 points, driven by enhancements to its financial system—particularly in relation to its digital finance and fintech infrastructure.
- Tight credit conditions, persistent inflationary pressures, and global trade disruptions created a difficult backdrop for financial inclusion to continue to advance. Export-oriented economies and those acutely exposed to a Chinese economic downturn, in particular, bore the brunt of this shift. Southeast Asia recorded a 0.7-point decline in its subregional score, while Oceania experienced the steepest drop of any subregion, falling by 1.3 points.

With economic uncertainty causing employers to cut back on initiatives promoting financial inclusion, governments seemed to step in.

Every region and subregion, except Africa, experienced notable declines in their employer support scores. Africa has the lowest overall financial inclusion scores regionally and is a region where financial inclusion efforts have typically been employer-led. The global score for the employer support pillar fell by 0.6 points, with Oceania (down 8 points), the Middle East (down 5 points), and Western Europe (down 4.1 points) falling most sharply.

Government support registered a global rise of 0.6 points—mirroring the global fall in employer support—increasing in every region and subregion except North America (down 0.6 points) and Southern Europe (down 0.2 points).

In wealthier regions with the most developed financial systems and deepest capital markets, the financial system filled the gaps created by employer pullbacks.

- North America's financial system support rose by two points year over year.
- Europe's score in this pillar rose by 0.3 points.
- The Middle East rose by 2.3 points, making significant gains.

While government support scores in the Americas, Europe, and the Middle East also increased, they did so modestly and/or to a lesser extent than in the financial system support pillar. This suggests while administrations implemented measures to support their populations, they were not required to step in as much as in other markets globally due to financial system support.

Conversely, in every subregion across the Asia Pacific (East Asia, Southeast Asia, and Oceania) and in Latin America, the financial system support pillar scores fell alongside the employer support pillar scores. **Our data suggests governments acted quickly to provide increased support.** In these regions, government support scores recorded notable gains, with Latin America improving by 0.9 points and Asia Pacific by 0.6 points, driven by a notable rise in East Asia of 1.6 points.

CEBR INSIGHT

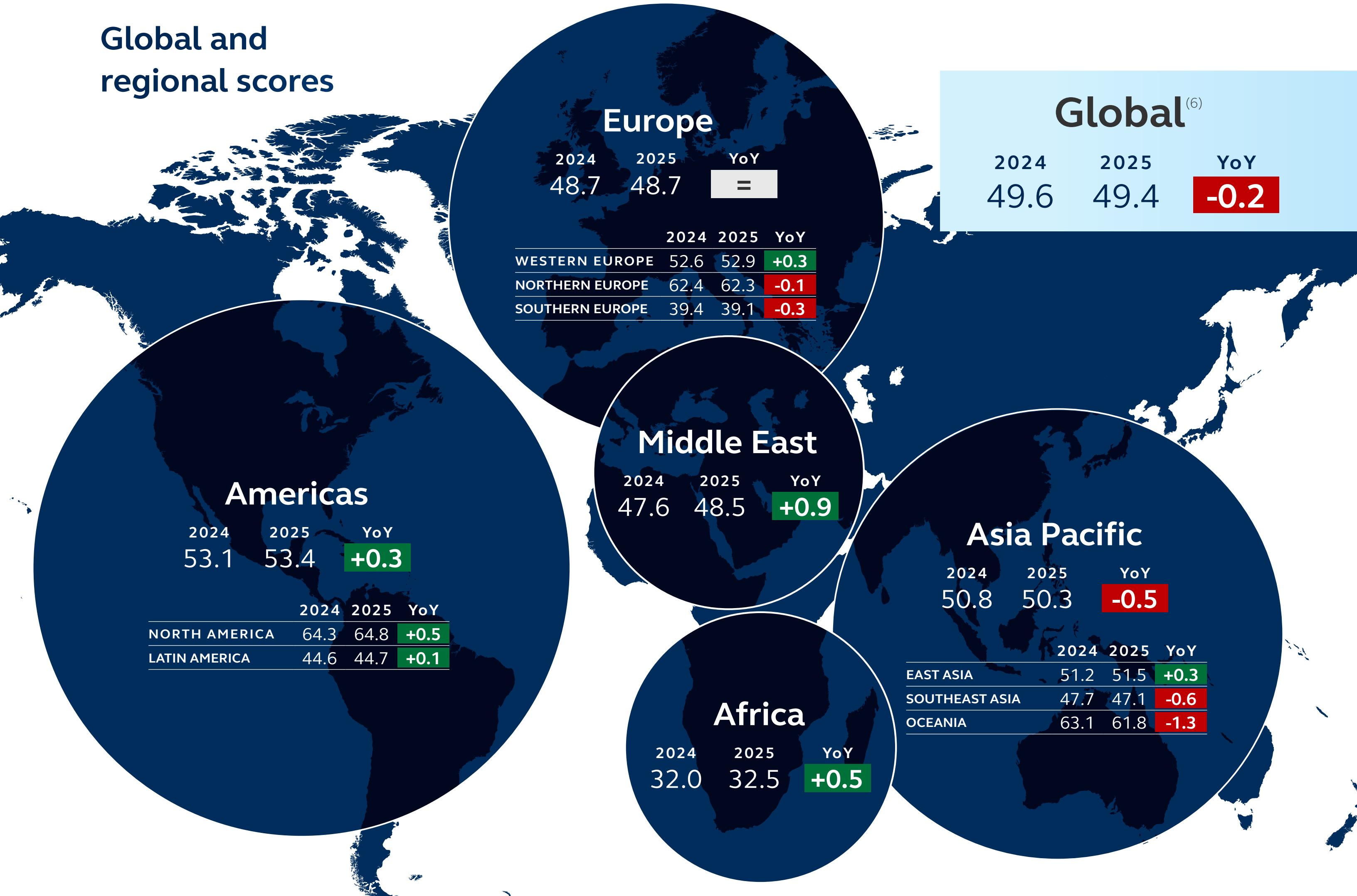
"The global score's marginal decrease in 2025 reflects a leveling off after years of strong growth, rather than a reversal. This plateau underscores the resilience of financial inclusion gains, with underlying structural improvements still largely intact.

The pause in progress in 2025 reveals the sensitivity of employer-driven financial support to economic conditions. In a period of elevated uncertainty, concerns related to cost pressures appear to have translated into less ability or willingness in many markets to offer generous pension and insurance benefits or flexible pay initiatives. Wealthier economies have a powerful safety net in the form of financial systems, which can step in more easily when businesses are under pressure. But across the world, data reflects how greater stability and resilience accompany years of policy advancement and state investment. The increase in government support across every continent signals a rising policy floor globally and the stronger frameworks over several years for consumer protection, pension system enhancements, and financial literacy.

The 2025 Index results suggest efforts to support financial inclusion are more mature and global progress in entering an increasingly complex phase. While structural improvements have laid the groundwork for long-term progress, the path ahead will require deeper reforms and more resilient systems, especially in markets where early gains are now giving way to new constraints. The mixed results this year serve as a timely reminder that sustaining inclusion in an increasingly volatile global economy will require greater policy coordination, innovative financial models, and targeted support for the most vulnerable segments of society."

Pushpin Singh
Managing economist
Centre for Economics and Business Research

Global and regional scores



Region/subregion	Government support			Financial system support			Employer support		
	2024	2025	YoY change	2024	2025	YoY change	2024	2025	YoY change
World	**42.8**	**43.4**	**+0.6**	**52.1**	**51.2**	**-0.9**	**69.3**	**68.7**	**-0.6**
Americas	**48.5**	**48.8**	**+0.3**	**56.1**	**56.8**	**+0.7**	**60.3**	**59.4**	**-0.9**
North America	60.6	60.0	-0.6	68.7	70.7	+2.0	61.2	60.5	-0.7
Latin America	39.3	40.3	+1.0	46.6	46.2	-0.4	59.7	58.6	-1.1
Europe	**53.0**	**53.2**	**+0.2**	**43.0**	**43.3**	**+0.3**	**55.6**	**52.7**	**-2.9**
Western Europe	61.0	61.5	+0.5	42.8	43.8	+1.0	58.6	54.5	-4.1
Northern Europe	62.9	63.0	+0.1	64.6	64.8	+0.2	50.8	47.6	-3.2
Southern Europe	41.0	40.8	-0.2	34.1	34.0	-0.1	56.1	54.1	-2.0
Asia Pacific	**41.1**	**41.7**	**+0.6**	**55.0**	**53.5**	**-1.5**	**75.1**	**74.5**	**-0.6**
East Asia	48.6	50.2	+1.6	49.5	48.9	-0.6	70.7	69.3	-1.4
Southeast Asia	45.7	46.0	+0.3	44.5	42.9	-1.6	71.7	70.7	-1.0
Oceania	67.7	67.8	+0.1	60.5	59.4	-1.1	53.7	45.7	-8.0
Middle East	**55.6**	**55.7**	**+0.1**	**33.9**	**36.2**	**+2.3**	**73.0**	**68.1**	**-4.9**
Africa	**29.5**	**31.5**	**+2.0**	**30.2**	**28.6**	**-1.6**	**51.6**	**55.0**	**+3.4**

For grouping of markets by region/subregion, see **Appendix D**.

(6) Values are rounded to the nearest decimal place; "Global" encompasses the 42 markets contained within the Index. Scores are out of 100.

2025 key themes

2025 key themes

1. Improvements in the support provided by governments and the financial system have meant less reliance on employers as the anchor of financial inclusion at a time of high economic and business uncertainty.
2. With an aging society placing a growing strain on retirement finances globally—and especially across Asian economies—markets in East Asia and Southeast Asia are rolling out financial literacy and education initiatives to help tackle issues.
3. The most rapid progress in financial inclusion has come from markets that have invested in instant payments and open banking frameworks.
4. The UAE and Saudi Arabia made the largest strides in financial inclusion this year, driven by digitization of their financial systems.

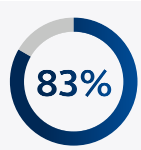
KEY THEME NO. 1

Improvements in the support provided by governments and the financial system have meant less reliance on employers as the anchor of financial inclusion at a time of high economic and business uncertainty.

The data gathering for this Index took place during a period of significant market volatility, catalyzed both by global trade tensions following the U.S. administration's "Liberation Day" trade uncertainty and by the conflicts in the Middle East and Ukraine. The impact of these geopolitical issues is felt most acutely by export-focused, goods-based economies, and we can see the effect of elevated business anxiety manifested in scores across several indicators—particularly within the employer support pillar.

Globally, conditions for accessing funding became more difficult. Twice as many markets experienced declines in their score compared to those with increases in the access to credit indicator (22 versus 11). Additionally, 21 markets' scores fell in the access to capital indicator, with only 17 rising.

Against this backdrop, the challenges for businesses to offer more generous benefits, additional financial support, or flexible pay structures to employees are reflected as sharp falls in the employer support pillar scores. Scores dropped in 35 of 42 markets, with only seven improving. Moreover, the falls were generally much steeper than the rises, with an average drop in score of 4.8 points compared to an average rise of just 1.6 points.



35 out of 42 markets saw their employer support scores for financial inclusion decrease in the last 12 months.

Despite the larger falls in the employer support pillar, the average overall financial inclusion score did not suffer. Amid a challenging environment, it remained broadly flat year over year. In fact, more markets improved their year-over-year scores (20) than declined (19)—largely driven by increased support from the government and the financial systems.

This would not have been possible without the significant advances government and financial systems have made on financial inclusion in recent years. Since the inception of this Index in 2022, the overall financial inclusion score globally has risen by 7.7 points, from 41.7 points to 49.4 points. This rise has been underpinned by significant progress in:

- Government support, which has increased by 3.6 points from 39.8 points to 43.4 points.
- Financial system support, which has increased by 12.9 points from 38.3 points to 51.2 points, as banking and financial infrastructure and connectivity has been invested in and modernized.

Between 2022 and 2025, only six markets (Finland, the Netherlands, Israel, Indonesia, the U.K. and Peru) have seen declines in their scores for government support. The declines have all been very marginal, with the exception of Peru and Indonesia. Over the same period, the U.S. is the only market that has seen a dip in its score for the financial inclusion of its financial system. However, this should be seen in the context of it starting from a very high base.

Over the last few iterations of the Index, we have highlighted a trend, which we have referred to as the three phases of financial inclusion (see chart and summary below). In markets where governments lack the resources or where financial systems lack the breadth or infrastructure, employers serve as the primary source of financial guidance and support. As economies develop and more sophisticated and comprehensive financial systems are built, the reliance on employers as the bedrock of financial inclusion begins to lessen. We can see this playing out in this year's data.

The 3 phases of financial inclusion

Markets tend to move through three phases of financial inclusion. Understanding a market's evolution from one phase of financial inclusion to another can offer insight into its economic development.

Phase 1: Employer-supported financial inclusion
The rule of law is established, and basic safety net programs are in place to support citizens' most fundamental needs. Businesses serve as the primary source of financial guidance and support for those employed. At this stage, many governments essentially lack the resources and infrastructure to provide comprehensive support at a state level.

Phase 2: Government-supported financial inclusion
The business environment in the market has matured and is fueling a stronger economy, giving the government greater firepower and resources to begin introducing measures to promote financial inclusion.

Phase 3: Financial system-supported financial inclusion
Supportive employers and the government have given way to a more developed financial system. This allows for greater participation and more points of access to meet the diverse needs of a population.

The three phases ultimately create a virtuous circle. A well-evolved financial system becomes an enabler of business growth and confidence which, in turn, allows businesses to support their workforces more generously and meaningfully, triggering a new cycle.

Across the 42 economies we track, year-over-year scores show government and/or financial system pillar improvement in 35 markets. At the same time, 29 of these 35 markets experienced declines in their employer support scores. This indicates measures implemented by the government and/or the financial system are helping to fill gaps vacated by employers at a time of economic stress and uncertainty.

A deeper dive into the data further highlights this trend:

Across the 25 markets where the government support score rose between 2024 and 2025, employer support scores fell in 20.

- Two of the five markets with a rise in the employer support pillar alongside the government support pillar are the UAE and Malaysia—the only two markets to rise in all three pillars.
- The remaining three of the five outlier markets (Mexico, Kenya, and Nigeria) show some of the steepest declines in the financial system support pillar, indicating that additional support from both employers and the state has been required.

Across the 24 markets where financial system support rose, employer support scores fell in 21.

- Again, two of the three that have seen a rise in the employer support pillar alongside the financial system support pillar are the UAE and Malaysia—the only universal risers across all pillars this year.
- The remaining market in which financial system and employer support pillars rose in tandem is Peru, whose improvement in financial system score was marginal from a very low base. Peru is ranked 41 out of 42 both for its financial system and overall.

Every market ranked in the top half of the table for overall financial inclusion scores, except Malaysia, saw its employer support score drop year over year.

Of the seven markets in the 2025 Index where year-over-year scores for the employer support pillar increased, four experienced significant decreases in the financial system support pillar. Kenya declined by 2.9 points (one position), India by 2.4 points (one position), Nigeria by 1.8 points (one position), and Mexico by 1.4 points (flat).

Globally, conditions for employer-led financial inclusion became more challenging, but in most cases, the progress made by governments and the financial system in recent years has helped soften the overall impact.

PRINCIPAL INSIGHT

"Geopolitical and trade uncertainty led to questions across global markets about the strength of their economic foundations. Our data shows that, as employers pulled back, with some businesses struggling to offer generous benefits and support, governments seem to have intervened to help households access the resources, information, and financial assistance they need.

This pattern was mirrored at a macro level, with many of the markets that increased their government support for financial inclusion also stepping in to support the economy via increased fiscal spending. Some of the biggest risers in the government pillar introduced major fiscal measures in the last year, supporting their populations and their overall economies. Germany enacted a constitutional change to enable greater government borrowing, with €1 trillion earmarked for defense and infrastructure spending. The U.K. unveiled measures to boost public spending by £70 billion a year until 2030.[(7)] China issued 2 trillion Yuan of special sovereign bonds and implemented a raft of consumer subsidies.[(8)] Japan launched a 13.9 trillion Yen package of measures to relieve pressure on households, including cash handouts to low-income families.[(9)]

Increased support from governments and financial institutions eases reliance on employers as primary anchors of financial inclusion. We've observed this trend in previous iterations of the Index, and the rise in government and financial system scores in the majority of markets shows that, at a global level, there is a clear progression through the three phases of financial inclusion we've identified. **If this level of government and financial system support is maintained, macro conditions tend to continue to improve, and employers are able to return to higher support levels of previous years, it stands to reason that the global scores for financial inclusion should revert to an upward trajectory in the future.**"

Seema Shah

Chief global strategist, *Principal Asset Management*

(7) UK government spending to rise by 70 bln pounds over next 5 years, says OBR | Reuters
(8) China to issue $284 billion of sovereign debt this year to help revive economy | Reuters
(9) Japan finalises $92 bln extra budget for fresh spending package | Reuters

Spotlight on Malaysia

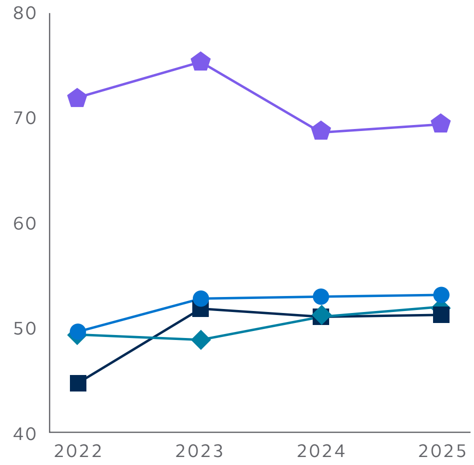
Malaysia recorded modest yet broad gains in the 2025 Index and is one of two countries that posted year-over-year score increases across all three pillars. Notably, employer support rose 0.8 points year over year, moving it to 7th within the pillar, while government support and financial system support edged up 0.7 points and 0.1 points respectively.

The sharpest progress was seen in the employer provision of financial guidance and support indicator, where Malaysia climbed eight spots to 23rd. The advances across the employer support pillar align closely with the implementation of the Progressive Wage Policy pilot in 2024, the Employees Provident Fund's (EPF's) "Account 3" restructure last year, and a notable increase in Earned Wage Access adoption.

On the financial system side, the enabling of business confidence, small and medium enterprise (SME) growth and success, and improving access to credit staved off challenges seen elsewhere. This could be credited to the ongoing investment in and expansion of 5G coverage and a trickledown of earlier government efforts outlined in Malaysia's Central Bank (Bank Negara Malaysia's) Financial Inclusion Framework published in 2023.

Malaysia

Year-over-year scores



Overall

	2025	YoY
Score	53.1	+0.4
Rank	21	=

Government

	2025	YoY
Score	51.1	+0.7
Rank	25	=

Financial system

	2025	YoY
Score	51.5	+0.1
Rank	19	-3

Employer

	2025	YoY
Score	69.3	+0.8
Rank	7	+7

KEY THEME NO. 2

With an aging society placing a growing strain on retirement finances globally—and especially across Asian economies—markets in East Asia and Southeast Asia are rolling out financial literacy and education initiatives to help tackle issues.

In the finances in retirement indicator, scores have declined in the majority of markets, with 23 falling and only eight improving.

China shows the heaviest decline in its score (down 11.6 points) and drops seven places in the ranking. China currently has around 310 million people over age 60, representing 22% of its population. This staggering number is expected to rise to more than 400 million, accounting for almost 30% of the population by 2035. China is not alone in Asia in grappling with a rapidly aging population and a brewing crisis in retirement savings. All Asian countries saw declines in this indicator, except for India, which improved, and Japan, whose score for finances in retirement remained flat but whose ranking dropped by one place to second-to-last. Faced with the prospect of increasingly widespread financial insecurity in retirement—and the significant economic challenges that accompany it—our data reflects how some administrations around the world are taking action. Governments are investing in broadening access to education and improving financial literacy initiatives as they seek to develop a more effective retirement savings culture. The impact of these government-driven moves is discernible in our data, particularly in Asia where the issues associated with an aging society are most urgent.

The major economies in East and Southeast Asia are making sustained improvements in their financial literacy levels.

China's score in the financial literacy indicator has jumped 13.8 points, and its ranking has risen by eight places to 21st. Vietnam (up 11.8 points), Taiwan (up 10.2 points), and Singapore (up 6.6 points) have all seen notable increases, rising six, five, and one position, respectively. While the scores for Thailand and Hong Kong have remained flat in 2025, they are among the highest ranked markets in this indicator at second and third.

Although Japan's ranking dropped by three places, this was due to other markets improving to a greater degree rather than reflecting a decline. No scores in the region fell.

The clear progress in financial literacy levels is partly due to concerted efforts to boost financial education. China climbed four places in the ranking to 14th in the availability of government-provided financial education indicator (up 0.9 points). Malaysia (up 3.9 points) rose five positions to 12th. Although Vietnam's score declined marginally (down 2.4 points), it retained its top ranking in this indicator.

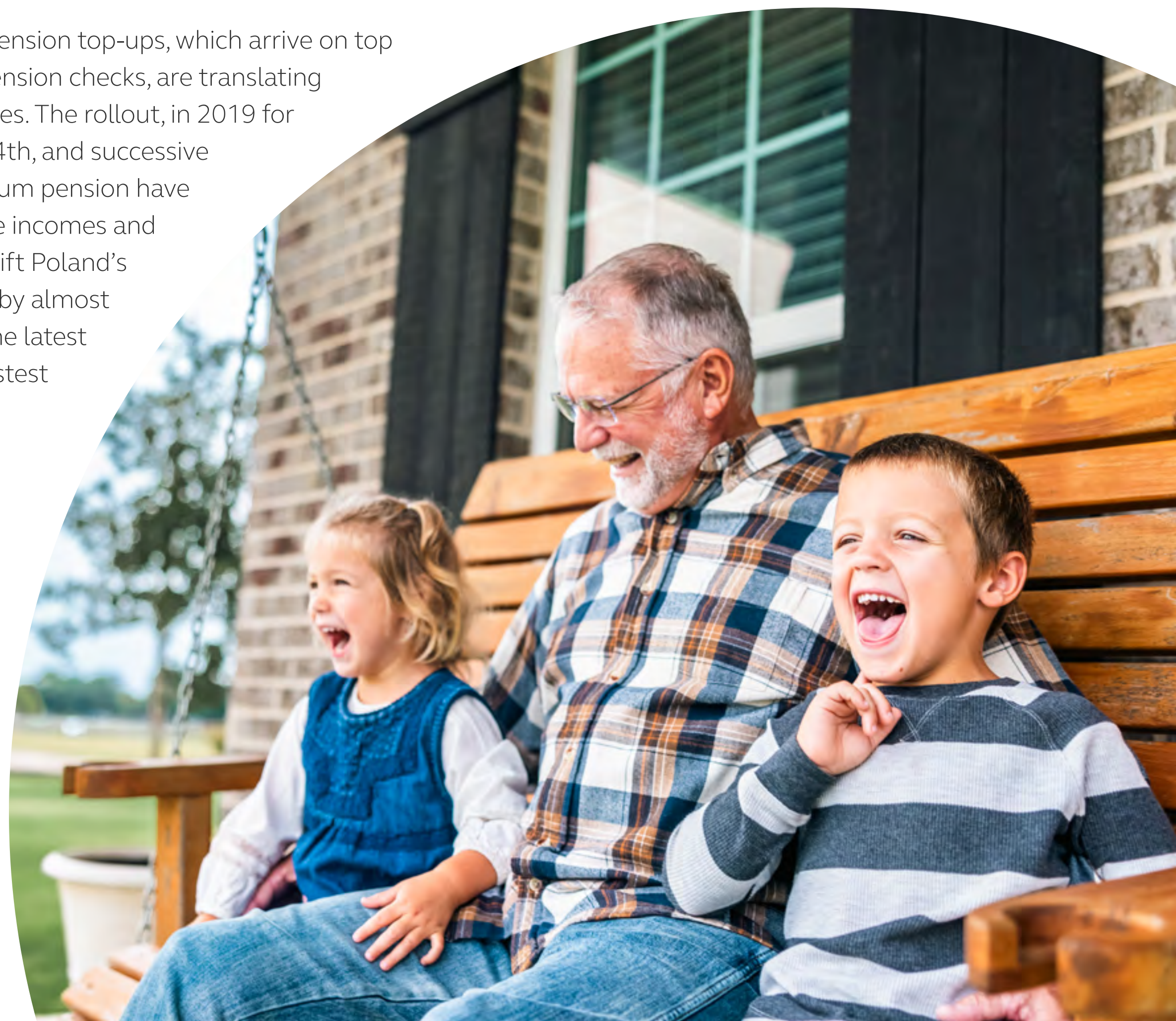
A similar trend is observable across East and Southeast Asia in relation to improvements in the equal access to education indicator. The emphasis being placed on advancing financial literacy across the continent is also part of a broader move to enhance educational inclusivity across demographic groups. Vietnam (up 13.7 points), China (up 8.1 points), Indonesia (up 7.7 points), and Hong Kong (up 2.7 points) are notable risers, ascending nine, four, one, and four places, respectively. Meanwhile Japan's marginal increase of 0.1 was enough to move it up one position to occupy first place in the ranking for the financial education indicator. Singapore and Thailand also rose in the ranking.

Where are finances in retirement improving?

The handful of markets that saw rises in their finances in retirement scores are mainly wealthier European economies with established, sophisticated pension systems, such as Denmark (up 7.8 points), Sweden (up 3.9 points), and Ireland (up 3.9 points). Rises were also recorded in countries where recent pension reforms are showing an impact, such as Poland (up 11.6 points) and France (up 3.9 points).

Poland's "13th" and "14th" pension top-ups, which arrive on top of the 12 regular monthly pension checks, are translating into better retirement finances. The rollout, in 2019 for the 13th and 2021 for the 14th, and successive hikes to the statutory minimum pension have bolstered retirees' disposable incomes and confidence. This has helped lift Poland's finances in retirement score by almost 12 points year over year in the latest Index update—one of the fastest improvements in Europe.

Meanwhile, in France, the pension reforms introduced in 2023 raised the legal retirement age from 62 to 64, which is being phased in at three month increments up to 2030.

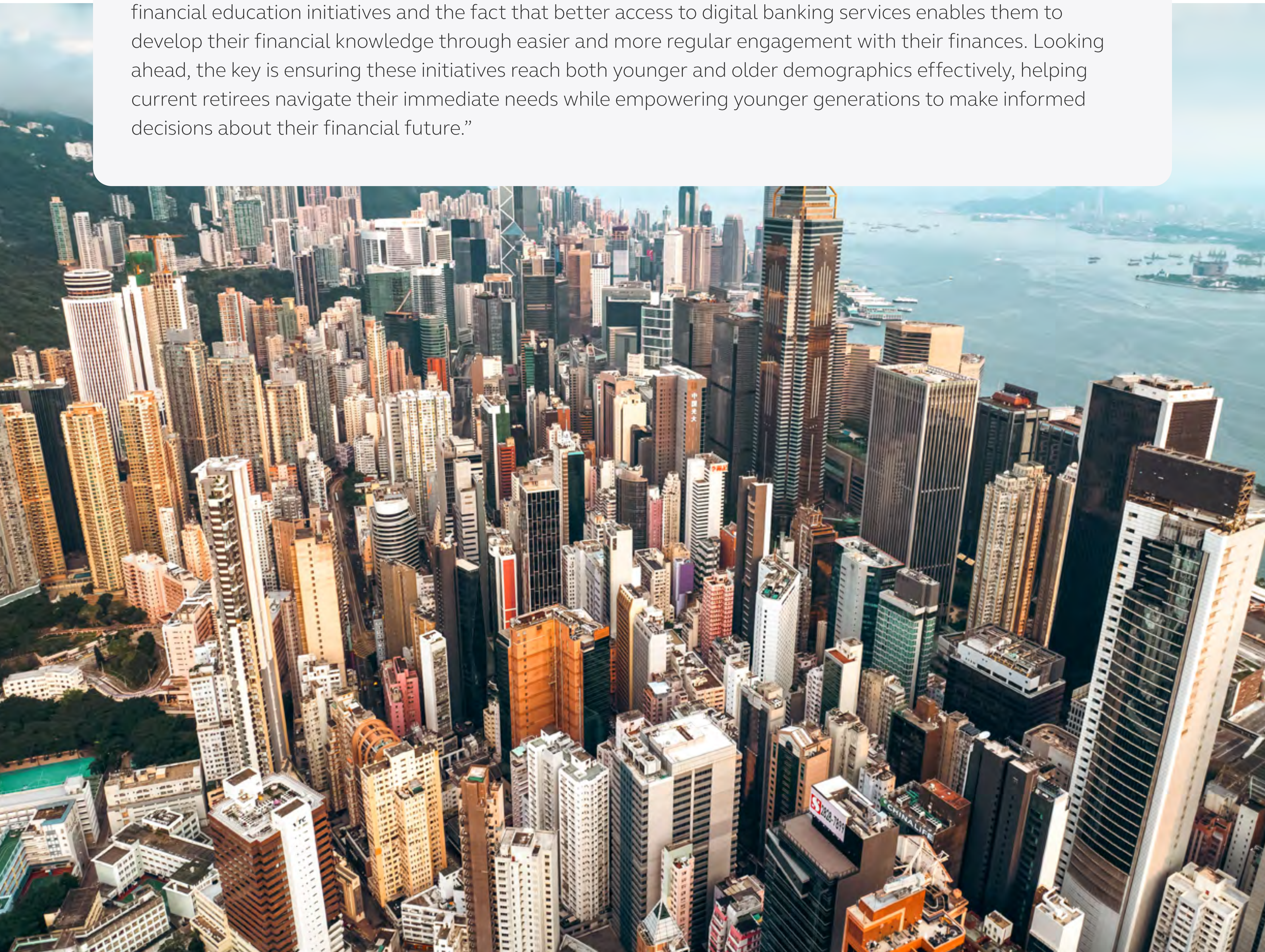


PRINCIPAL INSIGHT

"The 2025 Global Financial Inclusion Index underscores a critical, and accelerating, trend: retirement security is under strain, with finances in retirement scores declining in most markets. As aging populations reshape the global economic landscape, governments and financial systems—particularly in East and Southeast Asia—are responding with urgency. Hong Kong is a good example; despite already ranking highly for financial literacy, the government continues to invest in education, seeking to improve the broad financial understanding of the population as a whole, alongside more targeted support for particularly vulnerable parts of society. These efforts reflect a broader shift that has taken place over a number of years across much of Asia: financial education is no longer a peripheral policy—it's central to economic stability and retirement adequacy. The government's continued investment in education access, as well as critical digital infrastructure to enable broad financial inclusion, signals a commitment to long-term resilience.

Broader access to financial education and investment in digital infrastructure are crucial pillars for long-term financial resilience, and the impact is already tangible among certain demographics. In Hong Kong, and to some extent across East and Southeast Asia, younger generations of workers are notably more retirement-aware, thinking about financial security much earlier than previous generations. This owes much to ongoing financial education initiatives and the fact that better access to digital banking services enables them to develop their financial knowledge through easier and more regular engagement with their finances. Looking ahead, the key is ensuring these initiatives reach both younger and older demographics effectively, helping current retirees navigate their immediate needs while empowering younger generations to make informed decisions about their financial future."

Martin Lau
Head of Hong Kong
Principal Financial Group



Spotlight on Vietnam

Vietnam has made rapid progress in financial inclusion since the publication of the first Index in 2022, with its overall score rising 13 points from 44.2 to 57.2. This year, its pace of advancement stalled, with falls across both the financial system support (down 1.4 points) and employer support (down 3.2 points) pillars. However, the country saw a rise in government support of 1.3 points, which was in large part due to the improving financial education in the country.

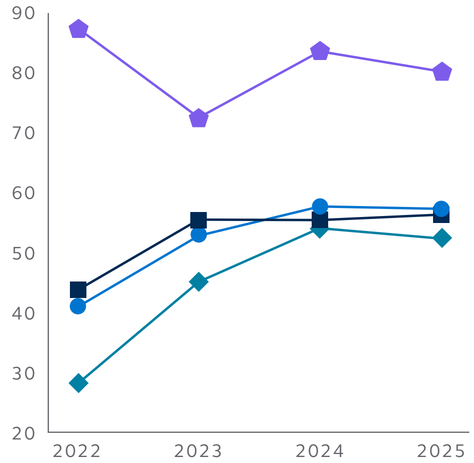
Like many Asian countries, Vietnam is struggling with the economic impact of an aging population. Year over year, it dropped one position to 35th in the finances in retirement indicator, with its score decreasing by 3.2 points. It's a prime example of an Asian economy attempting to mitigate the effects of its aging society by bolstering education levels—and broadening access to education—to help encourage a more effective long-term savings and investment culture.

Vietnamese financial literacy rose by 11.8 points since 2024, showing dividends following its integration of basic financial education into the school curriculum from 2020.

The country also had a drastic improvement in its equal access to education score, which was up 13.7 points. This has been driven by several policies, including tuition fee waivers for public schooling, targeted support for ethnic minority groups and remote areas, and inclusive education for students with disabilities.

Vietnam

Year-over-year scores



Overall

	2025	YoY
Score	57.2	-0.4
Rank	15	=

Government

	2025	YoY
Score	56.7	+1.3
Rank	21	=

Financial system

	2025	YoY
Score	52.6	-1.4
Rank	17	-4

Employer

	2025	YoY
Score	80.2	-3.2
Rank	2	=

KEY THEME NO. 3

The most rapid progress in financial inclusion has come from markets that have invested in instant payments and open banking frameworks.

It's clear from the 2025 study and previous iterations of the Index that markets that invest in both instant payments and open banking frameworks typically show the strongest progress in terms of financial inclusion and access.

Argentina is one such example. As it has done each year since the inception of the Global Financial Inclusion Index, Argentina improved both its overall score and its ranking between 2024 and 2025 due to structural reforms and rapid uptake in mobile banking. In 2022, Argentina was ranked last out of all 42 markets monitored for financial inclusion and is now positioned at 28th. In the years since the Index was launched, not only does it have the largest improvement of any market in its overall score but also in both the government support and financial system support pillars—the latter by a significant margin.

Argentina's rapid progress is based on the digitization of its financial infrastructure and reforms designed to create a more robust free market. The market has become one of the most sophisticated in its widespread adoption of real-time payments across multiple platforms. The Argentine Central Bank estimates digital transactions now account for more than 75% of total banking operations. In 2022, the Central Bank introduced its Open Banking framework, which has helped transform the country's financial landscape.

The same drivers underpinning Argentina's progress in financial inclusion have been powerful catalysts for the development of the other markets exhibiting the most improvement.

Most progress in financial inclusion since 2022

	Overall change 2022–2025		Government support change 2022–2025		Financial system support change 2022–2025	
Market	**Rank**	**Score**	**Rank**	**Score**	**Rank**	**Score**
Argentina	+14	+28.9	+10	+22.1	+19	+40.3
South Korea	+23	+25.6	+16	+20.6	+19	+28.7
Brazil	+12	+19.3	0	+2.0	+23	+39.4
Thailand	+11	+18.7	-7	+7.3	+18	+32.6
Singapore	0	+13.9	0	+10.8	+2	+16.4

PRINCIPAL INSIGHT

"The world's two most populus nations, China and India, have been pioneers—not only in Asia but globally—of the rollout of digital finance, demonstrating it can be achieved quickly and successfully across societies of more than a billion people covering a vast geographical area. China's development of payment platforms, such as WeChat Pay, and its rapidly decreased reliance on cash, has been a blueprint for the wider region. India's Unified Payment Interface has become the backbone of India's digital payments, accounting for over 80% of retail digital transactions, providing low-cost financial access to the unbanked and underbanked population.

The common denominator among the markets making the most progress in financial inclusion is a policy mix that makes digital payments ubiquitous, trustworthy, and interoperable—quickly converting access into genuine, everyday usage."

Howe Chung Wan
Head of Asian Fixed Income
Principal Asset Management

South Korea has had public digital ID systems in place for around 20 years, and Brazil introduced its version eight years ago. These systems have helped facilitate secure online authentication, which has helped underbanked populations, such as the elderly or those living in rural areas, access online banking more easily and securely. Thailand is currently developing a similar platform—the National Digital Identity (NDID). Brazil, like several other markets, is exploring ways to integrate blockchain technology into their digital services to further enhance security.

The introduction of open banking—or similar initiatives—over recent years in these markets has boosted interoperability between traditional banks and fintechs, enabling consumers to access multiple financial services through single apps.

- South Korea and Brazil have emerged as two prominent success stories, where open banking has evolved into open finance, encompassing insurance, investments, and pensions.
- Singapore's Open Banking model is non-mandatory, meaning banks are not forced to open up data, but rather the Monetary Authority of Singapore provides guidance and frameworks to encourage data sharing.

All of the most improved markets are accelerating swiftly in their usage of digital payments.

- Pix, Brazil's instant payment system, has revolutionized its financial system. Since its launch by the Banco Central do Brazil (BCB) in 2020, it has become the dominant payment method, used by around 175 million Brazilians, accounting for about three-quarters of the population and 15 million companies.
- PromptPay, the Bank of Thailand's equivalent, has seen similar growth since its launch less than a decade ago and is a cornerstone of Thailand's advancements in becoming a more financially inclusive economy. Today, it has around 80 million registered users, making more than 2 billion transactions per month.

PRINCIPAL INSIGHT

"At Principal, we see technology as a powerful enabler of financial security. It's not just about availability—it's about empowering people to actively participate in their financial lives.

In markets like Brazil and South Korea, we see how digital ID systems and open finance systems are helping consumers manage banking, insurance, and investments seamlessly. Brazil's Pix reaching 175 million users shows how scale follows simplicity and trust. Thailand and Singapore are also demonstrating how smart regulation paired with private innovation can expand digital reach and deepen financial engagement.

China and India continue to lead by example, proving that digital finance can thrive across vast populations and geographies. **Their success reinforces a key insight from this year's Index: progress accelerates when digital payments are secure, integrated, and embedded in daily life. That's the real measure of impact—when technology becomes invisible, and financial confidence becomes universal.**"

Kathy Kay
Chief information officer
Principal Financial Group

Spotlight on Argentina

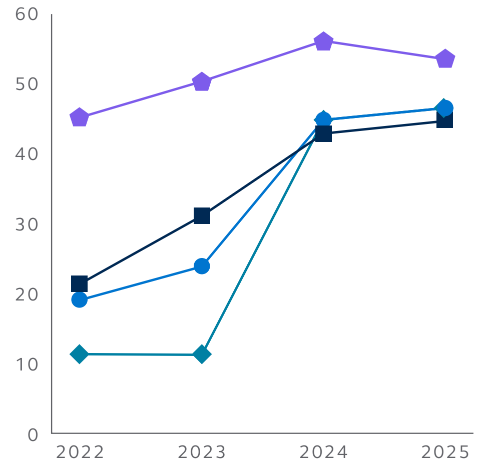
In contrast to the 2024 Index where Latin American emerging markets such as Argentina, Chile, and Brazil posted strong improvements, 2025 data suggests a deceleration in progress across much of the region. Indeed, while the region posted rises of 9.3 points and 5.1 points in 2023 and 2024, respectively, this has since slowed to a marginal 0.1 points in 2025.

Argentina remains a regional outlier in the 2025 Index, recording a 1.5-point gain in its overall score and rising one position in the rankings. Although this represents a clear moderation from the 20.8-point surge seen in 2024, the country continues to make steady progress. The improvement is underpinned by notable gains in two indicators: the deposit protection schemes (up 10.6 points) and borrowers' and lenders' protection rights (up 13.9 points). This reflects strengthening institutional frameworks aimed at safeguarding household finances and long-term savings, including new digital-lending rules introducing clear disclosure requirements and regular reporting, and stronger safeguards to prevent over-indebtedness.

Transferencias 3.0, an open, QR code-based instant payments system introduced in 2021 has also been widely adopted—supporting millions of transactions, enabling small and medium enterprise (SME) growth and success, and enabling general business confidence to grow. The impact of digitization is evident in the progress Argentina has made since the launch of the Global Financial Inclusion Index, including this year, when its financial system support score continued to improve by 2.2 points.

Argentina

Year-over-year scores



Overall

	2025	YoY
Score	46.2	+1.5
Rank	28	+1

Government

	2025	YoY
Score	44.6	+1.7
Rank	31	=

Financial system

	2025	YoY
Score	46.2	+2.2
Rank	23	=

Employer

	2025	YoY
Score	53.4	-2.5
Rank	31	-3

Meanwhile, Argentina's public pension score increased by 7.7 points, reflecting the introduction of a pension buy-back scheme bringing hundreds of thousands of informal workers into the system alongside automatic monthly inflation-linked adjustments to protect retirees' income.

This progress aligns with a broader policy shift under President Milei's administration, which has prioritized stabilizing the Argentine peso, reducing hyperinflation, and rebuilding public trust in the financial system. Such efforts include linking future pension adjustments to inflation, marking a significant departure from previous formulas that had failed to protect real incomes. Given hyperinflation in Argentina, the reform likely represents a critical step toward restoring purchasing power and ensuring the sustainability of the public pension system.

While the pace of progress has slowed relative to the previous year, the reforms introduced to date suggest Argentina is entering a consolidation phase, where stabilization efforts are beginning to take root but still require careful execution and policy consistency to sustain financial inclusion momentum.

In contrast, most of Argentina's regional peers have struggled to sustain momentum. Chile's overall score rose by just 1.0 point in 2025, while Brazil and Colombia posted slight declines (down 0.4 points each), and Peru remained near the bottom of the Index with only a modest 0.3-point increase. Across these economies, government support scores either stagnated or marginally fell, reflecting fiscal constraints, and, in some cases, public finance pressures stemming from post-pandemic recovery fatigue. Moreover, limited progress in workplace-level support suggests ongoing challenges among employers in promoting financial inclusion.

KEY THEME NO. 4

The UAE and Saudi Arabia made the largest strides in financial inclusion this year, driven by digitization of their financial systems.

The UAE (alongside Finland and Canada) was one of the few markets to rise more than one position in the overall ranking, moving up two places to 22nd. The increase in its score (up 1.9 points) was second only to Singapore, the top-ranked market.

The UAE's improvement this year was driven primarily by a significant jump in the financial system support pillar where it was the biggest riser (up five places to 24th), thanks to a 3.9-point increase in its score.

While Saudi Arabia's overall ranking remained flat (30th), its score improved slightly (up 0.9 points), continuing the trend of steady progress since the Index began in 2022. However, in the financial system support pillar, it was the biggest riser in the table behind the UAE, moving up four places to 35th on the basis of increasing its score by 1.8 points.

For both the UAE and Saudi Arabia, the notable ranking increases in the financial system pillar were fueled by major investment across the regions in financial technology. This year, scores for the majority of markets fell in the presence and quality of fintechs indicator. Only eight markets experienced increases, with the UAE and Saudi Arabia representing two of these. The UAE was the biggest year-over-year riser (seven places to 14th), while Saudi Arabia moved up four places to 27th.

The UAE and Saudi Arabia have placed fintech as central to their economic visions and have embarked on long term, comprehensive, and well-funded digital and fintech transformation processes. The former published its Digital Economy Strategy in 2022, which aims to double the digital economy's share of GDP to almost 20% within a decade, and by 2024, it had achieved more than 320 active fintechs with a combined value of more than $3 billion. Similarly, Saudi Arabia's Financial Sector Development Program, a key part of its Vision 2030 strategy, places a strong emphasis on fintech and rolled out the Fintech Strategy Implementation Plan in 2022. It has hit its target of having approximately 230 fintech firms by 2025 and aims to have 525 by 2030.

Alongside the digitization of their respective financial systems, it's also notable both markets are rolling out programs to bolster financial education and are introducing regulatory initiatives to provide consumers with greater protections. In the availability of government-provided financial education indicator, Saudi Arabia rose three places to enter the top 10 (up 2.7 points), while the UAE rose one place to sixth (up 1.2 points). In the consumer championing regulations indicator, Saudi Arabia and the UAE are now ranked third and fourth, respectively, with the Saudi Arabia rising by three positions year over year (up 6.9 points) and UAE by one position (up 4.4 points).

In both markets, the effects of a stronger and more inclusive financial system are becoming increasingly evident in the business landscape. The UAE was, by far, the biggest riser in the access to capital indicator, leaping by 12 places to 6th thanks to an increase in its score of 16.6 points. Meanwhile, Saudi Arabia's scores and rankings notably advanced in both the enabler of general business confidence (up 6.1 points and four places to 7th) and enabler of small and medium enterprise (SME) growth and success indicators (up 4.2 points and two places to 3rd).

There's little doubt that the region's low direct vulnerability to the "Liberation Day" tariffs has meant the environment for business funding and confidence has held up far more strongly than many other parts of the world. This can be considered a key factor in the strong relative performance of both the UAE and Saudi Arabia in these indicators. Additionally, the commitment to building a more resilient financial system through years of major investment in digitization and the introduction of pro-consumer reforms cannot be underestimated.

CEBR INSIGHT

"The Gulf's two largest economies illustrate how sustained digital investment translates into measurable inclusion gains, even when headline rankings don't change significantly. The UAE climbed two spots to 22nd overall on the back of the biggest jump in the financial system support pillar worldwide. A 3.9-point surge propelled it five places to 24th as the country's 320-plus fintechs, worth over US $3 billion, begin to scale under the 2022 Digital Economy Strategy.

Saudi Arabia mirrored this momentum—up four positions—thanks to a fast-expanding fintech sector that has already met its 2025 target of approximately 230 firms and is aiming for 525 by 2030 under Vision 2030's Fintech Strategy.

The payoff is visible in the real economy: the UAE's access-to-capital score leapt 16.6 points, while Saudi Arabia registered top-tier gains in business confidence and SME enablement. Together, they show that fintech-centric policy, reinforced by education and consumer trust, can fast-track inclusion—even amid external shocks."

Pushpin Singh
Managing economist
Centre for Economics and Business Research

Exploring the link between debt and financial literacy

Defining the impact of financial literacy on household debt management and economic growth

Multiple global studies have highlighted that low financial literacy, especially in developing economies, is a key barrier to reaching full financial inclusion.[10] Moreover, academic research has also concluded "enhancing financial literacy across populations not only supports personal wealth growth but also fosters broader economic stability and resilience."[11]

Financial literacy levels are an important input into the Index's government support pillar, and our data suggests considerable progress is being made globally. Governments across the globe are investing in large-scale initiatives to improve financial understanding within their populations—a trend we explored in the previous section of this report—which is particularly prevalent in Asian markets seeking to combat the economic issues associated with a rapidly aging society. Scores for financial literacy improved in almost twice as many markets (13) as they decreased (7) and while the declines were typically fairly modest, some markets—such as China (+13.8), Vietnam (+11.8), Taiwan (+10.2), Singapore (+6.6), and South Africa (+6.1)—made leaps forward.

This year, we've conducted econometric analysis to explore how improvements in financial literacy influence household financial outcomes and broader macroeconomic performance (excluding changes to income).

Specifically, the research estimates the relationship between financial literacy and household-level nonperforming loans (NPLs), before examining how changes in household NPLs affect debt affordability, proxied via debt-to-income (DTI) ratios. The analysis considers how improved household financial literacy may translate into wider macroeconomic gains, including impacts on GDP growth.

This integrated approach is designed to provide a deeper understanding of the economic benefits of improved financial literacy, thereby supporting financial inclusion initiatives.

(10) For example, research conducted by The World Economic Forum.
(11) International Journal of Creative Research Thoughts

A note on the methodology from Cebr

Financial literacy data was derived from consistent polling across countries and years as part of the wider Global Financial Inclusion Index, while household NPLs were estimated based on available financial sector data from the World Bank, adjusted to approximate household-specific exposures. For household NPLs, a targeted nowcasting exercise was conducted to extend data beyond 2022 given the absence of more recent official figures. However, nowcasted values were used sparingly and only where necessary in order to minimize potential bias in the results. DTI figures were sourced from official statistical agencies such as Eurostat and the Office for National Statistics.

To ensure a clear understanding of the relationships under investigation, we included additional macroeconomic variables as controls in our econometric models, including factors such as gross national savings, unemployment rates, general government total expenditure, and general government gross debt. These control variables help account for broader economic conditions that might also influence the data. By controlling for these factors, we're better able to isolate the specific effects being explored in each of our models.

For the full methodology, see **Appendix J**.

KEY FINDINGS

A **1-percentage-point improvement in financial literacy levels** is associated with a **2.78-percentage-point reduction in defaults on household loans.**

A **1-percentage-point improvement in financial literacy levels** results in significantly increased loan affordability and is associated with a **6.7-percentage-point reduction in debt-to-income ratios.**

Correspondingly, a 10-percentage-point increase in financial literacy is associated with a two-thirds fall in debt-to-income ratio.

A **10-percentage-point improvement in financial literacy levels** could generate a **0.3-percentage-point improvement in rate of GDP growth**—over and above the expected growth rate—after a four-year period.

↑ 1
percentage-point improvement
in financial literacy levels

⇨

↓ 2.78
percentage-point reduction
in defaults on household loans

↓ 6.7
percentage-point reduction
in debt-to-income ratio

↑
Significant increase
in loan affordability

↑ 10
percentage-point improvement
in financial literacy levels

⇨

↑ 0.3
percentage-point GDP growth
after 4 years

CEBR INSIGHT

"Our data clearly indicates improved financial literacy has a direct impact on personal loan default rates and, relatedly, on the affordability of personal debt. Moreover, these results suggest the economic growth benefits from improving financial literacy are meaningful and, crucially, not confined to countries with specific structural or income characteristics. Rather, gains are observed across the full spectrum of markets, from low- and middle-income economies with large informal sectors to highly developed countries with sophisticated financial systems.

This reflects the universal value of better financial literacy. By enhancing personal financial decision-making, boosting awareness and uptake of financial products, and supporting better debt management, improvements in financial literacy can support economic growth in any context."

Pushpin Singh
Managing economist, *Centre for Economics and Business Research*

Four phases of analysis: Financial literacy, household debt, and economic growth

1. Understanding the role of financial literacy in household NPL incidence

The research began by testing the hypothesis that higher levels of financial literacy would be associated with lower household NPL ratios using a sample of 68 country-year observations across 27 countries. This is based on the idea financially literate individuals are more likely to understand loan terms, budget effectively, avoid over-indebtedness, and proactively manage repayment—ultimately reducing the likelihood of default.

Based on a comprehensive Ordinary Least Squares (OLS) regression model, we isolated the impact of higher levels of financial literacy on the incidence of household NPLs.

The analysis demonstrates better financial literacy could significantly improve the manageability of household debt repayments.

Specifically, the model implies a 1-percentage-point increase in financial literacy is associated with a 2.78-percentage-point reduction in household NPLs.

2. Estimating the impact of household NPLs on household loan affordability

The central objective of this stage of the analysis was to examine the relationship between household debt-to-income (DTI) ratios—used here as a proxy for household loan affordability—and the prevalence of NPLs in the household sector across countries.

We used a dataset comprising country-year observations from 12 advanced economies between 2014 and 2022. Each observation includes a measure of the DTI ratio, household NPLs, and a set of macroeconomic control variables. These countries were selected based on the availability and consistency of household credit data over the period. To estimate the relationship between DTI ratios and household NPLs, we used a linear panel regression model where DTI was regressed on the NPL ratio and macroeconomic controls.

Our initial hypothesis was that higher household NPL ratios, signaling financial sector distress and greater risk aversion among lenders, would correspond with reduced loan affordability and therefore lead to higher DTI ratios. This assumed that worsening bank health would drive up borrowing costs or reduce loan term flexibility, pushing households toward higher relative debt burdens.

The regression analysis indicates a positive association between household NPLs and DTI ratios, our proxy for household loan affordability, supporting the hypothesis that rising household loan defaults contribute to reduced affordability for borrowers.

Specifically, the model suggests a 1-percentage -point increase in NPLs is associated with a 2.4-point increase in the DTI ratio.

PRINCIPAL INSIGHT

"The findings of our research illustrate a financial literacy flywheel. First, better financial literacy is a driver of economic resilience by creating stronger household balance sheets with more sustainable and more affordable debt. Second, reduced debt and an improved ability to pay it means household savings can become more productive and directed toward more growth-focused goals. Third, putting cash into inflation-beating savings products or investing in the stock market not only boosts the economy and helps capitalize businesses but is critical for retirement adequacy, helping alleviate the economic drag effect of an aging society, which will otherwise need to rely heavily on the state in later life.

The net effect of a more financially literate population is an economy that's more resilient to unexpected shocks and is positioned for stronger growth—all of which makes it a more attractive destination for international investors to deploy capital."

Seema Shah
Chief global strategist, *Principal Asset Management*

3. Calculating the impact of household NPLs on debt-to-GDP

On the hypothesis that higher levels of household financial strain, as proxied by rising NPL ratios, may contribute to increased household indebtedness over time, we sought to derive a quantifiable relationship between household NPLs and household debt-to-GDP ratios.

Using a panel regression analysis, based on 868 observations across 61 countries between 2000 and 2023, our model showed a positive, statistically significant relationship between NPLs and household debt-to-GDP, supporting the notion that financial distress may exacerbate household debt accumulation.

Specifically, it suggests a one-point increase in the NPL ratio is associated with a 0.11-point increase in the household debt-to-GDP ratio.

4. Consolidating key findings: the impact of better financial literacy on loan affordability and GDP growth

The final phase of our research involved applying findings from academic studies to the results of phases one, two, and three (the relationship between financial literacy and household NPLs, the relationships between household NPLs and loan affordability, and the relationship between household NPLs and household indebtedness).

We reference the findings of Lombardi, Mohanty, and Shim (2017)[(12)], who estimate a 1-percentage-point increase in the household debt-to-GDP ratio tends to reduce long-run economic growth by 0.1-percentage-points. While their paper doesn't specify a precise duration for the "long run," it distinguishes short-run effects as those occurring "within the space of one year," implying that long-run effects are realized thereafter. We also draw on the related work of Mian et al[(13)] (2015), who quantify a 0.3-percentage-point reduction in GDP growth over a three-year horizon in response to a similar increase in household debt.

Combining our regression findings together, in tandem with the above, we find a 10-percentage-point improvement in financial literacy could yield:

- A 67-percentage-point reduction in DTI ratios[(14)], i.e., a significant improvement in loan affordability
- A 0.3-percentage-point improvement in the rate of GDP growth in the long run (e.g., in four years) over and above the expected growth rate

PRINCIPAL INSIGHT

"A more financially literate workforce isn't just better prepared for their personal savings and spending journey—it's more effective, resilient, and engaged. Our research has shown when employees understand how to manage debt, save for retirement, and make confident financial decisions, businesses experience lower stress-related disruptions and greater productivity.

Employers have a powerful role to play here. By providing workplace tools such as financial education programs and access to retirement planning resources, they can help employees build the confidence to make better financial choices. In many cases, employers are offering access to resources that employees have not traditionally had—especially when it comes to advice-related services. Offerings that give employees access to advice when and how they need it, help fill the gap for populations that are not being served by the financial advice industry at large. When companies take these steps, they're not only investing in their people's financial wellness—they're building a stronger, more focused workforce that drives sustainable growth for everyone."

Teresa Hassara
Senior vice president, Workplace Savings and Retirement Solutions
Principal Financial Group

(12) Lombardi, Mohanty, and Shim (2017)
(13) Mian et al. (2015)
(14) While the estimated 67-point reduction in DTI may appear large, it should be viewed in the context of the underlying data. Within our sample, household DTI ratios range from approximately 45% to 255%. As such, a 67-point change is well within the observed bounds and reflects meaningful shifts in affordability, particularly in more leveraged markets.

Calculating the GDP benefit of improved financial literacy per market

Using survey-derived financial literacy scores per market as a baseline, we sought to calculate the economic uplift that could result from raising financial literacy to 50 percent in each of the 42 markets monitored. The scenario assumes target levels are reached by the end of 2025. The short-run impact is expected in 2026, with longer-term gains accruing in the years following 2026 through to 2029.

The results, summarized in the table below, show the benefits of increased financial literacy are broad-based, spanning both advanced and emerging economies.

- France stands to gain the most, with projected cumulative growth from 2026 to 2029 increasing from 3.7% to 4.4%, representing a 0.7-percentage-point uplift.
- Similarly, the U.S. could see a 0.5-percentage-point boost, with cumulative growth rising from 6.4% to 6.9% over the same period.
- Emerging economies such as Thailand, Nigeria, and Peru are also expected to benefit materially.

Market	Financial literacy in 2025	Change in financial literacy to reach 50%	Cumulative growth Baseline	Cumulative growth Assuming 50% financial literacy	Growth benefit by end of 2029 Percentage points
France	27%	23%	3.7%	4.4%	0.7%
Saudi Arabia	29%	21%	10.2%	10.9%	0.6%
Thailand	30%	20%	6.4%	7.0%	0.6%
Peru	30%	20%	7.7%	8.3%	0.6%
Mexico	31%	19%	6.7%	7.2%	0.5%
Nigeria	31%	19%	10.0%	10.6%	0.5%
United States	33%	17%	6.4%	6.9%	0.5%
United Arab Emirates	32%	18%	13.9%	14.4%	0.5%
India	31%	19%	20.7%	21.3%	0.5%
Italy	34%	16%	2.0%	2.5%	0.5%
Indonesia	33%	17%	15.7%	16.2%	0.4%
Sweden	35%	15%	5.4%	5.8%	0.4%
Colombia	35%	15%	8.5%	9.0%	0.4%
Poland	35%	15%	9.1%	9.5%	0.4%
Germany	36%	14%	3.6%	4.1%	0.4%
Malaysia	35%	15%	12.5%	12.9%	0.4%
Chile	36%	14%	7.0%	7.5%	0.4%
Ghana	35%	15%	15.7%	16.2%	0.4%
Turkey	36%	14%	11.3%	11.8%	0.4%
South Korea	37%	13%	6.3%	6.7%	0.4%
Israel	37%	13%	10.4%	10.8%	0.4%
Argentina	38%	12%	10.7%	11.1%	0.3%
Japan	39%	11%	1.7%	2.1%	0.3%
Norway	39%	11%	4.3%	4.6%	0.3%
United Kingdom	39%	11%	4.5%	4.8%	0.3%

Market	Financial literacy in 2025	Change in financial literacy to reach 50%	Cumulative growth Baseline	Cumulative growth Assuming 50% financial literacy	Growth benefit by end of 2029 Percentage points
Spain	39%	11%	5.0%	5.4%	0.3%
Australia	39%	11%	7.1%	7.4%	0.3%
Netherlands	40%	10%	4.1%	4.4%	0.3%
Ireland	40%	10%	6.7%	7.0%	0.3%
Switzerland	41%	9%	4.3%	4.5%	0.3%
Denmark	42%	8%	4.6%	4.9%	0.2%
South Africa	42%	8%	5.2%	5.5%	0.2%
Brazil	42%	8%	7.1%	7.3%	0.2%
Kenya	42%	8%	15.8%	16.1%	0.2%
New Zealand	43%	7%	7.3%	7.6%	0.2%
Finland	46%	4%	4.0%	4.1%	0.1%
Canada	46%	4%	5.0%	5.1%	0.1%
Taiwan	49%	1%	7.0%	7.0%	0.0%
Hong Kong	53%	0%	7.9%	7.9%	N/A
Singapore	51%	0%	7.5%	7.5%	N/A
China	52%	0%	12.4%	12.4%	N/A
Vietnam	50%	0%	16.6%	16.6%	N/A

In a time of economic uncertainty, tight credit conditions, and rising household debt, improving financial literacy isn't just helpful—it's urgent. The data shows even modest gains in financial understanding can lead to fewer defaults, better access to credit, and stronger economic growth. As governments and financial systems look for ways to build resilience and empower their populations, investing in financial education stands out as one of the most impactful and cost-effective strategies. It's not just about teaching people to manage money—it's about unlocking opportunity, stability, and long-term prosperity.

PRINCIPAL INSIGHT

“There is a very clear association in the data between higher financial literacy and lower instances of households defaulting on their debt. The knock-on impact of this is that debt becomes cheaper. First and foremost, this is supportive of improved living standards and financial stability.

From an investment point of view, a greater proportion of households with access to more affordable—and more manageable—borrowing is a leading indicator of economic growth. **Incremental strengthening of household balance sheets means more ability to spend sustainably and, ultimately, to borrow in service of more entrepreneurial goals such as starting a business.** In short, financial literacy is the bedrock of long-term economic development and prosperity.

Since we launched the Index, we’ve seen that, in general, wealthier economies tend to have better levels of financial literacy—and financial inclusion more broadly—than poorer ones. However, it’s also clear that financial literacy is not pursued in the same ways across the world—and some methods of raising the standards of financial understanding are proving far more effective than others.

Many of the markets making the fastest improvements in financial literacy are also those that rank highly for the development of their fintech sector and the adoption of digital banking and payments, with some of the best examples being in Asia. In other words, as technology enables simpler and easier access to financial information and resources, financial education is being embedded into citizens’ lived experiences. The end result is a broader and deeper financial understanding across the population. By contrast, many Western markets—including the U.S., U.K., France, and Italy, for example—have lower financial literacy levels than might be expected in economies of their size and strength. I suspect this may owe much to the relatively ‘analog’ roll-out of financial literacy measures in these markets, where the emphasis is on more theoretical ‘education’ rather than practical ‘experience’ through an increasingly digitized financial system.

There is a place for financial education in, for instance, the formal syllabuses of schools, but it’s unlikely to have the same rapid effects as ensuring everyone has access to relevant fintech tools. The transformative impact of AI will mean the gap in the pace of improvement will only widen between markets that take a traditional approach to financial literacy and those focused on integrating technology into daily life.”

Kamal Bhatia
Chief executive officer
Principal Asset Management

Populations' perceptions of financial inclusion

Populations' perceptions of financial inclusion

The Global Financial Inclusion Index models financial inclusion based predominantly on quantitative secondary data sources. However, to provide a more complete picture, the Index findings are compared with the views of individuals across the 42 markets collected through consumer polling.

This provides an overview of the extent to which populations feel financially included and their perceptions of how effectively governments, financial systems, and employers support their financial well-being.

The following analysis provides a ranking of perceptions of financial inclusion by market according to the results of this survey and provides a year-over-year comparison to identify significant changes and emerging trends.

The overall rank is based on an average score derived from individuals' answers to the two questions below:

1. To what extent do you feel financially included in your country?
2. To what extent do you feel the following groups act in a way that is helpful for you to feel financially included?
    - Government
    - Financial system
    - Employer

To see survey methodology and the full list of consumer survey questions, see **Appendix I**.

Actions taken by the government, financial system, and employers are felt by populations.

As with previous iterations of the Index, we see common trends between the main Index and the supplementary consumer sentiment polling. The direction of the overall scores and the scores related to each of the three pillars are broadly similar in both datasets. This indicates individuals globally are very attuned to the introduction or removal of measures supporting financial inclusion.

- Gaps between measures to support financial inclusion and consumer perceptions tend to be most stark in developed markets. Notably, European markets, including Germany, France, and Spain, exhibit significant gaps between the Index and their consumer scores.
- This can be attributed to the fact that in developed markets, expectations of institutions are typically higher. However, in developing and emerging markets, the opposite is frequently the case, essentially meaning the same respective institutions are held to lower standards.

The consumer survey reflects the pattern in the Index findings, where the global government pillar is the only one to improve year over year, as employers and financial systems faced economic challenges and lower business confidence halted progress.

New political leadership typically corresponds with more positive consumer perception of support for financial inclusion.

The 2024 Index found a population's perception of how much support the government and financial system provide is a strong factor in its favorability towards the incumbent political party.

As a continuation of this trend, this year's data reveals there is typically greater optimism that newly elected governments are implementing measures to support financial inclusion compared to those who have been in power for a longer period. Of the 19 markets tracked that had a major election since the start of 2024, 14 (74%) registered an increase in their population's perception of financial inclusion.

Global perceptions of financial inclusion remain stable year over year.

Across the 42 markets assessed this year, consumer perception of financial inclusion remains broadly consistent, with a marginal drop of two points from 60.5% to 58.5%.

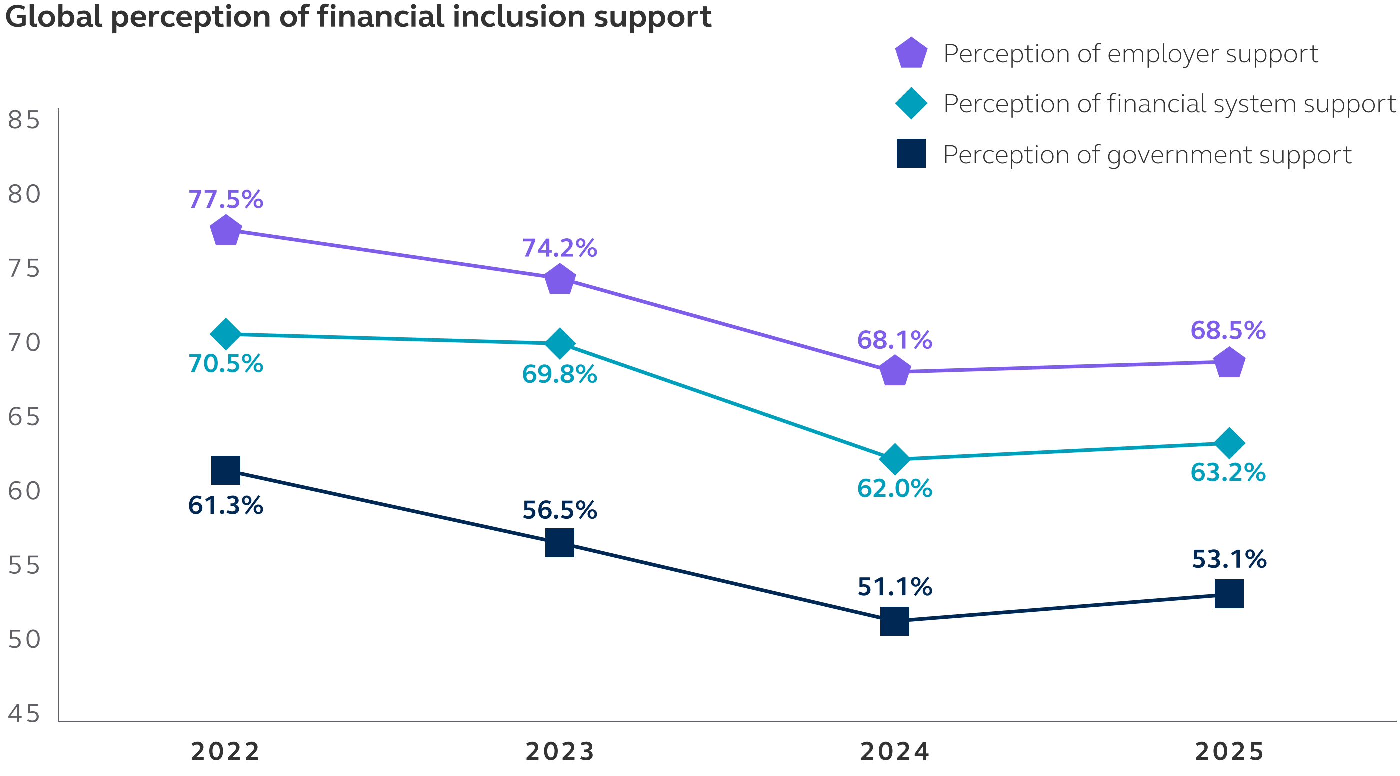
- Perceptions dropped in just 18 countries, compared to the 39 markets that recorded declines in 2024. These countries experienced particularly significant swings at an average of around 10 points.
- For 24 markets, perceptions of financial inclusion increased by around four points on average, with some similarly stark positive swings in the data. Nine markets recorded swings of five points or more.
- The three markets where populations feel most financially included are all in Asia, with Vietnam and India tying for first, followed by China in third.

On average, across the 42 markets assessed, the degree to which populations feel:.

- The government acts in a way that's financially inclusive increased by two points from 51.1% to 53.1%. Though marginal, this is the first increase recorded since 2022, and the largest increase out of the three pillars in 2025.
- The financial system acts in a way that's financially inclusive increased minimally by one point to 63.2% from 62.0%.
- Their employers enable their financial inclusion remained largely unchanged at 68.5%.

For the fourth year running, employers remain the institution populations agree does the most to make them feel financially included, despite seeing the smallest positive swing of the three pillars.

Global perception of financial inclusion support



Percentages denote those who agree that the government, financial system, and employers act in a way that is financially inclusive.

Measures to support financial inclusion within European markets remain out of step with consumer perceptions, which record another year of declines.

As was the case in 2024, a number of European countries, most notably France, Germany, Poland, and Spain, saw significant declines in perceptions of overall financial inclusion. Turkey records a second sharp decline in two years.

- France is down 11 places in the global rankings, recording a 16-point decline to 41%. Spain fell 13 spots in the overall ranking, experiencing an even steeper decline of 18 percentage points, with an overall score of 39.7%.
- Similar to last year, Germany experienced one of the largest overall declines in score (17 points). As a result, Germans report feeling among the least financially included in the world, with only Poland ranking lower in the global rankings.
- Turkey registered the steepest decline with a 19.5 point drop to 32.9%, from 52.4% in 2024. Turkey's score has fallen by nearly 40 points in just two years, recording a score of 72.04 in 2023.

Of the 10 markets recording double-digit declines in their 2025 scores (Mexico, Italy, France, Colombia, Argentina, Spain, Chile, Turkey, Germany, and Poland), over half are in Europe.

Six of the 12 countries that experienced declines in perceptions of government support are in Europe: Germany, France, Ireland, Poland, Spain, and the Netherlands.

Asian consumers continue to feel the most financially included of any region, with markets from the region occupying the joint first and second highest scores in 2025.

Once again in 2025, consumers in Asia feel the most financially included of any of the regions surveyed, with only one out of 11 markets (Thailand) recording a decline in its score. The overall top three markets for perceptions of financial inclusion are all Asian countries: Vietnam, India, and China.

- India and Vietnam record the joint highest score of any markets at 82%. India maintains its position as the joint highest-scoring market for the second consecutive year, with Vietnam moving up two places compared to 2024 scores.
- Japan recorded the biggest swing of any Asian market in 2025, and one of the largest overall, with a 13.7-point increase in its score.

Despite some isolated signs of progress, perceptions of financial inclusion in Latin America continue to lag behind most regions.

Once again in 2025, consumers in Latin America feel the least financially included out of all markets analyzed. All markets (Argentina, Chile, Colombia, Peru, Brazil, and Mexico) recorded a decline in their scores by an average of 8.8 points.

- In 2025, Latin America is the only region with markets where less than half of consumers feel financially included.
- Other than Peru (-4 points) and Brazil (-0.8), all Latin American markets recorded double-digit declines in 2025.
- Mexico, where perceptions of financial inclusion are generally higher than the regional average, fell by 12 places in 2025 and saw a 12.8 point drop in its score—the second highest decline of any Latin American market after Argentina (-13 points).

However, there are signs of progress in 2025 within the Latin America region when perceptions of financial inclusion are measured against the government support, financial system support, and employer support pillars, with all scores increasing compared to 2024.

- All but one Latin American market—Mexico—recorded increases in those who feel supported by their government, with Peru and Chile making particular strides in this area.
- Similarly, nearly all markets saw improvements in the perception of how well their financial system promotes financial inclusion, with only Argentina recording a slight decline of 1.1%.
- Consumers, however, generally feel less financially included when it comes to employer support compared to the other pillars. Given that employer support tends to be the first phase of the three phases of financial inclusion, it may be difficult for the region to make meaningful gains in perceptions of financial inclusion without improvements in this area.

PRINCIPAL INSIGHT

"Asia continues to show the most progress in the population's perception of financial inclusion—with Vietnam and India now sharing the top spot—suggesting populations are feeling the impact of the region's rapid rollout of digital-led measures to support financial well-being. But these benefits aren't consistent globally. The average world-wide perception slipped only two points, but beneath the surface, some countries swung more than 10 points.

Latin America sits at the other extreme compared to Asia. Despite policy improvements, there are significant declines in scores across the region, especially when it comes to employer support. While this likely reflects the more challenging economic outlook in some Latin American countries, overall scores won't materially shift until we start to see greater employer support, given the importance of employer-led support in people's sense of financial inclusion across the board."

Kamal Bhatia
Chief executive officer, *Principal Asset Management*

Percentage of population that feels financially included in their market

Across all columns, the table shows the percentage of those who feel financially included.

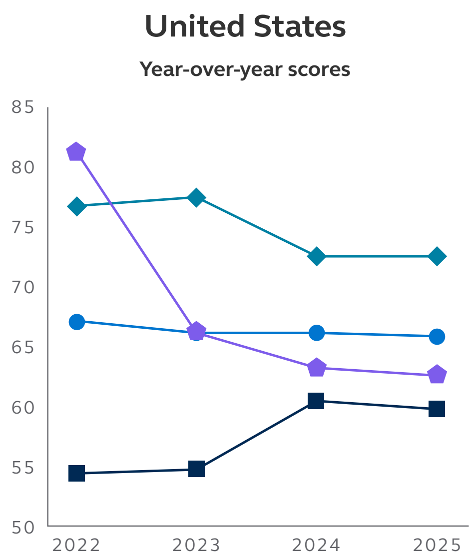
	Overall		Government support		Financial system support		Employer support	
Market	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Vietnam	1	82.6%	1	88.4%	1	91.0%	2	87.6%
India	2	82.6%	4	80.0%	3	82.2%	1	87.9%
China	3	80.0%	3	82.0%	4	80.7%	13	72.6%
Saudi Arabia	4	75.5%	2	88.0%	2	86.8%	5	79.5%
Hong Kong	5	74.2%	8	67.6%	5	77.8%	33	62.7%
Singapore	6	72.5%	6	76.0%	13	70.3%	29	67.0%
Taiwan	7	71.3%	13	57.1%	7	76.1%	36	60.8%
Malaysia	8	70.3%	7	75.7%	12	70.6%	18	70.8%
Nigeria	9	69.7%	12	57.3%	10	73.6%	3	87.1%
United Arab Emirates	10	68.3%	5	79.4%	8	74.8%	22	69.8%
United Kingdom	11	67.6%	23	49.7%z	18	68.4%	20	70.2%
Canada	12	67.3%	10	59.1%	19	64.4%	25	67.6%
Ghana	13	66.8%	9	61.9%	16	68.9%	9	75.9%
Thailand	14	66.3%	19	51.9%	14	69.8%	24	69.7%
Australia	15	65.3%	15	53.9%	25	60.8%	16	71.1%
Denmark	16	65.1%	11	58.7%	23	61.9%	23	69.7%
The Netherlands	17	64.7%	16	53.0%	20	62.6%	19	70.4%
Brazil	18	64.6%	17	52.9%	9	74.8%	4	80.2%
Norway	19	63.7%	14	57.0%	35	51.4%	11	73.5%
New Zealand	20	63.1%	20	51.3%	21	62.2%	17	70.9%
South Africa	21	62.3%	25	47.2%	11	72.8%	6	79.2%
Sweden	22	61.9%	21	51.2%	28	56.4%	21	70.1%
Kenya	23	61.0%	18	52.4%	6	76.5%	8	76.7%
Ireland	24	60.8%	27	46.1%	29	55.9%	14	71.9%
United States	25	59.8%	28	44.6%	22	62.1%	30	67.0%
Indonesia	26	57.2%	22	49.9%	27	58.8%	26	67.6%
Switzerland	27	55.4%	24	49.6%	37	49.5%	42	35.2%
Finland	28	54.7%	34	40.1%	38	48.5%	7	78.2%
South Korea	29	53.6%	30	44.2%	26	60.0%	38	56.7%
Israel	30	53.4%	37	38.6%	39	47.7%	35	62.4%
Mexico	31	48.9%	29	44.5%	15	69.1%	10	74.1%
Japan	32	44.2%	41	31.6%	40	43.0%	41	45.6%
Peru	33	43.9%	40	37.0%	17	68.8%	15	71.7%
Italy	34	41.8%	31	41.8%	36	51.3%	31	64.3%
France	35	41.7%	33	40.7%	34	52.2%	31	66.2%
Colombia	36	40.6%	39	37.6%	24	61.2%	12	73.1%
Argentina	37	39.9%	32	41.1%	31	55.5%	32	63.0%
Spain	38	39.7%	36	38.9%	32	55.1%	34	62.6%
Chile	39	38.9%	35	39.4%	30	55.7%	27	67.2%
Turkey	40	32.9%	26	46.1%	33	52.4%	37	57.5%
Germany	41	32.3%	38	38.6%	41	33.2%	40	50.9%
Poland	42	31.5%	42	27.4%	42	37.7%	39	52.2%

Spotlight on the United States

U.S. key findings

The U.S. registered a marginal increase in its financial inclusion score, but its ranking remains unchanged.

The U.S. continues to be one of the most financially inclusive markets globally, ranked seventh overall. The U.S. experienced a slight recovery in its overall score in 2025, rising from 65.3 to 65.9. While this increase is modest, it marks a reversal following two consecutive years of decline.



Overall

	2025	YoY
Score	65.9	+0.6
Rank	7	=

Government

	2025	YoY
Score	59.9	-0.7
Rank	17	=

Financial system

	2025	YoY
Score	72.6	+2.1
Rank	6	+1

Employer

	2025	YoY
Score	62.8	-0.6
Rank	12	+9

The improvement in 2025 was primarily driven by a partial rebound in the financial system support pillar, where the U.S. score increased from 70.5 to 72.6. Despite this gain, the U.S. remains below its 2022 peak of 81.3.

Expanded access to both credit and financial tools supported the increase in this year's U.S. score, but data suggests the more challenging economic backdrop was a barrier to greater progress.

Gains in the scores of the presence and quality of fintechs, borrowers' and lenders' protection rights, and access to credit indicators helped support the recovery, despite reports of a subdued fintech environment more generally.[15]

However, there was stagnation in other indicators, namely access to capital, as well as continued declines in the enabler of small and medium enterprise (SME) growth and success indicator score. This reflects reduced funding availability and lower confidence among small business owners, driven by concerns over trade tensions, the Federal Reserve's cautious approach to lowering interest rates, and slow global economic growth.

(15) KPMG (2025)

Financial inclusion within U.S. businesses

The overall decline in U.S. employers' financial inclusion is due to challenges experienced by smaller businesses, which are more sensitive to economic uncertainty. By reconstructing the employer support pillar specifically for U.S. businesses and segmenting the number of staff employed, this analysis assesses whether employer support in the U.S. varies by business size. The results below illustrate the findings.

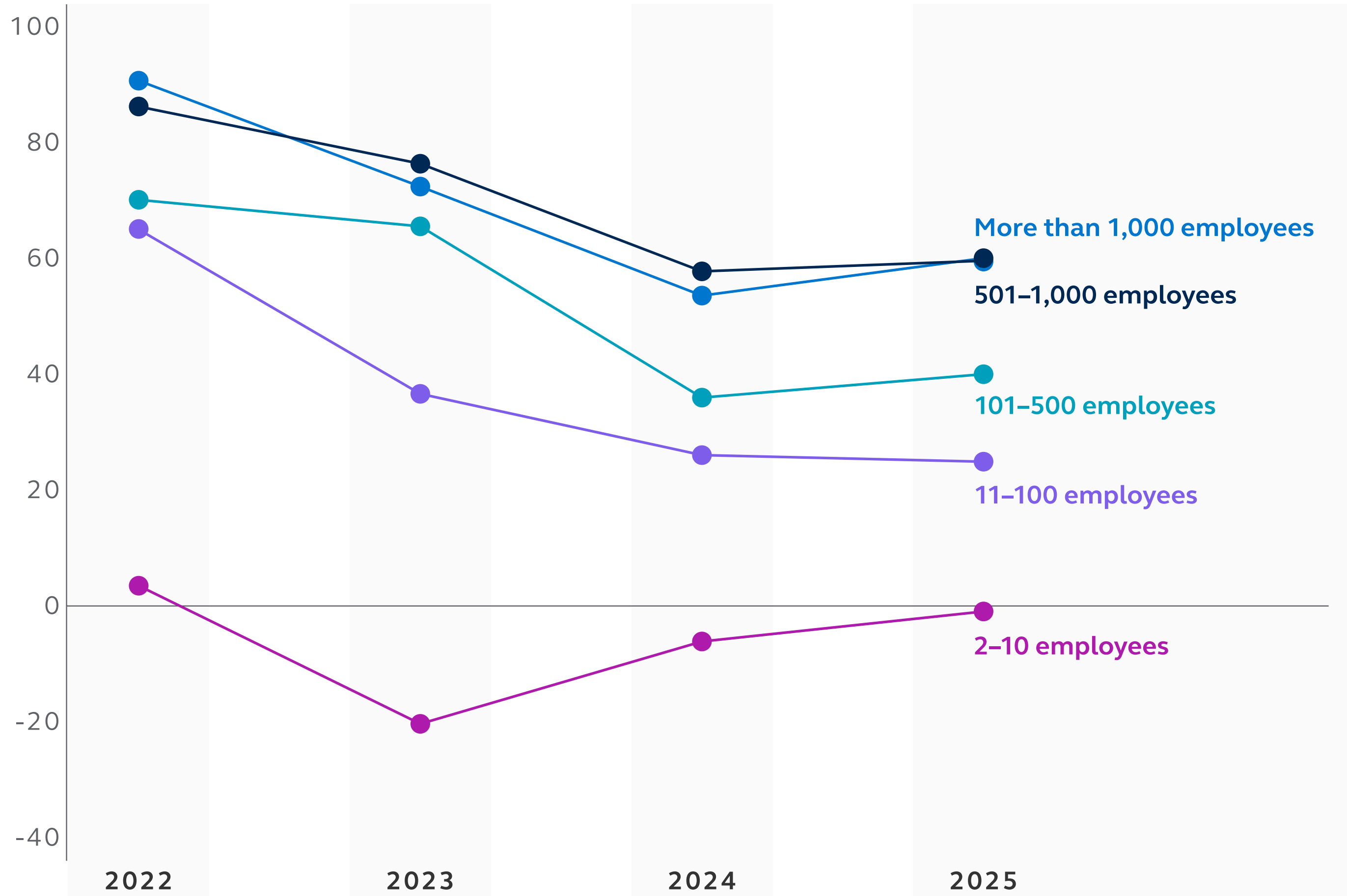
Employer support scores in the U.S. by business size, by indicator

	Provision of guidance and support around financial issues			Employer pension contributions			Employer insurance schemes			Employer pay initiatives			Overall score		
Business size	**2025**	**2024**	**YoY**	**2025**	**2024**	**YoY**	**2025**	**2024**	**YoY**	**2025**	**2024**	**YoY**	**2025**	**2024**	**YoY**
Large More than 1,000 employees	70.0	64.2	**+5.8**	52.5	44.1	**+8.4**	82.0	83.3	**-1.2**	44.0	34.4	**+9.7**	60.2	54.0	**+6.2**
Medium to large 501-1,000 employees	74.3	70.6	**+3.7**	46.9	45.6	**+1.3**	74.8	73.8	**+1.0**	55.4	53.5	**+2.0**	59.7	57.8	**+1.8**
Medium 101-500 employees	57.2	51.9	**+5.3**	17.2	13.3	**+3.9**	70.1	70.2	**-0.1**	39.4	33.0	**+6.4**	40.2	36.3	**+3.9**
Small to midsized 11-100 employees	46.3	46.6	**-0.3**	4.0	3.4	**+0.7**	52.5	56.6	**-4.0**	19.9	21.6	**-1.7**	25.4	26.3	**-0.9**
Small 2-10 employees	11.2	4.3	**+6.9**	-10.9	-11.7	**+0.8**	10.6	6.2	**+4.3**	-2.9	-15.2	**+12.3**	-0.6	-5.6	**+5.0**

Note that the scoring is again relative to the top and bottom performer across business size categories, and as a consequence of adapting the Index construction methodology to allow for year-over-year comparisons, scores less than 0 and more than 100 may be seen. The scores cannot be compared to other values outside this specific ranking.

- **The smallest businesses** (2–10 employees) recorded a 5.0-point increase overall, reflecting two consecutive years of improvements following the 2023 trough, which may suggest some businesses in this segment are adopting agile, lower-cost models for employee support.
- **Small to midsized businesses** (11–100 employees) were the only business segment to experience a year-over-year decline in their employer support pillar score. The segment experienced a notable drop in employer insurance (score down 4.0 points) and employer flexible pay initiatives (score down 1.7 points). Small to midsized businesses represent roughly 40% of the U.S. labor force, so this segment has a significant impact on the overall total.
- **Medium-sized businesses** (101–500 employees) recovered slightly, rising 3.9 points in their employer support score. However, employer insurance has flatlined, and pension contributions have only partially rebounded from a dramatic drop in 2024, suggesting cost pressures continue to restrict employers' abilities to provide these measures of support.
- **Large businesses** (more than 1,000 employees) recorded the highest rise with a 6.2-point improvement, driven by gains in provision of guidance (score up 5.8 points) and pension contributions (score up 8.4 points) indicators. While encouraging, this recovery only partially offsets the sharp 36.8-point decline between 2022 and 2024.

Time series of employer support scores in the U.S. by business size



PRINCIPAL INSIGHT

Amy Friedrich
President, Benefits & Protection
Principal Financial Group

"Business owners must make tough decisions on what to prioritize, particularly as they have less access to the financial resources needed to grow. It's important to remember that businesses typically don't adopt comprehensive benefits packages within their first five years of operation. As a result, even countries known for their thriving start-up culture—like the U.S.—are likely to have a lower level of employer-led financial inclusion measures at certain points in their business lifecycle.

Additionally, these businesses regularly face hurdles when accessing traditional lending, and this challenge has become even greater as access to capital has declined. These observations are mirrored in our Principal Financial Well-Being Index℠, where small and midsized businesses in the U.S. have moved from growth mode to stability mode as a result of macroeconomic concerns."

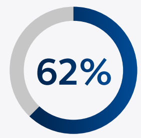
Perceptions of financial inclusion within U.S. households

U.S. consumer sentiment survey data mirrors increases seen in the main Index, indicating measures taken by the government, financial system, and employers are already being felt by individuals.

In 2025, the proportion of U.S. respondents who say they feel financially included rose 6.1 percentage points from 55.7% to 61.8%. As with the main Index, this represents a stabilization after two years of declines, including a significant decline of 17 points in 2024.

After two years of decline, the financial system support pillar rebounded. While not quite at the same level as 2022 highs (77%), this signals measures taken by the financial system in the past few years are beginning to make an impact on consumers' day-to-day lives.

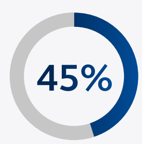
- The percentage of Americans who feel the financial system acts in a way that makes them feel financially supported rose to 62.1% from 57.1%, moving up the ranking slightly from 25th to 22nd in 2025.



of U.S. consumers feel the financial system acts in a way that makes them feel financially supported.

This year marked a modest reversal in the way consumers view support from the government.

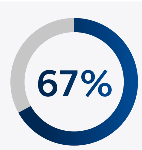
- While only 44.6% of consumers feel the government acts in a way that makes them feel financially supported, this is a 2-percentage-point rise from 2024. This is the first recorded increase in the government support pillar since 2022.
- U.S. consumers continue to believe the government does the least to act in a way that's financially supportive.



of U.S. consumers feel the government acts in a way that makes them feel financially supported.

For the fourth year in a row, U.S. consumers continue to view their employers as doing the most to support financial inclusion (67.0%).

- Individuals felt more supported by employers across nearly all criteria tracked by the consumer survey, with the most significant improvements coming from improved retirement plan offerings, insurance coverage access, and education to help employees transition into retirement.
- The only exceptions were two newly introduced criteria—access to training and professional development opportunities and financial assistance programs for those facing hardship. The majority felt their employers broadened access to those resources.



of U.S. consumers feel their employers are doing the most to support financial inclusion.

Lack of confidence puts retirement and broader financial security at risk.

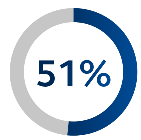
U.S. consumers are feeling the pressure of ongoing geopolitical tensions and ever-present market uncertainty, with only 33% satisfied with their present financial situation. On top of that, the vast majority of Americans have faced some kind of financial difficulty (unable to afford essentials, health challenges, unexpected large expense, job loss, etc.) in the first half of 2025.

External pressures and lack of confidence in finances impact all areas of U.S. consumers' lives:

37% feel confident in their ability to reach major financial life goals (e.g., buying a home, paying for weddings or funerals, raising children).

21% of parents feel they can afford childcare, leaving many wallets particularly pinched.

With so many factors to juggle in their current financial lives, consumers' concern about their ability to plan and save for retirement without impacting their standard of living is increasing.



of consumers said the **"economic situation" in the U.S. has either impacted or will impact their retirement**—a marginal increase compared to 2024.

Even though the majority of Americans (54%) believe their financial situation will improve over their lifetime, more than half (54%) worry they will run out of savings in retirement.

Understandably, retirement concerns are most prevalent among those who are nearly at or are in retirement. Nearly 70% of Gen Xers (ages 44–59) and 50% of Baby Boomers (ages 60–78) said they don't believe their retirement savings are sufficient to pay for their retirement.

U.S. consumers who don't believe their retirement savings are sufficient.

PRINCIPAL INSIGHT

"Saving for retirement continues to be challenging for most people. Inflation, market volatility, the changing nature of work, the need to work longer, and other personal financial, health, or family challenges make the path to retirement a difficult one. As a result, tools offered at a financial system and employer level must meet savers where they are and help them along the journey to financial security.

The need for broader access to professional financial advice has never been greater. The volatility we experienced earlier this year created significant anxiety for Americans who have been working hard to secure their financial futures. In fact, in the first half of this year, our U.S. plan participant engagement center volume reached a five-year peak as millions of Americans sought reassurance and guidance on what to do next. Regular access to trusted advice can help people avoid making rash, emotional decisions that could do real damage to their financial security."

Chris Littlefield
President, Retirement & Income Solutions
Principal Financial Group

U.S. consumers are taking advantage of new and emerging digital tools that support financial inclusion.

The U.S. population is continuing to make use of new and emerging technologies when it comes to managing their finances and planning for the future.

61% **of U.S. consumers say they have access to tools for retirement planning—up 1.7% from 2024.**

AI is increasingly being used by U.S. consumers, with usage up in a number of areas.

46% **of U.S. consumers say AI is having a positive impact when it comes to personal finances—up 1.7% from 2024.**

Areas where consumers are turning to AI more regularly or feel AI is having a positive impact include loan approvals, data security, fraud reduction, and their general understanding of their finances.

This suggests AI tools are already supporting financial literacy and education. If this trend continues, consumers' overall sense of financial inclusion may also increase as AI adoption accelerates.

Epilogue

by **Deanna Strable**
Chair, President, and CEO of Principal Financial Group

We believe financial progress begins with meeting individuals and organizations where they are, recognizing their goals and challenges, and offering pathways tailored to their unique journeys.

The journey toward financial inclusion is both ongoing and increasingly complex. The trends and findings detailed throughout this year's report highlight the resilience of the world's financial systems alongside new and evolving challenges that demand collective attention and innovation.

This year's data makes one point clear: progress in financial inclusion cannot be taken for granted, especially in an environment shaped by persistent economic headwinds, tighter lending conditions, and a shifting geopolitical order. While the global financial inclusion score remains well above its 2022 baseline, the pace of improvement has slowed and, in some areas, plateaued. This suggests previous gains were hard-won—and sustaining further advancement will require renewed focus, creativity, and coordination between all stakeholders.

Our research highlights that technology and education are vital twin catalysts for improving inclusion. Whether through the exponential growth of digital payments in Southeast Asia and Latin America or through policies that reduce barriers to higher education and lift GDP for entire markets, the connection between access, capability, and economic mobility has never been more apparent.

Here are some of the ways we're working to create opportunities and remove barriers.

We're investing in fintech to expand access—and designing solutions that align with our clients' needs. Through strategic partnerships with YieldX and Smartleaf Asset Management, we've collaborated to provide fintech-enabled access throughout our 37 model portfolios. These strategic partnerships make sophisticated investment strategies like direct indexing and tax-efficient investing available to individual investors and small businesses through their financial professionals for better, more personalized outcomes.

We're embedding financial literacy into our experience—because education is essential to inclusion. Principal is advancing financial literacy through a blend of commercial services and investments—making education a core part of how we serve our customers. In 2024, our digital platforms—including Principal® Milestones and Hola Futuro—helped drive a 53% increase in participant action and a 21% rise in engagement. Customers accessed articles, calculators, webinars, and personalized consultations to better understand budgeting, investing, and retirement planning.

We're committed to the long haul—because financial inclusion is a shared responsibility. For nearly four decades, our philanthropic arm, Principal® Foundation, has been supporting organizations that help eliminate barriers to a better financial future and expand access to essential resources and services that build stronger communities. Principal® Foundation invested $18.8 million last year in programs that promote financial literacy, support entrepreneurs, and expand access to essential services. Initiatives like DataSetGo and Small Business Boost are helping thousands of individuals and businesses build stronger financial futures.

Removing barriers to financial security will take all of us—governments, businesses, financial institutions, and communities—working together. The insights revealed in the Global Financial Inclusion Index are not just data points; they are a roadmap for action.

Let's pool our resources and expertise to invest in tools, policies, and programs that build confidence in people's financial lives. Because when individuals thrive, so do families, communities, and economies.

We remain committed to being part of this collective effort—to help shape a future where financial security is within reach for people everywhere.

Deanna D Strable

Deanna Strable
Chair, President, and CEO
Principal Financial Group

Appendices

Appendix A: Methodology

The report presents a detailed overview of the adapted methodology implemented in 2025 to facilitate year-over-year comparisons while preserving the relative integrity of past Index results. These adaptations encompass adjustments to the past iterations of the Index in light of revised data for specific indicators as well as further methodological refinements to generate regional and global scores.

A primary objective of the Global Financial Inclusion Index is to enable consistent year-over-year comparisons with previous iterations, ensuring the continuity and reliability of historical results. Through methodological revisions and processes in the 2024 Index, we established a foundation for the development of the 2025 Index, maintaining the integrity of the comparative analysis over time.

Index construction

The Global Financial Inclusion Index methodology, developed by the Centre for Economics and Business Research (Cebr), combines various data sources into one unified measure of financial inclusion at the market level. Structurally, the Index is split into three pillars (government support, financial system support, and employer support), which are comprised of varying indicators.

Indicators consist of single or multiple variables derived from a combination of publicly available data sources and survey-based research. Data points are combined to provide an indicator score, subsequent pillar score, and headline Index ranking.

Scores for each market are generated based on its performance as measured by the particular indicator. Each indicator follows the same set of steps, allowing assignment of a value to each market.

- Outliers, defined as falling outside of the mean +/-2 standard deviations (SD), are replaced with the market value equal to either mean +2 SD or mean –2 SD.
- An Index value is assigned to each market using the following min-max formula:

$$\frac{\textbf{data point} - \textbf{series min}}{\textbf{series max} - \textbf{series min}} \times 100$$

For the 2025 Index, the series minimums and maximums are dictated by the series minimums and maximums from the corresponding indicator in the previous iterations in order to allow for comparability across time. This is only relevant for indicators where the source data remains the same.

Inverses of data points or negative equivalents are used for indicators and sub-indicators where a lower figure signifies a better performance (e.g., estimates for informal output) to standardize against a higher overall Index score, which indicates better performance.

Once scores are assigned to each market for each indicator based on the previous steps, indicators are weighted to calculate the overall pillar score. These are then aggregated into the overall Index score.

For the Index, a nonequally weighted approach is employed to give greater weight to the government and financial system pillars. This is because the employer support pillar is based exclusively on survey data from a sample of business decision makers across all the markets covered.

While survey data is crucial, the robust secondary data sources are attributed greater weight due to their more objective reflection of the respective measures. Consequently, survey-based indicators within pillars are assigned a lower weight for the same rationale.

This approach provides a unique market score for each metric, which allows separate presentation of figures for each indicator and pillar, as well as an overall market score.

Pillar scores are calculated by taking a weighted average of all the indicators that constitute each pillar. Overall Index scores for each market, representing the main results of this report, are derived by averaging the scores from each pillar, with greater weighting assigned to the government support and financial system support pillars.

Facilitating year-over-year comparison

The initial stage of the 2025 Index analysis involved recalibrating the 2024 Index to incorporate revised historical data, particularly from the World Bank. As part of the World Bank's routine data updates, historical data is frequently revised. To ensure precise year-over-year comparisons, the 2024 Index was adjusted to include the most current and relevant data for the designated time periods.

This recalibration process led to minor retrospective adjustments in the 2024 results, affecting both scores and rankings. Notably, the only change in overall rankings was the interchange of positions between Saudi Arabia (now 30th) and Spain (now 31st).

To ensure consistency in year-over-year comparisons, the 2024 results presented in this year's Index have also been recalibrated to reflect the reintroduction of Israel into the Index. This adjustment ensures both 2024 and 2025 rankings, along with other historical results prior to 2024, are based on an identical market sample. As a result, minor shifts may appear in some markets' positions relative to the originally published 2024 results, though underlying scores remain methodologically consistent.

Following this, the 2025 Index was constructed as per our established methodology, where for each indicator within each pillar, markets are assigned a score based on their performance for that indicator.

As with the 2024 Index, the upper and lower limits for each indicator in this year's iteration were aligned with the corresponding limits from the first iteration of the Index (2022), where applicable. This approach ensures year-over-year comparability at the indicator level for data sources that remain unchanged. However, it's crucial to emphasize that such comparisons are only valid for indicators with consistent source data.

It's important to note that this method reduces the significance of the 0 (worst-performing market) and 100 (best-performing market) scores seen in the 2022 Index. Given that the scoring parameters have remained unchanged, indicator scores for the 2025 Index can fall below 0 or exceed 100 based on the established limits. This adjustment was necessary to maintain both intra-Index and inter-Index comparability, a fundamental objective of the exercise.

Updates to indicators

- The indicators constituting the 2024 Index have been retained in their entirety for the 2025 iteration.
- However, adjustments have been made to the source data of the borrowers' and lenders' protection rights indicator within the financial system pillar to mitigate a lack of new data.

Global and regional financial inclusion score methodology

In the 2023 Index, a methodology was introduced to produce regional and global financial inclusion scores. This involved aggregating market-specific scores into regional scores using population weights to represent distinct geographical areas. A global score was then derived by applying population weights to these regional scores. This methodology, repeated in 2024, was once again employed in the 2025 iteration of the Index to generate a new set of global and regional scores.

This approach allows for a comprehensive assessment of financial inclusion across various regions and globally. By analyzing changes in financial inclusion over the past year at both regional and global levels, valuable insights were gained into the progress and challenges in promoting financial inclusion worldwide. This global score reflects financial inclusion across all markets included in the Index rather than all economies worldwide.

As the overview of global and regional scores doesn't use rankings, year-over-year comparisons are made using absolute scores.

Appendix B: List of indicators used in the Global Financial Inclusion Index

Government support

Indicator	Source (2025)
State of public pensions/retirement	**Mercer CFA Institute Global Pension Index** The Global Pensions Index measures the overall efficacy of pension systems around the world. Pension systems are awarded a score for adequacy, sustainability, and integrity. The overall score is calculated as an average of the three subcategory scores.
Deposit protection schemes	**Individual countries' deposit insurance corporations (adjusted in accordance with up-to-date per capita figures; in local currency)** A measure of the deposit insurance arrangements in each market consists of two metrics: 1. Whether or not the country has an explicit deposit insurance scheme in place. 2. The coverage ratio calculated as the level of insurance protection divided by GDP per capita (in current prices, LCU).
Consumer championing regulations	**Bespoke survey** A measure of the existence, scope, and ambition of consumer laws. Survey respondents are asked to evaluate legally guaranteed consumer protections in Data Privacy & Protection, Safe E-commerce Transactions, Fraud Protection, Trading Standards, Product Safety & Liability, and Access to Consumer Credit.
Employment levels	**World Bank** This indicator consists of two equally weighted metrics: 1. The share of the country's population that's employed. 2. The size of the informal economy, as expressed as a share of total national GDP.
Awareness and uptake of government-mandated pension schemes	**Bespoke survey** A measure of the existence, scope, and uptake of government-mandated pension schemes. Survey respondents are asked about their awareness of and the extent of employee participation in government-mandated retirement and/or pension plans.
Education levels(16)	**OECD PISA** A measure of the effectiveness of current education provision as captured via the academic performance of students through PISA scores. The PISA methodology assesses students' ability in reading, mathematics and science knowledge and skills to meet real-life challenges.
Complexity of corporate taxation systems(17)	**Global MNC Tax Complexity Project** A measure of the complexity of countries' corporate income tax systems as faced by multinational corporations. Tax systems around the world are awarded an index score based on the complexity of their tax code and the complexity of the tax framework.
Availability of government-provided financial education	**Bespoke survey** Survey respondents are asked about their awareness of and the extent of employee participation in government-mandated retirement and/or pension plans.
Financial literacy levels	**OECD International Survey of Audit Financial Literacy, 2014 S&P FinLit survey and Bespoke survey** The indicator is based on the OECD International Survey of Adult Financial Literacy (INFE), which involves the assessment of financial literacy among adults in various countries. The measure for financial literacy focuses on evaluating individuals' knowledge and understanding of financial concepts, products, and risks. It comprises a set of carefully designed questions and scenarios that gauge respondents' proficiency in managing their personal finances. These questions are similar to those employed in the S&P FinLIt methodology.

(16) Data the same as last year as update has not been released.
(17) Data the same as last year as update has not been released.

Government support *(continued)*

Indicator	Source (2025)
Online connectivity	**World Bank** A measure of the extent to which individuals and households have access to and utilize internet services. This indicator consists of two metrics: 1. Fixed broadband subscriptions (per 100 people). 2. Mobile cellular subscriptions (per 100 people). A larger weight is given to the latter metric, given the prevalence of cellular usage, especially within emerging markets.
Finances in retirement	**Natixis Global Retirement Index** Based on a sub-index in the Natixis Global Retirement Index, this indicator captures the soundness of a country's institutions as well as the level of returns to savings and investment and the preservation of the purchasing power of savings.
Equal access to education	**Social Progress Index** Based on country experts' aggregated evaluation of the question: "To what extent is high-quality basic education guaranteed to all, sufficient to enable them to exercise their basic rights as adult citizens?"
Vulnerable employment	**World Bank** If the proportion of own-account workers (self-employed without hired employees) is sizeable, it may be an indication of a large agriculture sector and low growth in the formal economy. A high proportion of contributing family workers—generally unpaid, although compensation might come indirectly in the form of family income—may indicate weak development, little job growth, and often a large rural economy. Contributing family workers and own-account workers are the most vulnerable, are the least likely to have formal work arrangements, are the least likely to have social protection and safety nets to guard against economic shocks, and often are incapable of generating sufficient savings to offset these shocks.

Financial system support

Indicator	Source (2025)
Volume of real-time transactions[18]	**ACI Worldwide** A measure of the existence of real-time payment infrastructure and its adoption by merchants and consumers. ACI tracks the volume of real-time transactions in a given market, which is then scaled to a per capita basis using population figures from the World Bank to enable comparability across markets.
Access to credit	**World Bank: Domestic credit to private sector as a share of GDP** A measure of the financial resources provided to the private sector by financial corporations that establish a claim for repayment. The value of such resources is presented as a share of the respective market's GDP to allow for comparability across markets.
Borrowers' and lenders' protection rights[19]	**World Economic Forum and Global Competitiveness Index & Heritage Foundation's Index of Economic Freedom** A measure of the degree to which financial regulations and market openness support access to credit.
Access to bank accounts[20]	**World Bank** A measure of the share of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution or report personally using a mobile money service in the past 12 months.

(18) Data the same as last year as update has not been released.
(19) Due to the discontinuation of the Global Competitiveness Index, the methodology for this indicator was adapted this year and now incorporates the Financial Freedom score from the Heritage Foundation. Equal weights applied to both components.
(20) Data the same as last year as update has not been released.

Financial system support *(continued)*

Indicator	Source (2025)
Presence and quality of fintechs	**Global Innovation Index: Finance for start-ups and scale ups; unicorn valuation, as a percentage of GDP** A measure of a country's fintech start-up ecosystem strength proxied via a composite sub-index, which assigns a score based on the financing available to start-ups and the state of unicorns within the country.
Access to capital	**Dealroom** A measure of the availability and flow of capital for entrepreneurial ventures. Data illustrates the volume of venture capital investment by destination, which is then scaled to a per capita basis to ensure comparability.
Enabler of small and medium enterprise (SME) growth and success	**Bespoke survey** Survey respondents are asked for their sentiments on whether the financial system provides the necessary foundations for SMEs to achieve their long-term growth goals.
Enabler of general business confidence	**Bespoke survey** Survey respondents are asked whether the financial system presents itself as an obstacle or an enabler of their business operations before being asked to evaluate their satisfaction with the different financial services products at their disposal. This includes but is not limited to access to credit, deposit protection, debt management, and the ability to make domestic and international transactions.

Employer support

Indicator	Source (2025)
Provision of guidance and support around financial issues	**Bespoke survey** Do financial education initiatives exist in the workplace, and if so, what is the scope of such initiatives? Survey respondents are asked about their businesses' support for their employees in common financial practices, including but not limited to budgeting, managing financial risk, paying taxes, managing debt, and accessing employee benefits.
Employer pension/retirement contributions	**Bespoke survey** Do employers contribute to employee pension plans? Survey respondents are asked whether they contribute to government-mandated pension plans, their levels of contribution, and how such contributions compare to the levels mandated by the government.
Employer insurance schemes	**Bespoke survey** Do employers provide insurance to their employees? Survey respondents are enquired on whether they provide any form of insurance (including personal accident, life insurance, income protection, private medical, critical illness) as a business-supported policy.
Employer pay initiatives	**Bespoke survey** Do employers provide employees with additional support with their finances? Survey respondents are asked whether they offer pay initiatives, including the option to choose the method of payment and the frequency of payment, for employees.

Appendix C: Indicator explanations

Government support

Indicator	Indicator explanation
State of public pensions/retirement	Effective pension and retirement systems ensure equitable access to retirement savings and foster economic security for individuals, thereby promoting broader financial inclusion efforts.
Deposit protection schemes	By providing insurance arrangements and safeguarding deposits, individuals are likely to have greater confidence in the banking system and are incentivized to participate in formal financial services.
Consumer championing regulations	Such regulations ensure that consumers have fair and transparent access to financial services, fostering an inclusive environment where individuals can confidently engage in financial transactions and benefit from adequate protection and rights.
Employment levels	Reflects the extent to which individuals have access to income-generating opportunities, in turn enabling them to participate in and benefit from various financial services and products.
Awareness and uptake of government-mandated pension schemes	Having access to and participating in essential retirement savings programs ensures long-term financial security and reduces potential social disparities.
Education levels	A strong education system ensures individuals possess the necessary knowledge and skills to understand financial concepts, make informed decisions, and effectively participate in financial systems, thereby fostering greater access to and inclusion in financial services.
Complexity of corporate taxation systems	An easy-to-navigate tax system enables multinational corporations to follow tax regulations more efficiently, fosters transparency, and encourages their active participation in diverse economies.
Availability of government-provided financial education	A mandated syllabus can enhance individuals' financial literacy and empower them to make informed financial decisions, thus contributing to their overall financial well-being and inclusion.
Financial literacy levels	Financial literacy enables individuals to gain the knowledge and skills necessary to make informed financial decisions, access financial services, and participate more actively in the economy—ultimately enhancing their financial well-being.
Online connectivity	Better online connectivity enables individuals and households to easily access and use digital financial services, such as mobile banking and digital payments, regardless of geographical location—thereby expanding their financial opportunities and participation in the formal financial system.
Finances in retirement	The investment environment determines the health of consumers' finances in retirement. Factors such as public debt, non-performing bank loans, inflation, real interest rates, and tax burdens will all influence a person's ability to plan for, and be comfortable in, retirement.
Equal access to education	The extent to which high quality basic education is guaranteed to all and is sufficient to enable people to exercise their basic rights as adult citizens.
Vulnerable employment	According to the International Labour Organisation (ILO), vulnerable employment is defined as the sum of the employment status groups of own-account workers and contributing family workers. They are less likely to have formal work arrangements and are therefore more likely to lack decent working conditions, adequate social security, and a "voice" through effective representation by trade unions and similar organizations. Vulnerable employment is often characterized by inadequate earnings, low productivity, and difficult conditions of work that undermine workers' fundamental rights.

Financial system support

Indicator	Indicator explanation
Volume of real-time transactions	Real-time payments technology enables convenient and immediate financial transactions, empowering both merchants and consumers, especially those in underserved areas, to access and participate in the formal financial system more easily.
Access to credit	Better access to credit ensures individuals and businesses have the necessary funds to invest, grow, and participate fully in the economy.
Borrowers' and lenders' protection rights	Better protection rights ensure that collateral and bankruptcy laws provide a secure environment for lending, encouraging lenders to extend credit to a wider range of borrowers, including those with limited access to traditional financial services. This fosters greater access to capital, supports entrepreneurship, and facilitates economic growth—ultimately advancing financial inclusion objectives.
Access to bank accounts	Having a bank account enables individuals to securely save money, make transactions, access credit, and participate in the formal economy, fostering economic empowerment and reducing reliance on informal and cash-based systems.
Presence and quality of fintechs	**Finance for start-ups and scale ups:** This indicator measures the perception around how easy it is to access capital to start and grow businesses, alongside the conditions for entrepreneurship and how this impacts financial ambitions and innovation. **Unicorn valuation as a percentage of GDP:** Total valuation of all unicorns in a market as a percentage of GDP. The proportion of unicorns in a market is a signal of companies that can produce productive jobs, innovate, attract investment, and contribute to public finances. Unicorn is defined as a privately held start-up valued at over USD 1 billion.
Access to capital	Strong capital flows enable entrepreneurial ventures to secure the necessary funds for growth and development, thereby empowering entrepreneurs (particularly those from marginalized communities) by providing them with the necessary resources to start and grow their ventures and fostering financial inclusion in the process.
Enabler of small and medium enterprise (SME) growth and success	Promoting SME growth is crucial for financial inclusion to succeed. It ensures the financial system acts as an enabler, providing the necessary tools and support that allow businesses to thrive.
Enabler of general business confidence	A high level of trust in the financial system influences businesses' willingness to participate and engage in financial activities, which in turn fosters a more inclusive and accessible financial environment.

Employer support

Indicator	Indicator explanation
Provision of guidance and support around financial issues	Strong guidance and support equips individuals with the necessary knowledge and tools to make informed financial decisions, leading to increased financial stability and access to financial services.
Employer pension contributions	Sustainable and adequate pension/retirement contributions ensure workers have access to long-term savings and retirement benefits, reducing the risk of financial insecurity in old age.
Employer insurance schemes	Insurance schemes provide a safety net for employees, ensuring their well-being and financial stability in the face of unforeseen events, ultimately enhancing their overall financial security.
Employer pay initiatives	Flexible pay initiatives signal active support from employers for their employees in providing financial assistance, empowering employees to achieve greater financial stability and security.

Appendix D: Grouping of markets by region and subregion

Region/subregion	Markets
World	**All listed markets**
Americas	**All listed markets in North America and Latin America**
North America	United States, Canada
Latin America	Argentina, Brazil, Colombia, Chile, Peru, Mexico
Europe	**All listed markets in Western Europe, Northern Europe, and Southern Europe + Poland**
Western Europe	France, Germany, the Netherlands, Switzerland
Northern Europe	Denmark, Finland, Ireland, Norway, Sweden, U.K.
Southern Europe	Italy, Spain, Turkey
Asia Pacific	**All listed markets in East Asia, Southeast Asia, and Oceania + India**
East Asia	China, Japan, South Korea, Hong Kong, Taiwan
Southeast Asia	Indonesia, Malaysia, Singapore, Thailand, Vietnam
Oceania	Australia, New Zealand
Middle East(21)	**Saudi Arabia, United Arab Emirates**
Africa	**Nigeria, Ghana, Kenya, South Africa**

(21) Data for Israel was not available for the 2024 Global Financial Inclusion Index.

Appendix E: Markets ranked by indicator—government support

Market	State of public pensions				Deposit protection scheme			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	91.4	+5.8	4	+2	28.6	0.0	38	0
Switzerland	74.1	-1.2	11	-1	29.6	0.0	34	0
Hong Kong	55.9	-0.2	19	-3	30.2	-0.2	32	-2
Norway	83.0	+1.9	7	0	33.9	+1.0	19	+4
New Zealand	67.4	+1.0	12	+2	30.2	+30.2	31	+9
Ireland	66.0	-5.0	15	-4	29.3	+0.1	36	0
Denmark	98.3	+0.7	2	0	31.5	+0.1	29	-1
Sweden	80.8	+0.7	9	-1	32.3	-0.2	25	0
Australia	86.6	-1.4	5	-1	35.7	-0.8	15	0
South Korea	27.8	+2.4	35	+2	34.5	+4.6	18	+14
The Netherlands	104.6	+1.2	1	0	31.9	-0.7	26	-2
Germany	64.0	+1.2	17	-2	33.2	-0.7	23	-3
Finland	84.7	-1.7	6	-1	33.4	-0.1	22	-1
Taiwan	31.4	+0.2	34	0	37.2	-0.4	13	0
Canada	66.7	-4.3	14	-3	30.7	0.0	30	-1
United Kingdom	74.4	-3.4	10	-1	33.8	-0.6	20	-2
United States	47.5	-6.2	23	-6	37.4	-1.0	12	0
Japan	34.3	-3.4	31	-6	33.7	-0.5	21	-2
United Arab Emirates	58.0	+5.5	18	0	0.0	0.0	41	-1
Israel	95.0	-1.4	3	0	0.0	0.0	41	-1
Vietnam	33.3	-5.1	33	-9	30.0	-0.3	33	-2
Saudi Arabia	47.7	+2.4	22	0	31.8	-0.4	28	-1
France	65.7	+14.4	16	+3	34.9	-0.6	17	0
Spain	54.5	+4.1	20	+1	38.3	-1.3	11	-1
Malaysia	37.7	+0.7	27	0	44.8	+0.3	7	+1
Poland	38.9	-1.9	25	-2	44.0	-2.0	8	-2
China	38.1	+2.9	26	+4	48.0	-1.0	5	-1
Chile	82.3	+12.0	8	+5	29.5	-0.1	35	0
Mexico	66.9	+32.1	13	+18	80.8	-2.4	1	+2
Thailand	22.5	+8.6	37	+1	41.4	-0.5	10	-1
Argentina	11.8	+7.7	40	+1	49.5	+10.6	4	+7
South Africa	21.6	-10.6	38	-5	28.7	0.0	37	0
Kenya	41.5	+8.7	24	+8	32.5	-0.8	24	-2
Italy	35.5	-2.2	30	-5	36.4	-1.1	14	0
Indonesia	23.0	-3.8	36	0	80.8	-4.6	1	0
Brazil	36.5	+0.2	28	0	80.8	-4.6	1	0
Colombia	53.7	+2.6	21	-1	31.8	-0.5	27	-1
Turkey	18.5	+4.8	39	0	27.6	-2.0	39	-6
India	8.2	-4.6	41	-1	35.0	-0.7	16	0
Nigeria	36.4	+6.4	29	+6	45.0	-2.2	6	-1
Peru	33.8	-1.9	32	-3	41.9	-3.5	9	-2
Ghana	8.2	+4.1	41	0	26.0	-0.4	40	-1

Government support (cont.)

Market	Consumer championing regulations				Employment levels			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	92.3	-6.7	2	-1	85.7	+1.0	2	+2
Switzerland	72.4	-4.1	12	-1	85.0	-0.5	4	-1
Hong Kong	78.6	-8.2	7	-4	60.4	-2.1	21	0
Norway	67.2	-4.1	18	-3	68.9	-0.5	16	0
New Zealand	67.9	-9.3	15	-5	85.6	-1.3	3	-1
Ireland	65.2	-5.6	19	-3	73.8	0.0	12	0
Denmark	67.7	-0.5	17	0	65.7	-0.5	17	0
Sweden	58.6	-8.4	22	-3	62.9	-1.0	20	0
Australia	60.0	-3.5	20	+1	77.3	-0.5	9	0
South Korea	38.5	-19.1	34	-11	59.4	0.0	23	+1
The Netherlands	71.6	-2.1	13	+1	79.0	-0.2	7	0
Germany	47.9	-2.4	27	-1	65.6	-0.7	18	0
Finland	57.4	+0.3	23	+1	58.5	-1.1	24	-1
Taiwan	76.0	-7.5	8	-4	55.6	+4.4	25	+6
Canada	54.9	+5.2	25	+3	70.6	-1.2	14	-1
United Kingdom	67.8	+5.6	16	+6	71.0	-0.3	13	+1
United States	74.7	+1.0	9	+4	77.3	-0.7	8	0
Japan	16.1	+6.7	40	+1	77.2	+0.5	10	0
United Arab Emirates	86.9	+4.4	4	+1	79.8	-0.3	6	0
Israel	68.5	-10.9	14	-6	65.4	+0.6	19	0
Vietnam	79.4	+0.7	6	+3	93.9	-0.4	1	0
Saudi Arabia	89.3	+6.9	3	+3	69.8	+0.1	15	0
France	42.6	-1.4	30	-1	55.3	-0.3	26	-1
Spain	40.2	+1.2	32	+2	44.1	+0.3	34	0
Malaysia	59.3	+9.0	21	+5	53.8	+0.1	29	0
Poland	52.9	+2.5	26	-1	50.4	-0.2	32	0
China	92.6	-0.9	1	+1	81.9	-0.6	5	0
Chile	23.7	+4.8	38	+1	60.2	-0.1	22	0
Mexico	55.3	-11.1	24	-4	48.2	0.0	33	0
Thailand	73.2	+5.0	10	+8	37.0	-0.5	37	0
Argentina	25.0	-6.8	37	-1	53.4	-1.8	30	-3
South Africa	44.8	+1.4	28	+3	33.1	-0.2	41	0
Kenya	33.5	+3.1	36	+1	55.0	-0.2	28	-2
Italy	41.8	-2.0	31	-1	28.4	+0.4	42	0
Indonesia	72.4	-3.8	11	+1	74.9	0.0	11	0
Brazil	35.7	-5.3	35	-3	35.3	0.0	40	-1
Colombia	11.5	-1.3	42	-2	42.0	-0.2	36	-1
Turkey	16.9	-6.4	39	-1	35.9	+1.4	39	+1
India	80.5	+0.1	5	+2	55.1	+1.4	27	+1
Nigeria	43.1	+3.3	29	+4	51.3	-0.1	31	-1
Peru	14.0	+4.6	41	0	42.0	+0.3	35	+1
Ghana	39.0	+3.8	33	+2	36.9	-0.5	38	0

Government support (cont.)

Market	Awareness and uptake of government-mandated pensions/savings				Education levels			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	70.7	+1.7	13	+7	101.5	0.0	1	0
Switzerland	86.0	-6.3	2	-1	73.8	0.0	8	0
Hong Kong	53.6	-1.3	33	-1	83.7	0.0	5	0
Norway	79.3	-1.1	7	0	63.1	0.0	22	0
New Zealand	64.8	-6.5	22	-8	72.3	0.0	12	0
Ireland	66.7	-2.9	19	-4	76.5	0.0	7	0
Denmark	76.0	+9.2	10	+12	70.5	0.0	13	0
Sweden	76.5	-6.4	8	-2	69.1	0.0	15	0
Australia	68.3	-3.9	16	-5	73.5	0.0	9	0
South Korea	80.1	+2.2	6	+3	85.2	0.0	4	0
The Netherlands	72.5	+3.1	11	+7	65.7	0.0	18	0
Germany	62.0	-4.2	26	-3	66.7	0.0	17	0
Finland	76.1	-4.1	9	-1	72.4	0.0	11	0
Taiwan	55.3	+3.2	31	+5	89.5	0.0	2	0
Canada	58.6	-3.3	29	0	77.5	0.0	6	0
United Kingdom	67.9	+1.8	18	+6	68.5	0.0	16	0
United States	52.8	+0.1	34	+1	69.9	0.0	14	0
Japan	85.8	-4.6	3	-1	89.5	0.0	2	0
United Arab Emirates	66.3	-3.1	20	-3	41.7	0.0	28	0
Israel	82.6	-3.8	5	-1	59.2	0.0	24	0
Vietnam	86.7	-3.0	1	+2	60.1	0.0	23	0
Saudi Arabia	70.6	+1.5	14	+5	24.0	0.0	38	0
France	57.6	+4.7	30	+4	64.9	0.0	19	0
Spain	33.4	0.0	40	+1	64.5	0.0	20	0
Malaysia	65.4	+1.2	21	+6	40.8	0.0	29	0
Poland	61.3	-5.8	27	-6	72.6	0.0	10	0
China	64.4	+0.1	23	+3	39.7	0.0	30	0
Chile	34.8	-3.8	39	0	45.3	0.0	27	0
Mexico	47.0	-15.9	37	-9	32.7	0.0	31	0
Thailand	84.4	-0.3	4	+1	27.0	0.0	37	0
Argentina	41.1	-9.0	38	-1	27.5	0.0	36	0
South Africa	54.1	-1.0	32	-1	-0.2	0.0	40	0
Kenya	62.2	+5.7	25	+5	45.4	0.0	26	0
Italy	64.0	-7.5	24	-12	64.2	0.0	21	0
Indonesia	72.3	-1.0	12	-2	28.0	0.0	35	0
Brazil	59.4	-6.3	28	-3	28.5	0.0	34	0
Colombia	30.8	-6.1	42	-2	30.5	0.0	33	0
Turkey	68.4	-1.2	15	+1	57.5	0.0	25	0
India	67.9	-3.4	17	-4	22.7	0.0	39	0
Nigeria	49.5	-4.9	35	-2	-0.2	0.0	41	0
Peru	31.5	+0.1	41	+1	30.7	0.0	32	0
Ghana	47.3	+3.1	36	+2	-0.2	0.0	41	0

Government support (cont.)

Market	Complexity of corporate taxation systems				Availability of government-provided financial education			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	92.6	0.0	2	0	62.7	+0.2	11	+1
Switzerland	97.9	0.0	1	0	56.4	-10.9	15	-5
Hong Kong	89.8	0.0	3	0	47.2	-6.3	23	-2
Norway	76.8	0.0	6	0	49.8	-10.8	18	-3
New Zealand	67.5	0.0	10	0	44.4	-0.8	26	0
Ireland	63.1	0.0	11	0	48.2	-8.2	22	-3
Denmark	50.6	0.0	14	0	38.2	-3.8	34	-5
Sweden	79.8	0.0	5	0	43.7	-4.2	27	-3
Australia	46.8	0.0	16	0	41.5	-2.2	31	-3
South Korea	68.2	0.0	9	0	32.3	-0.3	40	-1
The Netherlands	53.2	0.0	13	0	46.0	-2.9	24	-1
Germany	39.5	0.0	20	0	40.3	+1.4	33	-1
Finland	76.3	0.0	7	0	35.6	+3.1	37	+3
Taiwan	39.6	0.0	19	0	54.0	0.0	17	+3
Canada	6.4	0.0	38	0	42.1	+3.8	29	+5
United Kingdom	36.2	0.0	22	0	42.8	+4.1	28	+5
United States	34.1	0.0	26	0	61.5	+0.1	13	+1
Japan	42.3	0.0	17	0	25.0	+2.6	42	0
United Arab Emirates	7.2	0.0	37	0	71.6	+1.2	6	+1
Israel	-1.6	0.0	40	0	49.5	-19.7	19	-10
Vietnam	80.2	0.0	4	0	81.7	-2.4	1	0
Saudi Arabia	16.1	0.0	34	0	64.2	+2.7	10	+3
France	39.2	0.0	21	0	34.8	+0.5	39	-3
Spain	41.2	0.0	18	0	36.0	+1.5	36	-1
Malaysia	35.5	0.0	24	0	61.7	+3.9	12	+5
Poland	-9.7	0.0	41	0	42.0	+1.0	30	0
China	30.9	0.0	27	0	58.6	+0.9	14	+4
Chile	23.4	0.0	31	0	37.1	+3.5	35	+2
Mexico	36.1	0.0	23	0	49.2	+3.2	21	+4
Thailand	26.5	0.0	29	0	76.8	-3.7	2	0
Argentina	72.7	0.0	8	0	29.1	+0.2	41	0
South Africa	61.5	0.0	12	0	65.3	-4.0	9	-1
Kenya	47.8	0.0	15	0	75.5	+0.4	4	+1
Italy	10.3	0.0	36	0	34.9	+2.2	38	0
Indonesia	14.5	0.0	35	0	75.2	-0.7	5	-1
Brazil	22.5	0.0	33	0	55.0	-4.1	16	0
Colombia	29.2	0.0	28	0	49.3	-1.2	20	+2
Turkey	22.9	0.0	32	0	44.9	+0.5	25	+2
India	24.3	0.0	30	0	76.2	0.0	3	0
Nigeria	35.2	0.0	25	0	66.6	+2.4	7	+4
Peru	-14.1	0.0	42	0	41.5	+2.2	32	-1
Ghana	0.0	0.0	39	0	66.5	-4.4	8	-2

Government support (cont.)

Market	Financial literacy levels				Online connectivity			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	84.5	+6.6	9	+1	74.9	+0.1	5	-1
Switzerland	71.9	+1.6	13	+1	55.8	+3.7	12	+1
Hong Kong	93.8	0.0	3	0	106.8	+6.8	1	0
Norway	91.2	0.0	5	0	43.3	-0.1	29	-1
New Zealand	85.8	0.0	8	0	49.4	+8.1	19	+10
Ireland	93.8	0.0	3	0	35.6	+0.3	32	0
Denmark	86.2	+0.4	7	0	52.7	-0.2	14	-2
Sweden	71.4	0.0	14	-1	59.9	-0.3	11	-2
Australia	76.3	+0.8	12	0	39.2	+2.1	31	0
South Korea	77.0	0.0	11	0	77.5	+9.5	4	+2
The Netherlands	60.2	0.0	18	-1	45.9	+0.9	27	-1
Germany	111.7	+3.2	1	0	51.9	+0.7	15	-1
Finland	65.8	0.0	15	0	48.5	+0.2	22	-4
Taiwan	61.4	+10.2	17	+5	46.1	+0.1	26	-2
Canada	91.2	0.0	5	0	30.1	+2.1	35	0
United Kingdom	51.1	0.0	24	-1	48.6	+2.1	21	+1
United States	62.5	-2.2	16	0	39.9	+2.8	30	0
Japan	55.9	+2.6	22	-3	84.2	+7.5	3	0
United Arab Emirates	42.7	-3.3	30	-4	97.4	+2.7	2	0
Israel	77.8	-6.8	10	-1	62.7	+1.6	9	-1
Vietnam	49.5	+11.8	25	+6	44.2	-3.9	28	-9
Saudi Arabia	43.4	0.0	28	-1	73.1	+6.2	6	+1
France	49.0	0.0	26	-2	48.3	+0.7	23	-3
Spain	60.2	0.0	18	-1	49.7	+3.6	17	+6
Malaysia	43.4	0.0	28	-1	46.9	+3.5	25	+2
Poland	49.0	0.0	26	-2	48.8	0.0	20	-3
China	56.2	+13.8	21	+8	54.0	+4.5	13	+2
Chile	15.3	0.0	39	0	47.6	+0.6	24	-3
Mexico	37.7	0.0	33	-1	29.9	+3.8	36	+1
Thailand	99.4	0.0	2	0	65.7	-6.0	7	-2
Argentina	39.6	+1.1	32	-2	50.1	+4.5	16	+9
South Africa	57.6	+6.1	20	0	61.1	+7.3	10	+1
Kenya	54.4	+3.1	23	-2	26.6	+0.1	38	-2
Italy	2.1	-0.4	41	0	49.6	+0.5	18	-2
Indonesia	20.9	0.0	38	0	31.0	+1.6	34	0
Brazil	37.7	0.0	33	-1	24.1	+0.6	39	+1
Colombia	2.1	-0.4	41	0	65.2	+7.2	8	+2
Turkey	35.1	0.0	35	0	27.2	+1.6	37	+2
India	28.2	-3.9	37	-1	0.1	+0.5	42	0
Nigeria	30.4	-0.8	36	+1	10.6	-0.7	41	0
Peru	15.3	0.0	39	0	31.7	-0.9	33	0
Ghana	39.9	+3.1	31	+3	11.1	-14.7	40	-2

Government support (cont.)

Market	Vulnerable employment				Equal access to education			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	87.4	+0.3	13	-1	92.5	+2.4	7	+2
Switzerland	83.7	-2.5	20	-6	98.6	-0.1	3	0
Hong Kong	92.2	+0.3	7	0	75.3	+2.7	19	+4
Norway	95.5	+0.4	4	0	100.0	0.0	1	0
New Zealand	81.5	+0.8	22	+1	87.7	-0.7	14	-3
Ireland	86.4	+1.3	16	+1	87.9	-2.5	13	-6
Denmark	92.9	+0.4	6	0	97.7	+0.3	4	0
Sweden	90.5	+0.2	8	0	75.1	+0.4	20	0
Australia	88.9	+0.5	12	-1	72.0	-0.8	23	-1
South Korea	73.6	+1.7	26	0	90.8	+0.5	8	0
The Netherlands	81.5	+0.5	23	-1	74.4	-3.1	21	-3
Germany	94.6	+0.4	5	0	93.6	+1.2	6	0
Finland	86.6	+1.5	15	+1	80.9	+1.4	17	-1
Taiwan	84.4	+0.8	19	+1	95.5	-0.3	5	0
Canada	87.2	+1.0	14	+1	88.6	+1.7	9	+4
United Kingdom	83.4	+0.5	21	0	73.3	+0.4	22	-1
United States	96.1	+0.3	3	0	60.8	-1.0	26	+1
Japan	89.6	+3.0	9	+4	100.0	+0.1	1	+1
United Arab Emirates	100.1	+0.1	1	0	88.0	-0.5	12	-2
Israel	89.5	+0.4	10	-1	52.2	-12.2	29	-3
Vietnam	22.5	+3.8	38	0	85.7	+13.7	15	+9
Saudi Arabia	98.9	-0.1	2	0	69.8	-1.6	25	0
France	89.3	+0.4	11	-1	71.1	-6.9	24	-7
Spain	85.8	+1.4	17	+1	78.5	+1.0	18	+1
Malaysia	64.1	+1.4	30	-1	81.2	-2.3	16	-2
Poland	77.0	+0.9	25	0	88.1	+5.2	11	+4
China	37.8	+2.8	33	0	22.5	+8.1	34	+4
Chile	68.5	+1.0	27	0	50.7	-4.7	30	-2
Mexico	61.3	+2.4	31	0	15.0	+0.4	39	-2
Thailand	24.7	+2.8	36	0	36.3	+0.1	31	+1
Argentina	67.0	+2.6	28	0	56.0	+3.4	27	+3
South Africa	84.9	+1.1	18	+1	15.7	-0.8	38	-2
Kenya	4.4	+4.4	39	0	55.1	-0.1	28	+1
Italy	78.3	+0.8	24	0	88.3	+0.4	10	+2
Indonesia	23.3	+2.3	37	0	30.4	+7.7	33	+1
Brazil	59.9	+2.8	32	0	17.3	+17.1	36	+5
Colombia	33.9	+3.2	34	0	12.1	+3.8	40	0
Turkey	64.7	+2.8	29	+1	32.2	-13.7	32	-1
India	4.4	+4.4	39	0	4.1	-5.7	42	-3
Nigeria	4.4	+4.4	39	0	9.1	+9.1	41	+1
Peru	26.5	+4.4	35	0	17.1	0.0	37	-2
Ghana	4.4	+4.4	39	0	19.7	-8.1	35	-2

Government support (cont.)

Market	Finances in retirement				Government support score			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	88.4	-3.9	4	-2	81.9	+0.9	1	0
Switzerland	92.2	-7.8	2	-1	75.7	-1.4	2	0
Hong Kong	60.1	-0.7	16	0	73.1	0.0	3	0
Norway	72.8	-7.8	10	-1	72.0	-1.1	4	0
New Zealand	84.5	-3.9	5	+1	69.8	+2.4	5	+4
Ireland	96.1	+3.9	1	+1	69.6	-0.8	6	-1
Denmark	49.6	+7.8	22	+4	68.5	+1.0	7	+1
Sweden	65.1	+3.9	13	+2	67.7	-0.4	8	-2
Australia	92.2	0.0	2	0	67.4	-0.4	9	-2
South Korea	84.5	-7.8	5	-3	65.8	+0.3	10	+1
The Netherlands	65.1	0.0	13	0	65.8	-0.2	11	-1
Germany	57.3	0.0	17	0	65.8	+0.3	12	0
Finland	53.4	0.0	19	+1	64.9	0.0	13	0
Taiwan	77.6	-4.1	8	0	61.8	+0.8	14	+2
Canada	76.7	0.0	9	+1	61.3	+0.2	15	0
United Kingdom	65.1	0.0	13	0	60.4	+0.3	16	+2
United States	69.0	0.0	11	+1	59.9	-0.7	17	0
Japan	6.9	0.0	41	-1	59.2	+1.1	18	+2
United Arab Emirates	52.9	-0.9	21	-2	58.9	+0.4	19	0
Israel	69.0	-3.9	11	0	58.1	-3.2	20	-6
Vietnam	33.2	-3.2	35	-1	56.7	+1.3	21	0
Saudi Arabia	41.6	0.0	27	0	54.3	+1.0	22	0
France	26.3	+3.9	37	+1	53.3	+1.2	23	+1
Spain	34.1	-3.9	33	-1	52.9	+0.6	24	-1
Malaysia	48.1	-1.8	23	0	51.1	+0.7	25	0
Poland	45.7	+11.6	24	+11	50.7	+1.1	26	0
China	45.7	-11.6	24	-7	48.5	+1.7	27	+1
Chile	80.6	-7.8	7	-1	48.2	+0.3	28	-1
Mexico	53.4	0.0	19	+1	46.7	+2.3	29	+1
Thailand	37.6	-1.5	31	-1	46.0	+0.3	30	-1
Argentina	35.7	-2.5	32	-1	44.6	+1.7	31	0
South Africa	37.7	-2.7	30	-1	41.8	-0.1	32	0
Kenya	30.6	-3.1	36	+1	41.4	+1.4	33	+2
Italy	10.8	0.0	40	-1	41.1	-0.4	34	-1
Indonesia	39.6	-1.9	28	0	40.9	-0.1	35	-1
Brazil	26.3	-7.8	37	-2	38.4	+0.1	36	0
Colombia	45.7	-3.9	24	0	34.2	+0.7	37	+1
Turkey	3.6	+3.6	42	-1	33.8	-0.4	38	-1
India	57.3	+3.9	17	+3	29.8	-0.5	39	0
Nigeria	20.4	+20.4	39	+2	27.6	+3.3	40	+1
Peru	33.5	-3.0	34	-1	26.2	-0.1	41	-1
Ghana	39.4	-2.8	29	-4	22.3	-1.2	42	0

Appendix F: Markets ranked by indicator—financial system support

Market	Real-time transactions				Access to credit			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	103.5	**0.0**	12	**0**	55.5	**0.0**	11	**+2**
Thailand	250.9	**0.0**	1	**0**	67.5	**-1.0**	7	**0**
South Korea	250.9	**0.0**	1	**0**	77.8	**+0.5**	5	**0**
Hong Kong	109.5	**0.0**	10	**0**	95.1	**-1.0**	1	**0**
Sweden	159.0	**0.0**	6	**0**	54.9	**-3.4**	12	**-1**
United States	15.9	**0.0**	30	**0**	85.6	**+2.3**	4	**-1**
Denmark	162.7	**0.0**	5	**0**	63.8	**+1.8**	8	**+1**
United Kingdom	102.4	**0.0**	13	**0**	50.9	**-4.5**	17	**-3**
Switzerland	106.0	**0.0**	11	**0**	75.1	**0.0**	6	**0**
Brazil	250.9	**0.0**	1	**0**	28.2	**+0.5**	26	**0**
India	137.3	**0.0**	7	**0**	18.0	**0.0**	31	**+1**
Australia	81.2	**0.0**	17	**0**	54.7	**-3.1**	13	**-1**
The Netherlands	113.2	**0.0**	9	**0**	34.1	**-2.2**	23	**0**
Canada	44.9	**0.0**	21	**0**	53.1	**0.0**	16	**0**
Israel	0.0	**0.0**	41	**0**	27.1	**-0.4**	27	**0**
Finland	39.8	**0.0**	23	**0**	38.4	**-1.5**	21	**0**
Vietnam	122.0	**0.0**	8	**0**	54.0	**0.0**	15	**0**
Norway	91.2	**0.0**	15	**0**	54.4	**+7.6**	14	**+6**
Malaysia	83.0	**0.0**	16	**0**	49.8	**+1.9**	18	**0**
China	18.3	**0.0**	27	**0**	86.6	**+4.0**	3	**+1**
New Zealand	0.0	**0.0**	41	**0**	62.0	**-2.3**	9	**-1**
Taiwan	42.3	**0.0**	22	**0**	60.5	**-0.3**	10	**0**
Argentina	216.9	**0.0**	4	**0**	1.6	**+1.2**	40	**+2**
United Arab Emirates	9.2	**0.0**	33	**0**	25.8	**0.0**	28	**+1**
Chile	93.4	**0.0**	14	**0**	46.2	**-1.3**	20	**-1**
Germany	27.0	**0.0**	24	**0**	31.2	**-1.9**	25	**0**
France	7.4	**0.0**	34	**0**	47.7	**-3.1**	19	**-2**
Japan	24.0	**0.0**	26	**0**	87.0	**-0.6**	2	**0**
Turkey	72.4	**0.0**	18	**0**	17.8	**-2.3**	32	**-2**
Ireland	0.6	**0.0**	39	**0**	6.6	**+0.2**	39	**0**
Spain	24.0	**0.0**	25	**0**	31.4	**-4.7**	24	**0**
Kenya	0.6	**0.0**	40	**0**	9.3	**+0.2**	38	**0**
Mexico	45.3	**0.0**	20	**0**	10.1	**-0.5**	37	**0**
Poland	16.7	**0.0**	29	**0**	10.8	**-2.1**	36	**-1**
Saudi Arabia	17.8	**0.0**	28	**0**	18.9	**0.0**	30	**+1**
South Africa	7.1	**0.0**	36	**0**	37.2	**-0.6**	22	**0**
Nigeria	54.6	**0.0**	19	**0**	0.4	**0.0**	41	**0**
Colombia	2.0	**0.0**	38	**0**	14.2	**-1.1**	34	**0**
Indonesia	10.6	**0.0**	31	**0**	11.3	**+0.3**	35	**+1**
Italy	9.2	**0.0**	32	**0**	24.4	**-2.9**	29	**-1**
Peru	7.3	**0.0**	35	**0**	15.9	**0.0**	33	**0**
Ghana	3.4	**0.0**	37	**0**	-1.0	**-1.6**	42	**-2**

Financial system support (cont.)

Market	Borrowers' and lenders' protection rights				Access to bank accounts			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	70.0	+10.0	8	+2	96.6	0.0	18	0
Thailand	51.4	+1.4	20	-6	93.7	0.0	21	0
South Korea	36.4	+6.4	30	0	98.2	0.0	14	0
Hong Kong	58.9	-1.1	12	-2	96.9	0.0	17	0
Sweden	62.5	+12.5	10	+4	99.7	0.0	5	0
United States	92.5	+2.5	2	0	92.8	0.0	22	0
Denmark	70.0	+10.0	8	+2	100.1	0.0	1	0
United Kingdom	62.5	+12.5	10	+4	99.8	0.0	3	0
Switzerland	55.0	+15.0	17	+6	99.4	0.0	9	0
Brazil	2.8	+2.8	42	-3	77.0	0.0	30	0
India	55.3	-14.7	15	-8	67.6	0.0	32	0
Australia	92.5	+2.5	2	0	99.1	0.0	11	0
The Netherlands	25.0	+25.0	37	+2	99.7	0.0	4	0
Canada	71.9	+1.9	7	0	99.6	0.0	7	0
Israel	49.4	+9.4	24	-1	89.9	0.0	24	0
Finland	55.0	+15.0	17	+6	99.4	0.0	8	0
Vietnam	53.3	-6.7	19	-9	36.8	0.0	39	0
Norway	36.4	+6.4	30	0	99.4	0.0	10	0
Malaysia	45.8	-4.2	26	-12	83.3	0.0	26	0
China	7.5	-2.5	41	-4	83.8	0.0	25	0
New Zealand	100.0	0.0	1	0	98.3	0.0	13	0
Taiwan	51.4	+1.4	20	-6	92.5	0.0	23	0
Argentina	13.9	+13.9	39	0	59.1	0.0	35	0
United Arab Emirates	43.9	+3.9	27	-4	79.5	0.0	28	0
Chile	34.4	+14.4	34	+1	81.4	0.0	27	0
Germany	49.4	+9.4	24	-1	100.1	0.0	2	0
France	34.4	+14.4	34	+1	99.0	0.0	12	0
Japan	36.4	+6.4	30	0	97.9	0.0	15	0
Turkey	51.4	+1.4	20	-6	62.6	0.0	34	0
Ireland	56.9	+6.9	13	+1	99.6	0.0	6	0
Spain	36.4	+6.4	30	0	97.7	0.0	16	0
Kenya	75.8	-14.2	5	-3	70.0	0.0	31	0
Mexico	73.9	-6.1	6	0	26.3	0.0	41	0
Poland	56.9	+6.9	13	+1	93.9	0.0	20	0
Saudi Arabia	15.8	+5.8	38	-1	63.0	0.0	33	0
South Africa	25.3	-4.7	36	-6	79.0	0.0	29	0
Nigeria	55.3	-14.7	15	-8	21.0	0.0	42	0
Colombia	81.4	-8.6	4	-2	41.8	0.0	37	0
Indonesia	43.9	+3.9	27	-4	30.3	0.0	40	0
Italy	13.9	+13.9	39	0	96.2	0.0	19	0
Peru	51.4	+1.4	20	-6	38.6	0.0	38	0
Ghana	43.9	+3.9	27	-4	54.2	0.0	36	0

Financial system support (cont.)

Market	Presence and quality of fintechs				Access to capital			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	119.4	+43.8	1+	5	39.8	-10.7	1	0
Thailand	14.3	-5.3	28	-1	0.2	-0.5	35	-4
South Korea	33.9	-0.2	15	+1	10.6	-6.1	16	-5
Hong Kong	48.3	-34.4	9	-6	28.1	+3.4	5	+2
Sweden	55.9	-0.6	7	+2	23.9	-24.2	8	-6
United States	109.2	+12.7	3	-2	39.8	-4.1	1	+3
Denmark	30.7	-2.4	18	-1	20.3	-3.6	10	-1
United Kingdom	71.7	-4.5	5	0	24.9	-4.0	7	-1
Switzerland	30.5	-1.8	19	0	32.9	+0.7	4	+1
Brazil	23.9	-5.1	21	-1	0.7	0.0	29	+3
India	74.0	-4.3	4	0	0.8	+0.2	28	+5
Australia	41.0	-7.4	11	-1	10.5	-0.3	17	-1
The Netherlands	43.7	-1.8	10	+1	15.2	+1.6	14	-1
Canada	39.6	+1.7	12	+2	19.3	+3.6	11	+1
Israel	118.9	+27.6	2	0	38.3	-6.1	3	0
Finland	69.8	-5.5	6	+1	16.6	+4.6	13	+2
Vietnam	19.7	-0.5	26	0	0.0	-0.7	39	-10
Norway	20.1	-2.5	25	0	18.2	-5.8	12	-4
Malaysia	24.1	0.0	20	+4	0.2	0.0	36	+3
China	55.5	-5.0	8	0	2.6	-1.1	22	0
New Zealand	11.0	-0.8	32	0	7.9	+0.4	19	0
Taiwan	12.5	-0.7	31	-2	2.6	+1.7	23	+5
Argentina	3.6	-1.2	42	-1	0.9	-1.0	27	-2
United Arab Emirates	34.3	+8.3	14	7	25.0	+16.6	6	+12
Chile	9.3	-0.8	35	0	0.5	-0.6	31	-5
Germany	31.7	-4.5	17	-2	9.8	+0.4	18	-1
France	36.7	-2.3	13	0	11.6	-1.7	15	-1
Japan	10.1	-0.9	33	+1	3.1	+0.1	21	+2
Turkey	20.5	-4.3	24	-1	1.2	+0.2	26	+1
Ireland	31.8	-0.9	16	+2	22.7	+3.4	9	+1
Spain	9.8	-2.8	34	-4	4.3	+0.2	20	+1
Kenya	7.2	-0.2	38	0	0.1	-0.2	37	0
Mexico	13.9	-5.0	29	-1	0.4	0.0	32	+2
Poland	5.5	-1.9	40	-1	0.4	-0.1	34	+1
Saudi Arabia	16.9	+4.6	27	+4	1.9	-2.4	24	-4
South Africa	7.4	-2.5	37	-1	0.6	-0.1	30	0
Nigeria	13.0	+1.8	30	+3	-0.1	0.0	42	-2
Colombia	23.9	-1.8	22	0	0.4	+0.1	33	+5
Indonesia	23.9	-17.9	23	-11	0.0	-0.5	38	-2
Italy	8.4	+0.3	36	+1	1.7	-0.2	25	-1
Peru	4.5	0.0	41	+1	0.0	+0.1	41	+1
Ghana	6.5	-0.3	39	+1	0.0	-0.1	40	+1

Financial system support (cont.)

Market	Enabler of SME growth and success				Enabler of general business confidence			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
Singapore	83.5	-2.8	5	0	85.7	-8.6	4	-3
Thailand	82.5	-13.2	7	-5	77.7	+0.8	8	+2
South Korea	42.6	-5.3	35	-4	44.9	-10.9	29	-12
Hong Kong	79.3	-3.4	10	-2	72.8	-8.2	12	-6
Sweden	54.6	-0.9	21	+3	44.1	-8.5	30	-9
United States	79.0	-0.2	11	0	65.4	+1.6	14	0
Denmark	49.8	0.0	28	+1	46.9	-3.4	26	-3
United Kingdom	60.1	+2.0	17	+5	50.7	+4.9	22	+7
Switzerland	69.7	-4.1	13	0	68.6	-2.7	13	-1
Brazil	60.9	-2.8	16	-1	57.1	-3.9	17	-1
India	91.9	+0.9	2	+1	82.6	+4.3	5	+4
Australia	56.4	+0.4	20	+3	46.8	-0.2	27	+1
The Netherlands	67.3	-0.3	14	0	49.9	+1.4	23	+3
Canada	63.2	+2.4	15	+4	42.9	+3.5	32	+2
Israel	47.7	-14.1	30	-12	43.8	-5.7	31	-7
Finland	50.9	+3.7	27	+5	48.4	+4.1	25	+5
Vietnam	80.3	-3.8	9	-2	94.4	+0.2	1	+1
Norway	49.3	-0.5	29	-2	42.5	+5.8	33	+2
Malaysia	80.4	+2.7	8	+4	75.0	+3.8	10	+3
China	89.6	-1.0	4	0	92.4	+1.1	2	+1
New Zealand	59.7	-3.2	18	-1	52.3	-2.6	20	-2
Taiwan	74.8	-5.6	12	-2	73.9	-5.9	11	-4
Argentina	24.4	+3.6	41	0	23.9	+1.7	41	0
United Arab Emirates	94.9	-2.8	1	0	81.4	-2.1	6	-1
Chile	34.7	+4.8	38	+1	25.1	+2.1	40	0
Germany	50.9	-2.3	26	0	40.1	-0.4	35	-2
France	47.0	+1.7	31	+2	39.0	-1.9	36	-4
Japan	17.1	-0.3	42	0	17.9	+1.1	42	0
Turkey	40.2	-2.7	36	-1	49.1	-0.2	24	+1
Ireland	54.0	-4.9	23	-3	52.1	-0.8	21	-1
Spain	44.8	+3.5	32	+5	38.4	+2.7	37	-1
Kenya	54.3	-8.8	22	-6	75.1	-4.6	9	-1
Mexico	53.0	+3.2	24	+4	56.6	+1.7	18	+1
Poland	37.1	-5.5	37	-1	31.3	+0.6	38	+1
Saudi Arabia	90.5	+4.2	3	+2	80.5	+6.1	7	+4
South Africa	51.1	-3.0	25	0	54.6	+2.9	19	+3
Nigeria	57.9	-0.5	19	+2	64.2	+1.7	15	0
Colombia	33.6	+1.9	39	-1	41.4	+6.0	34	+3
Indonesia	83.5	+1.1	6	+3	86.1	-1.3	3	+1
Italy	44.4	-4.9	33	-3	29.2	-2.9	39	-1
Peru	43.9	-0.2	34	0	45.6	+3.8	28	+3
Ghana	32.3	+6.4	40	0	60.3	+12.3	16	+11

Financial system support (cont.)

Market	Financial system support score			
	Score	YoY change	Rank	YoY change
Singapore	81.3	+5.6	1	+3
Thailand	79.7	-1.6	2	-1
South Korea	79.5	-0.9	3	-1
Hong Kong	73.2	-5.5	4	-1
Sweden	72.6	-2.9	5	0
United States	72.6	+2.1	6	+1
Denmark	71.3	+0.6	7	-1
United Kingdom	67.0	+0.4	8	0
Switzerland	66.8	+1.6	9	0
Brazil	63.3	-0.7	10	+1
India	62.4	-2.4	11	-1
Australia	61.7	-1.2	12	0
The Netherlands	55.6	+3.3	13	+2
Canada	54.5	+1.4	14	0
Israel	52.9	+3.2	15	+4
Finland	52.8	+2.3	16	+2
Vietnam	52.6	-1.4	17	-4
Norway	52.4	+1.2	18	-1
Malaysia	51.5	+0.1	19	-3
China	48.5	-0.7	20	0
New Zealand	47.7	-0.8	21	0
Taiwan	47.5	-0.4	22	0
Argentina	46.2	+2.2	23	0
United Arab Emirates	42.8	+3.9	24	+5
Chile	42.4	+2.1	25	0
Germany	42.0	+0.3	26	-2
France	39.9	+1.1	27	+1
Japan	39.9	+0.8	28	-1
Turkey	38.5	-0.9	29	-3
Ireland	38.5	+1.1	30	0
Spain	34.9	+0.3	31	+1
Kenya	31.9	-2.9	32	-1
Mexico	31.6	-1.4	33	0
Poland	31.1	+0.1	34	0
Saudi Arabia	30.3	+1.8	35	+4
South Africa	29.4	-1.2	36	-1
Nigeria	28.7	-1.8	37	-1
Colombia	28.6	-1.2	38	0
Indonesia	28.1	-2.1	39	-2
Italy	27.0	+1.1	40	0
Peru	22.7	+0.4	41	0
Ghana	21.4	+1.5	42	0

Appendix G: Markets ranked by indicator—employer support

	Provision of guidance and support around financial issues				Employee pension contributions			
Market	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
India	95.8	-0.1	2	+2	79.6	-2.1	1	0
Vietnam	83.2	-1.0	8	+2	70.5	-3.6	4	+1
Thailand	99.2	+1.7	1	+2	62.3	+1.7	8	+9
Singapore	83.4	-14.5	7	-5	75.6	-4.0	2	0
China	89.7	-3.9	4	+1	65.6	+2.7	6	+7
United Arab Emirates	88.8	+2.8	5	+3	58.7	+0.9	13	+5
Malaysia	62.7	+5.8	23	+8	70.7	-1.1	3	+3
Switzerland	79.0	-8.7	10	-3	60.8	+4.3	11	+12
Saudi Arabia	89.8	-1.1	3	+3	55.5	-0.9	18	+6
Turkey	73.3	+1.5	14	+5	67.8	-1.8	5	+2
Indonesia	79.0	-1.7	9	+3	54.8	+2.7	22	+11
United States	65.5	+1.5	18	+6	62.8	-1.5	7	+4
Israel	83.8	-16.1	6	-5	40.5	-2.6	37	-2
Brazil	68.5	-0.8	17	+6	58.0	-4.3	15	-1
Taiwan	77.4	-6.8	11	-2	53.4	-0.2	24	+5
The Netherlands	64.2	-13.7	21	-8	60.9	-14.8	10	-7
France	62.4	-7.0	24	-2	55.3	-5.9	19	-3
Hong Kong	69.8	-13.5	16	-5	49.1	-4.0	32	-2
Mexico	73.4	-2.6	13	+2	51.1	-1.2	29	+3
South Africa	61.4	+3.6	25	+5	56.1	-0.7	17	+5
Sweden	65.2	-9.1	19	-2	55.0	-6.6	21	-6
Norway	53.1	-5.0	34	-5	59.6	-15.4	12	-8
Colombia	61.1	-0.6	26	0	50.9	-4.9	31	-5
Denmark	60.7	-11.7	28	-10	61.1	-4.3	9	0
Kenya	75.5	+4.6	12	+8	40.1	+0.7	39	0
Peru	63.5	+8.6	22	14	52.8	-0.1	26	+5
Nigeria	71.5	+1.5	15	+6	43.0	+3.9	35	+5
New Zealand	56.6	-19.6	31	-17	55.1	-13.0	20	-12
Ghana	65.2	+4.9	20	+8	52.6	-5.1	27	-8
South Korea	59.6	-14.8	29	-13	58.0	-7.4	14	-4
Argentina	45.3	-6.2	38	0	54.6	-3.0	23	-3
Chile	57.5	+1.0	30	+2	53.0	-4.0	25	-4
Finland	48.9	-6.5	37	-2	50.9	-5.3	30	-5
Poland	61.0	-1.7	27	-2	39.2	+1.1	41	0
Ireland	44.7	-11.3	39	-6	48.8	-5.9	33	-6
Germany	54.5	-1.3	33	+1	46.9	+0.7	34	0
Spain	52.1	-1.2	35	+2	40.9	-1.2	36	+2
United Kingdom	49.8	-0.8	36	+3	51.2	-2.5	28	0
Australia	39.4	-7.8	40	0	57.7	-5.9	16	-4
Italy	55.1	-5.9	32	-5	39.4	-2.9	40	-3
Canada	37.8	-0.3	41	0	40.2	-2.6	38	-2
Japan	23.8	-5.5	42	0	27.4	-5.7	42	0

Employer support (cont.)

Market	Employee insurance schemes				Employer pay initiatives			
	Score	YoY change	Rank	YoY change	Score	YoY change	Rank	YoY change
India	78.7	+5.0	5	+6	78.8	+2.4	3	+6
Vietnam	85.9	-4.5	1	+2	90.9	-3.3	1	0
Thailand	79.9	-6.9	4	0	83.9	-3.9	2	+1
Singapore	82.7	-11.6	2	0	66.5	-10.8	12	-4
China	81.2	+1.0	3	+3	68.3	-5.6	11	0
United Arab Emirates	70.8	-3.1	9	+1	72.1	-0.5	6	+6
Malaysia	76.4	-0.6	7	0	66.1	+0.8	13	+5
Switzerland	73.2	-11.0	8	-3	72.1	-10.3	7	-2
Saudi Arabia	66.0	-6.7	14	-1	78.4	-9.2	4	0
Turkey	62.1	-5.7	20	0	65.4	-0.5	14	+3
Indonesia	66.6	-2.2	13	+5	73.3	-2.1	5	+5
United States	68.3	-2.7	11	+4	54.6	+1.3	25	+5
Israel	77.5	-29.3	6	-5	69.9	-23.9	8	-6
Brazil	68.6	-0.5	10	+7	58.5	+0.3	18	+4
Taiwan	66.8	-8.5	12	-3	58.6	-12.1	17	-4
The Netherlands	65.1	-7.4	16	-2	56.1	-11.3	22	-7
France	62.4	-6.2	19	0	59.2	-7.2	16	0
Hong Kong	65.2	-11.8	15	-7	58.1	-20.4	19	-12
Mexico	56.6	+3.5	26	+5	55.8	+4.0	23	+9
South Africa	61.8	-1.2	22	+3	51.2	-4.0	30	-4
Sweden	65.0	-4.9	17	-1	45.0	-12.7	35	-11
Norway	62.0	-10.7	21	-9	46.0	-12.1	33	-10
Colombia	52.7	-0.8	29	+1	61.8	-0.3	15	+5
Denmark	59.4	-7.4	24	-3	32.2	-7.4	40	-1
Kenya	49.1	+3.5	30	+5	69.3	-0.9	10	+4
Peru	48.7	+0.8	32	+1	55.7	-0.6	24	+1
Nigeria	45.3	+9.7	35	+5	69.6	+8.4	9	+12
New Zealand	48.5	-15.7	33	-9	56.5	-22.1	21	-15
Ghana	47.8	-4.0	34	-2	53.1	+2.6	27	+8
South Korea	48.9	-8.0	31	-2	43.9	-9.5	36	-7
Argentina	59.2	-1.8	25	+1	53.0	+1.4	28	+5
Chile	42.7	+0.8	37	-1	56.6	+1.4	20	+7
Finland	60.1	+3.3	23	+5	48.1	-2.8	32	+2
Poland	63.0	-2.5	18	+4	52.7	+0.2	29	+2
Ireland	55.6	-9.1	27	-4	45.9	-19.3	34	-15
Germany	38.2	-0.8	38	0	53.4	-1.4	26	+2
Spain	44.7	-1.0	36	-2	48.2	+0.9	31	+5
United Kingdom	30.3	+0.9	41	0	39.7	+0.4	38	+2
Australia	31.8	-4.7	40	-1	33.3	-7.3	39	-1
Italy	36.6	-3.7	39	-2	40.9	-2.0	37	0
Canada	52.8	-5.6	28	-1	32.1	+1.5	41	0
Japan	22.0	-1.5	42	0	19.3	-7.0	42	0

Employer support (cont.)

Market	Employer support score			
	Score	YoY change	Rank	YoY change
India	82.5	+0.6	1	+2
Vietnam	80.2	-3.2	2	0
Thailand	77.5	-1.1	3	+1
Singapore	76.8	-9.0	4	-3
China	74.1	-0.6	5	+1
United Arab Emirates	69.8	+0.2	6	+5
Malaysia	69.3	+0.8	7	+7
Switzerland	69.2	-4.3	8	0
Saudi Arabia	69.1	-3.8	9	0
Turkey	67.3	-1.6	10	+3
Indonesia	65.7	-0.1	11	+6
United States	62.8	-0.6	12	+9
Israel	62.4	-14.9	13	-8
Brazil	62.3	-1.9	14	+6
Taiwan	61.9	-5.6	15	+1
The Netherlands	61.5	-12.4	16	-9
France	58.9	-6.5	17	+1
Hong Kong	58.3	-10.7	18	-6
Mexico	57.6	+0.5	19	+8
South Africa	57.3	-0.6	20	+5
Sweden	57.1	-8.0	21	-2
Norway	56.1	-11.7	22	-7
Colombia	55.5	-2.3	23	+3
Denmark	54.9	-7.0	24	-1
Kenya	54.8	+1.7	25	+7
Peru	54.7	+1.7	26	+7
Nigeria	54.5	+5.5	27	+9
New Zealand	54.3	-16.7	28	-18
Ghana	54.3	-1.3	29	0
South Korea	53.7	-9.4	30	-8
Argentina	53.4	-2.5	31	-3
Chile	52.6	-1.0	32	-1
Finland	51.8	-3.3	33	-3
Poland	51.0	-0.4	34	0
Ireland	48.8	-10.3	35	-11
Germany	48.0	-0.4	36	+1
Spain	45.4	-0.8	37	+1
United Kingdom	44.5	-0.9	38	+2
Australia	44.0	-6.3	39	-4
Italy	42.3	-3.5	40	-1
Canada	40.6	-1.9	41	0
Japan	24.0	-5.1	42	0

Appendix H: Global survey of business management leaders

Methodology

Survey of 9,050 business respondents in total, with a minimum of 50 respondents in each market, which is considered indicative and statistically relevant. Respondents were screened as senior managers and working in companies of two or more employees. Survey was fielded in April 2025.

Survey participant screening questions

1. Approximately how many employees are working for your company/organization? Please consider all office locations worldwide.

- 1 – Just me [SCREEN]
- 2 – 5
- 5 – 10
- 10 – 25
- 25 – 100
- 100 – 500
- 500 – 1000
- 1000 – 5000
- More than 5000
- I don't know

2. Which option best reflects your current role in the business where you work?

- President / CEO
- Owner
- Partner
- Senior management
- Middle management
- Trained professional
- Administrative

3. Which of the following best describes the industry you primarily work in?

- Administrative services
- Agriculture
- Construction
- Education
- Finance and insurance
- Health services
- Information management
- Leisure and hospitality
- Management
- Manufacturing
- Mining and forestry
- Personal services
- Professional/scientific/technical services
- Real estate
- Retail trade
- Transportation
- Utilities
- Wholesale trade

Participant survey questions

Financial inclusion measures the degree to which people have access to useful and affordable financial products, services, and support that meet their needs. These products and services include those provided by the government, the financial services industry, and employers. Examples of such products and services include basic bank accounts, savings accounts, credit and loans, mortgages, insurance products, investments, retirement/pension plans, access to employment, etc.

Thinking in general, how sufficient is the consumer protection offered by law in the following categories in your country?

	Completely sufficient	Fairly sufficient	Not very sufficient	Not at all sufficient	N/A. I don't know
Data privacy and protection					
Making e-commerce transactions easily and securely					
Fraud protection					
Trading standards (protection against misleading pricing, trademark infringement, etc.)					
Product safety and liability					
Access to affordable consumer credit (loans, limiting fees, etc.)					

Government-mandated private retirement or pension plans oblige workers to save toward their retirement via their employer. This does not include social security or benefit systems run by the government itself. Are you aware of any government-mandated retirement and/or pension plans in your country?

a. Yes, and our business currently participates in it.
b. Yes, but our business does not currently participate in it.
c. No, I'm not aware of any government-mandated retirement/pension scheme.
d. I'm not sure.

How do workers sign up for the government-mandated retirement and/or pension plans?

a. Workers are automatically enrolled with no option to opt-out
b. Workers are automatically enrolled, but can opt-out if they wish
c. Workers have to opt-in to participate in the pension scheme
d. Other (please specify)
e. Not sure

Does the government provide any syllabus/guidance to help businesses/organizations like yours to support employees to do the following? Please select all that apply.

a. Budgeting (managing income and expenses)
b. Managing financial risk
c. Paying taxes
d. Insurance protection
e. Accessing short term/emergency savings
f. Accessing long term savings
g. Retirement/ pension planning
h. Tax incentives for savings
i. Managing debt
j. Legacy and estate planning
k. Financial education and literacy
l. Financial technology education
m. Accessing employee benefits (e.g., health/medical, disability, retirement)
n. Access to affordable consumer credit (loans, limiting fees, etc.)
o. N/A. The government does not provide any syllabus/ guidance like this to businesses like mine.

And how helpful do you find this syllabus/guidance in providing your business/organization with resources to support employees?

	Very helpful	Fairly helpful	Not very helpful	Not at all helpful
Budgeting (managing income and expenses)				
Managing financial risk				
Paying taxes				
Insurance protection				
Accessing short term/emergency savings				
Accessing long term savings				
Retirement/pension planning				
Tax incentives for savings				
Managing debt				
Legacy and estate planning				
Financial education and literacy				
Financial technology education				
Accessing employee benefits (e.g., health/medical, disability, retirement)				
Access to affordable consumer credit (loans, limiting fees etc.)				

The next set of questions will ask about the financial services industry in your country—namely banks, investment managers and insurers. These questions examine the availability and uptake of various types of financial products and services that are central to financial inclusion.

To what extent do you agree with the following statement?

The financial services industry in my country is good at enabling small and medium enterprises (SMEs) to achieve their long-term growth goals.

a. Strongly Agree
b. Agree
c. Neither Agree nor Disagree
d. Disagree
e. Strongly Disagree
f. Not Sure

On balance, do you think the financial services industry in your country is more likely to act as an obstacle or help your business's/organization's growth?

The financial services industry in our country is …

a. A major obstacle for our business' operations
b. A slight obstacle for our business' operations
c. Neither an obstacle nor a help
d. A slight help for our business' operations
e. A major help for our business' operations
f. Not sure

We'd now like you to think about the financial services products and services your business/organization currently uses or has available. Overall, how satisfied are you with the following:

	Fully satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied	I'm not sure	N/A. We never use or need this kind of service
Access to credit for businesses						
Cost of credit for businesses						
Ability to make domestic payments and transactions						
Ability to make international payments and transactions						
Deposit protection						
Fraud protection						
Providing support for business growth						
Providing advice on regulatory compliance						
Providing advice on tax compliance						
Debt management						
Promoting financial literacy and education for businesses						
Accessing affordable employee benefits						
Providing real-time/emergency financial support for businesses for example when a business is in on the verge of bankruptcy or is in urgent need of liquidity						

The next set of questions will ask about how your business acts as an employer. These questions relate to the level of support provided by employers in each country to their employees.

Does your company/organization currently contribute to any employee retirement/pensions plans, regardless of whether it is mandated by government?

a. Yes
b. No
c. Not sure

How does your firm's/organization's retirement or pension contributions compare to the levels mandated by government?

a. Our firm's contributions are above government-mandated levels.
b. Our firm's contributions are in line with government-mandated levels.
c. Our firm's contributions are below government-mandated levels.
d. N/A. There are no government-mandated minimum levels.
e. Not sure

Please state, as a % of wages, how much your business/organization contributes to employee retirement or pensions, on average?

a. 0.1 - 1.0%
b. 1.1 - 2.0%
c. 2.1 - 3.0%
d. 3.1 - 4.0%
e. 4.1 - 5.0%
f. 5.1 - 6.0%
g. 6.1 - 7.0%
h. 7.1 - 8.0%
i. 8.1 - 9.0%
j. 9.1 - 10.0%
k. 10.1 - 12.5%
l. 12.6 - 15.0%
m. 15.1% - 20.0%
n. More than 20.0%
o. Not sure

Does your business/organization support your employees in the following common financial practices? This support could be provided through the provision of educational literature, access to advice, etc.

	Yes, to a large extent	Yes, to a limited extent	No, we don't provide this support for our employees
Budgeting (managing income and expenses)			
Managing financial risk			
Paying taxes			
Insurance protection			
Accessing short term/emergency savings			
Accessing long term savings			
Retirement/pension planning			
Tax incentives for savings			
Managing debt			
Legacy and estate planning			
Financial education and literacy			
Financial technology education			

Which, if any, types of insurance does your business/organization currently offer employees as a business-supported policy?

a. Personal accident
b. Life assurance/insurance
c. Income protection
d. Private medical
e. Critical illness/disability
f. Others (please state)
g. N/A. My business does not offer any type of insurance to employees.

How frequently does your firm/organization typically pay its employees?

a. Daily
b. Weekly
c. Monthly
d. Annually
e. Other (please specify)

Which, if any, initiatives does your business/organization offer to support employees with their finances? Please select all that apply.

a. The option to choose the frequency at which they get paid
b. The option to attain an advance/an interest-free loan on their salary
c. The option to choose their method of payment (cash, cheque, deposit etc.)
d. Loans for costs of travelling to and from work
e. Other (please specify)
f. N/A. We don't offer any initiatives to support employees with their finances.

Appendix I: Global consumer financial inclusion survey

Methodology

Survey of 21,500 household financial decision makers, reaching 500 respondents per market. No weightings were applied to the data.

The U.S. is the exception where the survey targeted 1,000 household financial decision makers in the U.S. and weighting was employed to ensure it was demographically representative of the population.

Survey fielded between April and May 2025.

Survey participant screening questions

What is your gender?

a. Male
b. Female
c. Nonbinary
d. Other
e. Prefer not to say

Which age group do you fit into?

a. 16-24
b. 25-34
c. 35-44
d. 45-54
e. 55-64
f. 65-74
g. 75-80
h. 81+

What is your ethnic group?

Do you have any long-standing illness, disability, or infirmity which affects your ability to work/earn income? (Long-standing means anything that has troubled you over a period of time or that is likely to affect you over a period of time.)

a. Yes
b. No
c. Prefer not to say

Which group best describes your annual total pre-tax household income in U.S. dollars? Please combine all incomes in your household.

a. Less than $50,000
b. $50,000 to $74,999
c. $75,000 to $99,999
d. $100,000 to $149,999
e. $150,000 to $249,999
f. $250,000 or more

Apart from valuable items you may own like your house(s), car(s), jewelry, or collectibles, what is the total of your savings and investments?

Please take into consideration, where applicable, any bank accounts, mutual funds, stocks, bonds, cash value life insurance, and individual voluntary and mandatory retirement/pension accounts and/or non-qualified executive benefits held by yourself and family members in your household.

a. Less than $25,000
b. $25,000 to $49,999
c. $50,000 to $99,999
d. $100,000 to $249,999
e. $250,000 to $499,999
f. $500,000 to $999,999
g. $1 million or more
h. I have no savings or investments

Which one of the following best describes your relationship status?

a. Single
b. In a relationship
c. Living with partner
d. Married
e. Divorced
f. Widowed
g. Civil Partnership
h. Other

Which of these bests describe your parental status? (Select all that apply)

a. Dependent children under 18 living at home
b. Dependent children under 18 not living at home
c. Adult children living at home [HIDE IF AGED UNDER 33]
d. Adult children not living at home [HIDE IF AGED UNDER 33]
e. N/A I don't have any children *EXCLUSIVE*

At what age did you finish full-time education?

a. 16 or younger
b. 17 [hide if respondent is younger than 17]
c. 18 [hide if respondent is younger than 18]
d. 19 [hide if respondent is younger than 19]
e. 20 [hide if respondent is younger than 20]
f. 21 [hide if respondent is younger than g. 22 [hide if respondent is younger than 22]
g. 23 [hide if respondent is younger than 23]
h. 24 [hide if respondent is younger than 24]
i. 25 or older [hide if respondent is younger than 25]
j. I am still studyingg

Have you achieved a qualification at degree level or above? For example, a university bachelors degree or equivalent.

a. Yes
b. No
c. Not sure

Which of the following best describes your main home?

a. Own outright
b. Own with a mortgage/loan
c. Rent
d. Live rent-free (e.g., living with family, friends, etc.)
e. Other
f. Not sure

What is your role in making decisions concerning financial matters in your household?

a. I have sole responsibility.
b. I share responsibility with someone else.
c. Someone else is the primary decision maker. [SCREEN OUT]

Which of the following best describes your current employment status?

a. Work full time
b. Work part time
c. Retired
d. Homemaker/full-time parent
e. Student
f. Unemployed
g. Other

Which of the following best describes the industry you primarily work in? If you are not currently employed, please think about your most recent employer.

a. Administrative services
b. Agriculture
c. Construction
d. Education
e. Finance and insurance
f. Health services
g. Information management
h. Leisure and hospitality
i. Management
j. Manufacturing
k. Market research
l. Mining and forestry
m. Personal services
n. Professional/scientific/technical services
o. Real estate
p. Retail trade
q. Transportation
r. Utilities
s. Wholesale trade
t. Other
u. N/A never been employed [HIDE IF 'WORK FULL TIME' OR 'WORK PART TIME' IS SELECTED AT QB]

Survey participant survey questions

Financial inclusion measures the degree to which people have access to useful and affordable financial products, services, and support that meet their needs. These products and services include those provided by the government, the financial services industry, and employers. Examples of such products and services include basic bank accounts, savings accounts, credit and loans, mortgages, insurance products, investments, retirement/pension plans, access to employment, and the opportunity to earn an income.

Based on that definition, to what extent do you feel financially included in your country?[22]

a. Very included
b. Quite included
c. Not very included
d. Not at all included

(22) The data from question number one has been disregarded in this year's consumer sentiment survey. Instead, we have taken an average of responses across Q2 and the response to Q1. The results are more reflective of year-over- year trends and are designed to provide a more accurate reflection of how financially inclusive people perceive their market to be. This revised methodology encompasses how populations feel about each institution but also includes their "gut instinct" around how they feel about financial inclusion.

To what extent do you feel the following groups act in a way which is helpful for you to feel financially included?

	Very helpful	Quite helpful	Not very helpful	Not at all helpful
The government [RANDOMISE]				
The financial services industry				
Your employer. If you are not currently employed, please think about your most recent employer. [HIDE IF 'N/A NEVER BEEN EMPLOYED' IS SELECTED AT QC]				

Suppose you have some money. Is it safer to put your money into one business or investment, or to put your money into multiple businesses or investments?

a. One business or investment
b. Multiple businesses or investments
c. Don't know

Suppose over the next 10 years the prices of the things you buy double. If your income also doubles, will you be able to buy less than you can buy today, the same as you can buy today, or more than you can buy today?

a. Less
b. The same
c. More
d. Don't know

Suppose you need to borrow 100 U.S. dollars. Which is the lower amount to pay back after one year: 105 U.S. dollars or 100 U.S. dollars plus three percent (compounded annually)?

a. 105 U.S. dollars
b. 100 U.S. dollars plus three percent (compounded annually)
c. Don't know

Suppose you had 100 U.S. dollars in a savings account and the bank adds 10% per year to the account. How much money would you have in the account after five years if you did not remove any money from the account?

a. More than 150 dollars
b. Exactly 150 dollars
c. Less than 150 dollars
d. Don't know

The next question will ask you about how you perceive the government's support of financial inclusion. To what extent do you agree or disagree with the following statements? In my country…

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	I don't know	N/A this does not apply to me
The government makes it easy and affordable to go to school/send my children to school. [RANDOMISE]						
I can easily access and understand financial education provided by the government.						
The tax system is fair.						
There is good government regulation to protect people from unfair business practices						
The government has good systems to protect people against financial fraud and abuse.						
The government retirement savings / pension system is sufficient to pay for my retirement.						
Paying taxes I owe is straightforward.						
I feel confident about the economic outlook.						
The government has good policies in place to manage the cost of living, such as expenses for groceries, housing etc.						

The next question will ask you about how you perceive the financial system's support of financial inclusion. To what extent do you agree or disagree with the following statements? In my country …

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	I don't know	N/A this does not apply to me
I can easily access a bank account that meets my needs. [RANDOMISE]						
I can easily access reliable online banking services that meet my needs.						
I can easily access affordable insurance protection that meets my needs.						
I feel confident I can get a mortgage.						
I can easily access my money if I need to.						
I can easily access high-quality investment products.						
I can easily access high-quality and affordable professional financial advice if I want/need to.						
Getting an affordable loan is easy for me.						
I can easily make safe and secure online transactions.						
I am confident my financial data is protected securely.						
I can easily access the tools necessary to build a financially secure retirement, such as financial education, bank account, investment account, etc.						
I am confident that I understand how to use the financial tools available to me, such as financial education, bank account, investment account, etc.						

To what extent do you agree or disagree with the following statements?
For the below questions, please think of your current employer. If you are not currently employed, please think of your country's situation in general.
In my country…

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	I don't know
My employer/employers provide a generous pension/ retirement plan. [SEE IF IN QB "WORK FULL TIME" OR "WORK PART TIME" IS SELECTED] [RANDOMISE]					
My employer/employers provide generous insurance coverage. [SEE IF IN QB "WORK FULL TIME" OR "WORK PART TIME" IS SELECTED]					
My employer/employers provide access to high-quality resources to help with financial education. [SEE IF IN QB "WORK FULL TIME" OR "WORK PART TIME" IS SELECTED]					
My employer offers education and support to help me prepare for my transition into retirement. [SEE IF IN QB "WORK FULL TIME" OR "WORK PART TIME" IS SELECTED]					
There is the opportunity to earn a fair wage.					
My employer/employers provides skills training/professional development opportunities [SEE IF IN QB 'WORK FULL TIME' OR 'WORK PART TIME' IS SELECTED]					
My employer/employers offers financial assistance programs for employees facing personal financial hardship. [SEE IF IN QB 'WORK FULL TIME' OR 'WORK PART TIME' IS SELECTED]					

The next question will ask about your financial situation more broadly. Using the scale below, which of the following statements best describes your current financial situation?

A STATEMENTS	1 – Statement A [ALTERNATE]	2	3	4	5 – Statement B	B STATEMENTS	I don't know [FIX]	N/A. This does not apply to me.
I am confident I could find a (new) job .						I am not confident I could find a (new) job if I needed to.		
I feel able to manage my debt.						I do not feel able to manage my debt.		
I am confident that I can reach major financial life goals I might have (for example, buying my own home, paying for weddings or funerals, raising children).						I am not confident that I can reach major financial life goals I might have (for example, buying my own home, paying for weddings or funerals, raising children).		
I am very satisfied with my present financial situation.						I am not at all satisfied with my present financial situation.		
My children and/or the generation below me will be better off financially than me.						My children and/or the generation below me will be worse off financially than me.		
I could afford private medical insurance if I need it.						I could not afford private medical insurance if I need it.		
I can afford childcare.						I cannot afford childcare.		
I always keep my online accounts up to date and change my passwords regularly.						I never keep online accounts up to date and do not change passwords regularly.		
My current wages are keeping pace with the cost of living in my country.						My current wages are not keeping pace with the cost of living in my country.		
I have access to affordable home insurance.						I do not have access to affordable home insurance.		
I have sufficient financial knowledge to make confident, informed financial decisions that I am satisfied with.						I do not have sufficient financial knowledge to make confident, informed financial decisions that I am satisfied with.		

Thinking in general, what is the best way to describe your personal financial situation since the start of 2025?

a. Very comfortable
b. Comfortable
c. Coping
d. Struggling
e. Really struggling
f. None of these [ANCHOR]

And, have you or someone in your household experienced financial difficulties as a result of any of the following circumstances since the start of 2025? Please select all that apply.

a. Job loss (for either myself or a spouse/partner)
b. Health challenges (e.g., a medical emergency, chronic condition, etc.)
c. An unexpected large expense (e.g., car repairs, home appliance replacement)
d. Divorce or break up with spouse/partner
e. Increased caregiving responsibilities either for children or aging parents
f. Been unable to afford essentials (e.g., groceries and bills) due to rising costs from inflation
g. Unexpected education related expenses, such as increased tuition or student loan interest, for you or children
h. Other (please specify)
i. N/A—I have not experienced any financial difficulties since the start of 2025 [ANCHOR]
j. Don't know [ANCHOR]
k. Prefer not to say [ANCHOR]

ASK THOSE WHO'VE EXPERIENCED ON [QX=1-8]

You mentioned you and/or those in your household experienced financial difficulty since the start of 2025 as a result of a certain circumstance. To what extent, if at all, has this negatively impacted your mental well-being?

RANDOMISE	An extreme extent	A large extent	A moderate extent	A small extent	It's had no negative effect	Don't know [ANCHOR]	Prefer not to say [ANCHOR]
Job loss							
Health challenges (e.g., a medical emergency, chronic condition, etc.)							
An unexpected large expense (e.g., car repairs, home appliance replacement)							
Divorce or break up with partner							
Increased caregiving responsibilities either for children or aging parents							
Been unable to afford essentials (e.g., groceries and bills) due to rising costs from inflation							
Unexpected education related expenses, such as increased tuition or student loan interest, for you or children							

If you had an emergency expense you had to pay tomorrow, up to which amount could you afford with incurring any debt?

a. Nothing—I could not pay any additional expenses without occurring debt
b. Less than £100
c. £100 to £499
d. £500 to £999
e. £1,000 to £1,499
f. £1,500 to £2,000
g. Over £2,000
h. Not sure

The next few questions will ask you about how you feel about your ability to retire.

To what extent do you agree, or disagree, with the following statements.

RANDOMISE	Strongly agree [ALTERNATE]	Somewhat agree	Somewhat disagree	Strongly disagree	I don't know [FIX]	N/A. This does not apply to me.
I expect my country's current economic situation (for example, public debt, economic growth) will negatively impact my financial situation in retirement. [SHOW TO THOSE NOT RETIRED]						
My country's current economic situation (for example, public debt, economic growth) has negatively impacted my financial situation in retirement. [SHOW TO THOSE RETIRED]						
I will have the ability to live comfortably in retirement. [SHOW TO THOSE NOT RETIRED]						
I would rather spend money now than save or invest for my future.						
After covering basic needs each month, I am still able to pay down debt, save for emergencies, and/or invest for my future.						
I expect to receive/have received an inheritance.						
My financial situation will improve over the rest of my lifetime.						
I worry I'm likely to run out of savings in retirement						
I am confident that I will have enough savings to retire comfortably at the age I would like to.						

For illustrative purposes only

At what age do you expect to retire, or did you retire?

a. I expect to retire at [BOX FOR NUMBER] [SHOW ONLY FOR THOSE STILL WORKING]
b. I retired at the age of [BOX FOR NUMBER] [SHOW FOR THOSE WHO ARE RETIRED]
c. I don't expect to retire [SHOW ONLY FOR THOSE STILL WORKING]

Artificial intelligence (AI) means the use of technology that mimics human intelligence and decision-making.

In the future, artificial intelligence could be used by financial institutions (such as banks, insurers and investment firms) to manage, invest, and protect your money.

The next question will ask you about artificial intelligence in the context of financial products and services.

How comfortable or uncomfortable are you with financial institutions using AI within their products and services?

a. Very comfortable
b. Slightly comfortable
c. Neither comfortable nor uncomfortable
d. Slightly uncomfortable
e. Very uncomfortable
f. N/A—I'm not a customer of any financial institutions
g. Not sure

The following questions will focus on your use of digital financial tools, such as mobile banking, investment and wealth management platforms, customer service chatbots, etc.

Which, if any, of the following digital financial tools are you currently using?

a. Mobile banking
b. Online investment and wealth management platforms or apps
c. Digital financial advice
d. Real time payments
e. Budgeting apps or websites
f. Fraud alert systems
g. Other (please specify)
h. N/A—I don't use any digital financial tools
i. Don't know

ASK THOSE WHO DON'T USE FINANCIAL TOOLS

You said you have never used any digital financial tools. Which of the following describes why this is?

a. I don't trust financial tools
b. I don't believe financial tools keep my data and finances safe
c. I have limited access to the internet so I'm unable to use them
d. I prefer in-person or human interactions
e. They seem complicated compared what I already have
f. It takes too much time to learn how to use them
g. Other (please specify)
h. Not sure

ASK THOSE WHO DO USE FINANCIAL TOOLS

You said you have used digital financial tools. Which of the following describes why you have used these tools?

a. Lack of access to brick-and-mortar financial institutions
b. They keep my data and finances safe
c. To automate financial tasks
d. I enjoy trying out new technologies and apps
e. It makes it easier to manage my finances
f. I can have all of my finances in one place
g. Other (please specify)
h. Not sure

Appendix J: Impact of financial literacy on household debt management, loan affordability and GDP

Methodology

This section introduces econometric analysis exploring how improvements in financial literacy influence household financial outcomes and broader macroeconomic performance, as part of the 2025 iteration of the Index. The analysis first estimates the relationship between financial literacy and household-level nonperforming loans (NPLs), before examining how changes in household NPLs affect debt affordability, proxied via debt-to-income (DTI) ratios. In the final stage, the analysis considers how these shifts in household financial literacy may translate into wider macroeconomic gains, including impacts on GDP growth.

This integrated approach is designed to provide a deeper understanding of the economic benefits of improved financial literacy, thereby supporting financial inclusion initiatives.

The table below summarizes the key variables used in this analysis, drawing on a combination of survey data, IMF World Economic Outlook (WEO) statistics, and national sources.

Variable		Description
1	Financial literacy	Share of respondents considered financially literate, based on survey responses (data for 2014, 2023 to 2025)
2	Household NPLs	Estimated ratio of nonperforming loans to total household loan portfolios, adjusted due to limited direct data.
3	DTI	Ratio of household loan liabilities to gross disposable income, used as a proxy for loan affordability.
4	Debt to GDP	Total stock of loans and debt securities issued by households as share of GDP.
5	Gross domestic product, constant prices	Real GDP measuring the total value of goods and services produced, adjusted for inflation, expressed as annual growth rates.
6	Gross national savings	Total savings by households, businesses, and the government, expressed as a percentage of GDP.
7	Unemployment rate	Percentage of the labor force actively seeking but without work.
8	General government total expenditure	Total government spending as a percentage of GDP.
9	General government net lending/borrowing	Fiscal balance showing the difference between government revenue and expenditure, expressed as a percentage of GDP.
10	General government gross debt	Total outstanding debt liabilities of the government sector, not net of assets, expressed as a percentage of GDP.

For household NPLs, a targeted nowcasting exercise was conducted to extend data beyond 2022, given the absence of more recent official figures. However, nowcasted values were used sparingly and only where necessary, in order to minimize potential bias in the results. DTI figures were sourced from official statistical agencies, such as the Eurostat and the Office for National Statistics.

To ensure a clear understanding of the relationships under investigation, we included additional macroeconomic variables, selected from Variables 4 through 10, as controls in our econometric models. These control variables help account for broader economic conditions that might also influence the dependent variables. By controlling for these factors, we're better able to isolate the specific effects being explored in each of our models.

Understanding the role of financial literacy in household NPL incidence

This section investigates the relationship between financial literacy and the incidence of household NPLs, forming the first step of our broader econometric analysis.

The analysis uses pooled data for countries included in the Global Financial Inclusion index, covering the years 2014, 2023, 2024, and 2025 reflecting the only periods for which comparable financial literacy data were available. Because of the limited time coverage of the financial literacy variable, a pooled ordinary least squares (OLS) regression was used instead of a panel model, which would not be appropriate given the short and uneven time span.

Household NPL data were available only up to 2022. Where feasible, nowcasting techniques were applied to estimate more recent values; in other cases, incomplete entries were removed from the sample. This filtering process resulted in a final sample of 68 country-year observations across 27 countries.

To isolate the effect of financial literacy on household credit outcomes, we included a selection of macroeconomic control variables in the model.

Our initial hypothesis was that higher levels of financial literacy would be associated with lower household NPL ratios. This is based on the idea that financially literate individuals are more likely to understand loan terms, budget effectively, avoid over-indebtedness, and proactively manage repayment, ultimately reducing the likelihood of default.

Regression output results (standard errors in parentheses): Impact of financial literacy on household NPLs

	Dependent variable:
	NPL
Financial Literacy	-2.783**
	(1.193)
GDP Growth	0.192
	(0.121)
Gross Savings	-0.046
	(0.033)
Interest rate	-0.024
	(0.037)
Unemployment rate	-0.084
	(0.100)
Government expenditure	-0.001
	(0.005)
Government net lending	4.060***
	(0.936)
Observations	68
R^2	0.322
Adjusted R^2	0.171

Note: *p<0.1; **p<0.05; ***p<0.01
*p<0.1; **p<0.05; ***p<0.01. Clustered SEs by country.

Our model implies that a 1-percentage-point increase in financial literacy is associated with a 2.78-percentage-point reduction in household NPLs, suggesting that improved financial capability is associated with a reduced likelihood of loan default, in line with the hypothesis initially proposed. This estimate is statistically significant at the 5% significance level.

Estimating the impact of household NPLs on household loan affordability

The central objective of this stage of the analysis was to examine the relationship between household DTI ratios—used here as a proxy for household loan affordability—and the prevalence of NPLs in the household sector across countries.[23]

We used a dataset comprising country-year observations from 12 advanced economies between 2014 and 2022. Each observation includes a measure of the DTI ratio, household NPLs, and a set of macroeconomic control variables (detailed below). These countries were selected based on the availability and consistency of household credit data over the period and was only available for European economies. The unbalanced nature of the panel reflects differences in reporting coverage across countries and years.

To estimate the relationship, we specified a linear panel regression model where DTI was regressed on the NPL ratio and macroeconomic controls. Country and year fixed effects were included to absorb structural differences between countries (e.g., regulatory environment) and to control for global shocks or cyclical effects common to all markets in a given year. We used a two-way fixed effects estimator with robust standard errors clustered by country to account for intra-country correlation over time.

Our initial hypothesis was that higher household NPL ratios, signaling financial sector distress and greater risk aversion among lenders, would correspond with reduced loan affordability and therefore lead to higher DTI ratios. This assumed that worsening bank health would drive up borrowing costs or reduce loan term flexibility, pushing households toward higher relative debt burdens.

Regression output results (standard errors in parentheses): Impact of NPLs and macroeconomic factors on DTI

	Dependent variable:
	DTI
Non-Performing Loans	2.415
	(1.237)
GDP Growth	0.111
	(0.376)
Government net lending	0.641
	(0.543)
Government debt	0.600
	(0.445)
Gross savings	-0.129
	(0.734)
Unemployment rate	2.449***
	(0.865)
Observations	92
R^2	0.621
Adjusted R^2	0.478

Note: *p<0.1; **p<0.05; ***p<0.01
*p<0.1; **p<0.05; ***p<0.01. Clustered SEs by country.

The regression results indicate a positive association between household NPLs and DTI ratios, our proxy for household loan affordability. Specifically, the model suggests that a 1-percentage-point increase in NPLs is associated with a 2.4-point increase in the DTI ratio. This result is statistically significant at the 10% level, supporting the hypothesis that rising household loan defaults contribute to reduced affordability for borrowers who remain in the formal credit system.

(23) While DTI is used as a proxy for household debt burden or leverage, its use as a direct measure of affordability should be interpreted with caution. In theory, higher DTI ratios can signal increased financial strain on households, hence lower loan affordability. However, they can also reflect easier access to affordable credit, particularly in well-functioning credit markets. Similarly, lower DTI ratios might reflect improved household finances but can also indicate reduced access to credit altogether.

Discerning the impact of household NPLs on macro fundamentals

This stage of the analysis aims to derive a quantifiable relationship between household NPLs and household debt-to-GDP ratios. The motivation is to establish an empirical association that can be used as an input for subsequent modeling.

Higher levels of household financial strain, as proxied by rising NPL ratios, may contribute to increased household indebtedness over time. This could occur as households rely more heavily on borrowing to manage financial pressures, or as worsening credit health leads to refinancing at less favorable terms, ultimately compounding existing debt burdens.

We estimated a fixed effects panel regression with household debt-to-GDP as the dependent variable and NPLs as the primary explanatory variable, controlling for macroeconomic factors. Using a panel of 868 observations across 61 countries (2000 to 2023), the model yields a positive and statistically significant coefficient on NPLs, suggesting that a one-point increase in the NPL ratio is associated with a 0.11 point increase in the household debt-to-GDP ratio. This finding supports the notion that financial distress may exacerbate household debt accumulation.

The identified coefficient will serve as the basis for subsequent modeling, enabling us to quantify the implications of changes in NPLs on broader macroeconomic fundamentals.

Calculating the GDP benefit of improved financial literacy per market

Based on the econometric analysis outlined above, we sought to calculate the economic uplift that could result from raising financial literacy to 50 percent in each of the 42 countries covered by the Index. Financial literacy levels are drawn from nationally representative surveys conducted by Opinium, and the scenario assumes that target levels are reached by the end of 2025. The short-run impact is expected in 2026, with longer-term gains accruing in the years following 2026, through to 2029.

To quantify this, we first derived cumulative growth based on IMF baseline GDP forecasts (2026 to 2029). Following this we applied adjustments based on our econometric model, which estimates that a 10-percentage-point rise in financial literacy is associated with a 0.3-percentage-point uplift in long-run GDP growth, thereby constructing new counterfactual growth trajectories under the improved financial literacy scenario.

The Global Financial Inclusion Index ranks 42 markets on three pillars of financial inclusion—government, financial system, and employer support—using data points across public and survey-based sources. These pillars represent the key stakeholders responsible for promoting financial inclusion across the population. The Index explores the challenges and opportunities surrounding increasing access to useful and affordable financial products and services that meet their needs—transactions, payments, savings, credit, and insurance, etc.

The Index was conducted in partnership with the Centre for Economics and Business Research (Cebr). The methodology combines various data sources into one unified measure of financial inclusion at the market level.

The Global Financial Inclusion Index is a proprietary model output based upon certain assumptions that may change, are not guaranteed, and should not be relied upon as a significant basis for an investment decision.

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