

Press release

Silver economy ushers in a new era of growth for life insurance

- **A quarter of all people in advanced markets will be over 65 by 2050, with this "Silver Economy" reshaping the core customer base of the life insurance industry**
- **Increasing life expectancy, falling birth rates and wealth concentration among retirees will fuel demand for protection that provides guaranteed income, health and care coverage**
- **New approaches to product design for annuities, risk pooling and bundling care protection will meet the changing needs of ageing populations**

Zurich, 22 October 2025 – Ageing populations, falling birth rates and the growing concentration of wealth among seniors are transforming the types of financial protection people will need in the future, finds Swiss Re's latest *sigma* report. With 27% of people in advanced markets projected to be over 65 years by 2050, life insurance will need to shift from income replacement and family-oriented risk protection products to wealth planning and personal-care funding solutions.

"The impact of the Silver Economy on insurers will accelerate, leading to a new phase of innovation," says Paul Murray, CEO Swiss Re Life & Health Reinsurance. "We are seeing a generation that is larger, living longer, and arriving at retirement wealthier than we have seen before. With new approaches to product design and delivery, the insurance industry has the opportunity to redefine its relevance to over 65s."

Across the world, populations are ageing at record speed, driven by falling birth rates and increased longevity. In advanced markets, there will be 35% more individuals aged 65+ by 2050 compared to 2025. Countries like Japan and South Korea are already at the forefront of ageing, with more than 30% of citizens over 65 today.

At the same time, wealth is also tilting decisively toward older generations. In the US, for example, households aged 55 and above hold nearly USD 120 trillion in assets, equal to four times the national GDP,

Media Relations

Zurich
Telephone +41 43285 7171

New York
Telephone +1 914 828 6511

Singapore
Telephone +65 6232 3302

Investor Relations

Telephone +41 43 285 4444

Swiss Re Ltd
Mythenquai 50/60
CH-8022 Zurich
Telephone +41 43 285 2121

www.swissre.com
 @SwissRe

Contact

Group Media Relations
Media_Relations@swissre.com
+41 43 285 71 71

Additional information

For press releases, logos and photography of Swiss Re executives, directors or offices go to www.swissre.com/media

underscoring both their financial strength and the scale of the longevity challenge.

Jérôme Jean Haegeli, Swiss Re's Group Chief Economist says: "Longer lifespans will affect both the risk and asset side of the insurance business. As populations age and people begin to draw down savings, inflation and long-term interest rates may rise, supporting stronger investment returns and profitability for insurers."

From accumulation to decumulation

To meet the requirements of the Silver Economy, insurers will need to shift their focus from the accumulation phase of consumers' lifespans to the decumulation phase.

In the accumulation phase, typically spanning working years, people grow wealth and protect dependents through products such as term life, whole life and universal life. These solutions guard against the financial shock of premature death or disability and support younger generations as they build wealth for the future.

In the post-retirement decumulation phase, the emphasis shifts to converting savings into income streams, for example through both government and employer-funded pensions, as well as annuities. In addition, there is a need to secure access to personal care services, such as medical services and nursing homes.

By 2050, a high-income 65-year-old retiring in advanced markets could expect to live a further 23 years. This longer retirement, combined with a shift away from guaranteed returns on pension products, means retirees will have substantial savings but no guaranteed income, increasing the risk that they outlive their savings.

Various types of annuities exist to cover this increased longevity risk. However, a broader range of options may be needed to alleviate longevity risk. For example, longevity risk-sharing pools can address mortality, longevity, and health risks simultaneously.

Rethinking health and care

The number of people aged 80+ in Europe will grow by 80% by 2050, while in North America it will surge by over 120%. This will strain long-term care services, which already account for more than 2% of GDP in advanced economies. With private nursing home costs in the US averaging USD 111 000 per year, mechanisms to fund care will need to be found.

Underwriting long-term care can be complex given the product's long-duration nature and parameter uncertainty. Current successful approaches aim at either supplementing state provision or bundling long-term care with critical illness and life covers. In France, for example, products which supplement government provision have proven popular. The long-term care market has grown to 1.4 million policyholders and more than EUR 500 million in annual premiums. Products are tailored to

affordability, with distribution supported by bancassurance networks and digital channels.

Another urgent need will be cancer protection for older policyholders. The median age of cancer diagnosis is 67, yet most critical illness policies expire before retirement, leaving a protection gap just when the risk becomes highest. In Thailand and Korea, companies have launched cancer-specific covers targeted at seniors, bundled with broader health or annuity products. These policies ensure that older households are not left to bear both the financial and medical burden of cancer alone.

How to order this *sigma* study:

All research from Swiss Re Institute is now under one roof – in the new *sigma* explorer. To gain free access to Swiss Re Institute's macroeconomic and insurance market data, forecasts and research publications, please register at [sigma explorer](#).

Disclaimer

Although all the information discussed herein was taken from reliable sources, Swiss Re does not accept any responsibility for the accuracy or comprehensiveness of the information given or forward-looking statements made. The information provided and forward-looking statements made are for informational purposes only and in no way constitute or should be taken to reflect Swiss Re's position, in particular in relation to any ongoing or future dispute. In no event shall Swiss Re be liable for any financial or consequential loss or damage arising in connection with the use of this information and readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

About Swiss Re

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 70 offices globally.