

Automation

The Superpower Transforming Retirement Uncertainty into Confidence

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- Fielded in April 2025, our Global Retirement Reality Report surveyed 4,371 members saving into Defined Contribution (DC) schemes around the world
- Our findings from respondents in Ireland showed that retirement optimism, although low, is significantly better for those with access to a DC scheme
- Whilst awareness of My Future Fund is low, automation and robust default strategies have the potential to transform the futures of thousands of individuals in Ireland

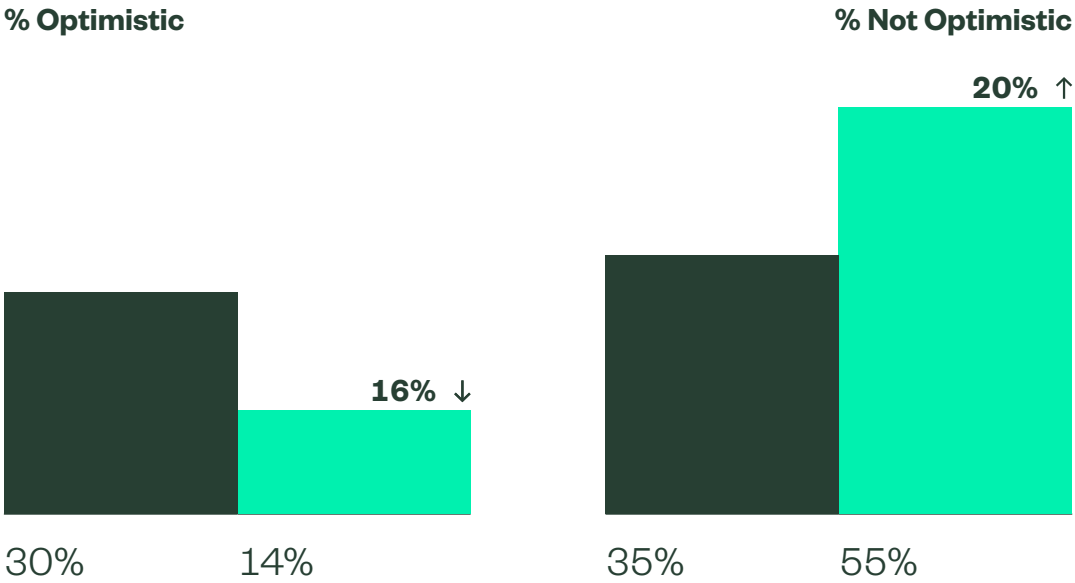
The effectiveness of automatic enrolment in increasing retirement plan participation is no secret, being a well-tested policy globally. Our latest findings from our Global Retirement Reality Report, highlight a striking difference between individuals who are saving via DC plans and those who are not. Whilst awareness of the My Future Fund in Ireland is modest, we argue that this isn't a major worry and that inertia will play an important role securing and keeping individuals in the fund.

1. Access to a DC Scheme is a Key Driver of Retirement Confidence

Figure 1
Optimism of Being Financially Prepared for Retirement

■ DC Plan
■ No DC Plan

Our respondents to the Global Retirement Reality Report in Ireland included both those currently saving in a DC plan, and those without a workplace retirement plan. As expected, people without a retirement plan were more pessimistic, with over half saying they lacked optimism about the future.



Source: State Street Global Advisors 2025 Global Retirement Reality Report.
Question: How optimistic are you that you will be financially prepared for retirement by the time you plan to stop working?

We anticipate that the introduction of Automatic Enrolment via My Future Fund to be a turning point for retirement readiness in Ireland, and bring participation rates closer to those witnessed in other OECD countries.¹ 80% of respondents in Ireland believed My Future Fund is a good idea.

“It’s difficult to predict what you will need for retirement, so saving in a fund now will give peace of mind” *aged 55–64*

“I am not eligible for a pension under my current employer and find this stressful and unfair. I would like to be able to contribute to my retirement now and understand it is important to do so as early as possible” *aged 18–34*

“I’m nervous about not having a pension but my employer doesn’t provide one and I wouldn’t know where to start” *aged 35–44*

2. Almost Half of Those Not Saving in a DC Plan Haven't Yet Heard of My Future Fund — But We Still Anticipate Strong Take Up

Whilst for many, it's no doubt that automatic enrolment is a good idea, only 44% of those not saving into a retirement plan are aware of what it is (versus 57% of those with existing DC plans). One respondent reported:

"It's a good initiative by the government but I haven't read much about it"
aged 18–34

However, we argue that lack of awareness isn't a red flag when it comes to the success of the automatic enrolment scheme. For those who are less positive about saving for retirement, or have doubts on whether they can afford it, inertia may reduce the likelihood of opt out. Of those responding to our survey who don't currently have a retirement savings plan, only 14% said they would not participate in My Future Fund.

3. Automation Locks in Retirement Savings

Uncertainty both domestically and globally has continued over the last six months with changes in government, delays to automatic enrolment and global market volatility. Against this backdrop, it's unsurprising to see that 24% of respondents with DC plans checked their balances more regularly. Whilst 13% reduced their levels of short-term savings (i.e. bank accounts), only 9% of respondents reduced their savings rate into their retirement plans. This behaviour suggests that, despite heightened uncertainty, the principles of automatic enrolment and inertia play a stabilising role in supporting long-term retirement saving.

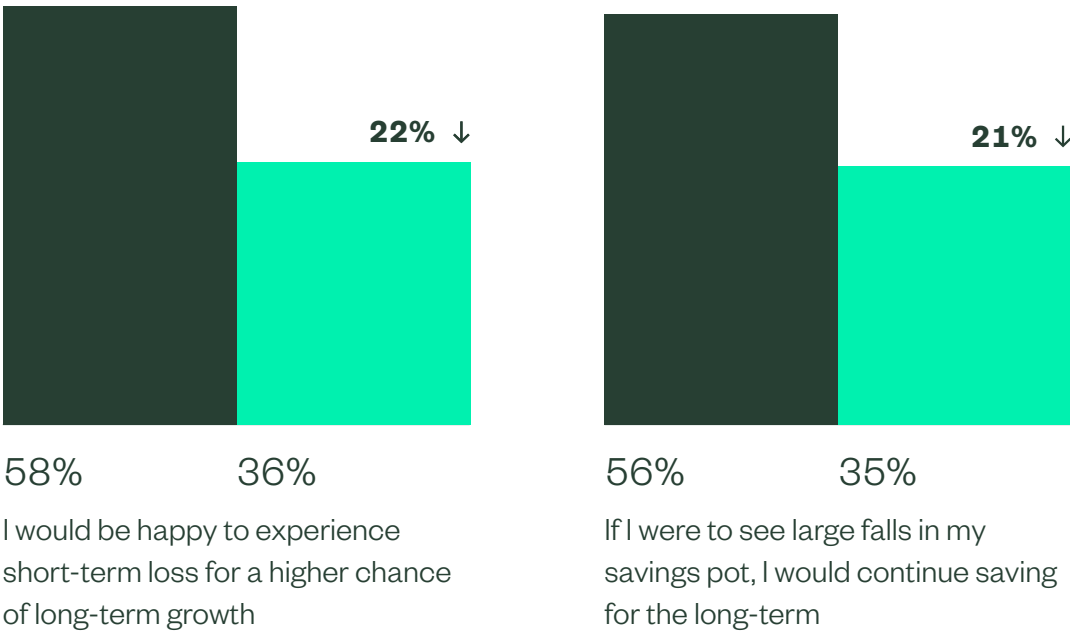
4. Good Defaults can Gain Trust and Build Confidence in Savers

The design of the default investment strategy for My Future Fund is being finalised — a key detail in delivering good outcomes for members in retirement. Our survey explored which elements of investment design are important to savers.

In line with our findings on the stability of retirement savings, those already in DC plans were happier to accept a degree of volatility in exchange for long-term return. There was a significant difference compared to the respondents who weren't in a DC plan, who showed a greater level of discomfort with poor performance.

Figure 2
Views on Investment Performance

Have DC Plan
No DC Plan



Source: State Street Global Advisors 2025 Global Retirement Reality Report. Question: UK and IE (Have DC): To what extent do you agree with the following statements regarding your retirement savings? IE (Don't have DC): If you were enrolled in a retirement savings plan, to what extent would you agree with the following statements?

Supporting this sensitivity to loss, risk management within investment options was ranked as a top 3 priority for close to a third (31%) of respondents in Ireland, whilst maximising returns (48%) and minimising charges (42%) were of higher relative importance. Other investment considerations such as sustainable investing (21%), accessing private markets (15%) and cryptocurrency (11%) were of lower priority to members.

These findings highlight the critical role of risk management in maintaining member confidence, especially for those who are new to DC saving. The glide path approach set out by the Department of Social Protection is a tried and tested way of aligning risk exposure with time horizons, whilst balancing growth potential and capital preservation.

My Future Fund: A Pivotal Moment for Retirement Readiness in Ireland

Whilst awareness levels at a first glance may seem discouraging, international experience shows that automatic enrolment, when paired with thoughtful design and behavioural science, can meaningfully increase pension participation rates — take the UK example where participation in workplace pensions increased from 50% to 80% since the introduction of the policy.² Our findings suggest that inertia will help bring people into My Future Fund, and keep them there, even in the face of uncertainty. Well-designed defaults which incorporate effective risk management may help build trust, particularly among new savers, whilst scaled index funds can deliver value for money.

The findings of our 2025 Global Retirement Reality Report are supportive of the steps that have already been taken to launch automatic enrolment in Ireland and underscore the importance of its implementation.

[Global Retirement Reality Report 2025 — Bridging the Confidence Gap](#)

[Ireland Snapshot Report 2025](#)

Endnotes

1 [Pensions at a Glance 2023 | OECD](#)

2 [Department for Work and Pensions — “Workplace pension participation and savings trends of eligible employees: 2009 to 2023”](#)

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* Pensions & Investments Research Center, as of December 31, 2023.
† This figure is presented as of March 31, 2025 and includes ETF AUM of \$1,553.58 billion USD of which approximately \$106.42 billion USD in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

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