



Women can get more out of their retirement savings

Women are generally more cautious than men when investing their retirement savings, which is one of the reasons why they end up with lower pension wealth.

By Kristine Seest

Figures from Danmarks Nationalbank show that Danish pension contributions in the first half of 2024 are at a record high. And although the number of women making extra pension contributions has increased – which is not the case for men – women are not getting as much out of their savings as men. Responses from WTW's investment test show that women are less willing to take risks when deciding how to invest their retirement savings.

»Two-thirds of the people who have completed the test so far are men. This is remarkable in itself, but it is even more interesting that men respond in a way that in 40 percent of the cases results in us recommending that they invest their savings with high risk – for women this happens only half as often, 19 percent of the time,« says Investment Analyst Bo Henriksen from WTW.

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Key Account Manager, WTW

Since WTW launched the investment test in August 2024, 1,700 clients have completed the test and answered the 11 questions that make up the test.

Greater caution

The results from the investment test are in line with other studies showing that women take less risk than men in their choice of investment solution, and the trend is also reflected in the individual pension counselling that WTW conducts for more than 14,000 people a year.

»In general, I find that there is a difference between the questions women and men ask in individual pension counselling. Women are more likely than men to include their experiences and the stories they have heard from their friends and family. And if retirement is an area that they don't know much about, I find that they are more cautious in the decisions they make. The same caution is not as evident in men,« says Key Account Manager Pernille Nielsen, who has been advising WTW's clients on their pensions for five years.

25 percent lower pension wealth

Statistics Denmark's estimates of pension wealth in 2023 show that women's pension wealth is 25 percent lower than men's pension wealth.

»The gender pay gap, differences in leave periods, working hours and retirement age naturally influence the difference in pension wealth between men and women. This difference is currently supported by individual investment choices, but it doesn't have to be that way,« says Bo Henriksen.

Figures from Statistics Denmark show that the difference between men and women's pension wealth is smaller among the younger generations. Among 80-84-year-olds, men's pension wealth is more than twice as large as women's pension wealth. In the 65-69 age group, the gender gap in pension wealth is 24 percent, compared to 13 percent for men and women in their 30s.

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»Compared to older generations, younger women have grown up with access to user-friendly investment platforms and stock savings accounts at the bank. Many have already made investment decisions before being advised on their pension, so for them, making investment decisions is not completely new,« says Pernille Nielsen.

WTW wants to help equalize the differences in men's and women's pension wealth and will therefore hold a webinar for clients in early 2025 with a specific

focus on investment for women. At the webinar, Pernille Nielsen will go through the opportunities to improve your return without the investment risk becoming too high.

Find out more about the webinar [Women, pension and investment](#)