

Hong Kong Ranks Second Globally in Financial Inclusion Despite Reduced Employer Support, According to Global Financial Inclusion Index from Principal®

The annual Index ranks 42 markets on three pillars of financial inclusion, tracks global and regional progress.

- For the third consecutive year, Hong Kong is ranked second for overall financial inclusion, behind Singapore.
- Hong Kong's ranking declined across financial system and employer support pillars while remaining flat in government support.
- Business uncertainty drove a pullback in employer support, which resulted in a six-spot overall drop in the employer pillar.

HONG KONG, OCTOBER 21, 2025 – Amid a challenging business and economic landscape, Hong Kong is the second most financially inclusive market out of 42 markets analyzed globally, according to the 2025 [Global Financial Inclusion Index](#) (the Index) from [Principal Financial Group](#)® and the Centre for Economics and Business Research (Cebr).

Global financial inclusion plateaued after two years of significant gains, according to annual research from Principal® that ranks markets based on the support provided by employers, the government, and the financial system. Employer support faltered globally this year due to economic and business pressures – with governments stepping in as a safety net.

While Hong Kong did not fall in the overall Index rankings, the market experienced declines within the financial system and employer support pillars.

- Fourth for financial system support (down one place from 2024)
- Third for government support (no change from 2024)
- 18th for employer support (down six places from 2024)

Hong Kong fell across all indicators within the employer support pillar, with the steepest declines in employer pay initiatives (down 12 spots), employee insurance schemes (down seven spots), and provision of financial guidance (down five spots). This mirrors a global trend of businesses scaling back in the face of economic and trade-related uncertainty.

Hong Kong faces additional challenges to financial inclusion as the country faces the longer-term issue of an aging population. Placing increasing pressure on retirement security highlights the critical role of government and financial system initiatives in supporting financial literacy and education.

Despite the challenges outlined in the Index, there is a sense of optimism among Hong Kong residents. The consumer survey indicates that 74.2% of individuals in Hong Kong now feel financially included, up from 67% in 2024. This significant increase reflects a growing positive perception of financial inclusion, suggesting that efforts to improve financial access and literacy are resonating with the public, even amid broader economic headwinds.

Martin Lau, head of Hong Kong, Principal Financial Group comments: *“As the aging population reshapes 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 a high ranking 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.

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."

Explore the full report and learn more about the Global Financial Inclusion Index [here](#).

Key findings from the Global Financial Inclusion Index:

- **The overall global financial inclusion score stands at 49.4 out of 100—a marginal drop of 0.2 points compared to 2024.**
 - However, this is markedly higher than 41.7 when the Index launched in 2022. In 2025, 20 markets showed annual improvements in their financial inclusion scores, while 19 out of the 42 markets analyzed experienced declines.
- **Employer support slowed globally, with the worldwide score falling 0.6 points.**
 - Thirty five of 42 markets (83%) registered declines in their employer support scores – strongly suggesting that the impact of geopolitical and trade risks on business confidence have caused companies to adopt more conservative approaches to employee benefits and flexibility initiatives.
- **As employers pulled back, governments and financial systems stepped up efforts to enable better access to, and understanding of, financial products and services.**
 - Globally, the government support score rose 0.6 points, increasing in every major region and, across the wealthier regions of North America, Europe and the Middle East, the financial system score also rose. Thirty-five markets showed year-over-year improvements for either or both government and financial system scores.
- **Detailed modelling shows that higher financial literacy levels result in improved household debt management and lower borrowing costs.**
 - A 1% improvement in financial literacy levels is associated with a 2.8% reduction in defaults on household loans and a 6.7% reduction in household debt-to-income ratios. This has a discernible GDP benefit over the long term.

Notes to editors

"Global" encompasses the 42 markets contained within the Index

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About the Global Financial Inclusion Index

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 calculation 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.

About Principal Financial Group

Principal Financial Group® (Nasdaq: PFG) is a global financial company with approximately 20,000 employees¹ passionate about improving the wealth and well-being of people and businesses. In business for 146 years, we're helping over 70 million customers¹ plan, insure, invest, and retire, while working to support the communities where we do business and building an inclusive workforce. Principal® is proud to be recognized as one of the 2025 World's Most Ethical Companies² and named as a Best Places to Work in Money Management³. Learn more about Principal and our commitment to building a better future at principal.com.

¹ As of June 30, 2025

² Ethisphere, 2025

³ Pensions & Investments, 2024

About Centre for Economics and Business Research (Cebr)

The Centre for Economics and Business Research (Cebr) is an independent economics consultancy with a reputation for sound business advice based on thorough and insightful research. Since 1992, Cebr has been at the forefront of business and public interest research, providing analysis, forecasts and strategic advice to major UK and multinational companies, financial institutions, government departments and agencies and trade bodies. For further information about Cebr please visit www.cebr.com.

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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Launched in 2022, The Global Financial Inclusion index is an annual study measuring access to financial security across 42 global markets. Using public and survey-based sources, the Index analyzes financial inclusion through three key pillars—government support, financial system support, and employer support—representing the key stakeholders responsible for promoting financial inclusion. The Index provides actionable insights to help drive greater financial inclusion across markets, ultimately building more resilient communities and economies.

Hong Kong 2025 key findings

- **Hong Kong maintained its position as the second most financially inclusive market globally**, albeit with a slight 3.6-point overall score decrease to 71.7 driven by decreases in employer support and financial system support.
- **Despite the slight score drop, financial system support remains a key driver of financial inclusion for Hong Kong**, ranking no. 4 among all markets.
- **Consumer sentiment reflects strong performance as 74.2% of the population feels financially included**, ranking fifth globally.
- **Hong Kong's fintech indicator score declined 34.4 points, reflecting external pressures and structural challenges**. However, its continued strength in financial literacy (ranked 3rd) and improvements in equal access to education (+2.7 points and 4 positions) demonstrate its commitment to building long-term financial resilience.

Hong Kong market indicator rankings

The three pillars—government support, financial system support, and employer support as measured in the Global Financial Inclusion Index—consist of multiple indicators.

	Indicator name	Rank	Change
Government support	Overall government support	3	0
	State of public pensions	19	-3
	Deposit protection schemes	32	-2
	Consumer championing regulations	7	-4
	Employment levels	21	0
	Awareness and uptake of government-mandated pension schemes	33	-1

	Education levels	5	0
	Complexity of taxation systems	3	0
	Availability of government-provided financial education	23	-2
	Financial literacy levels	3	0
	Online connectivity	1	0
	Vulnerable employment	7	0
	Equal access to education	19	+4
	Finances in retirement	16	0
Financial system support	Overall financial system support	4	-1
	Real-time transactions	10	0
	Access to credit	1	0
	Borrowers' and lenders' protection rights	12	-2
	Access to bank accounts	17	0
	Presence and quality of fintechs	9	-6
	Access to capital	5	+2
	Enabler of small/medium enterprise (SME) growth and success	10	-2
	Enabler of general business confidence	12	-6
Employer support	Overall employer support	18	-6
	Provision of guidance and support around financial issues	16	-5
	Employee pension contributions	32	-2
	Employee insurance schemes	15	-7
	Employer pay initiatives	19	-12

Consumer sentiment

The following research was conducted through an online survey among a sample size of 21,500 household financial decision makers across 42 global markets.

- Asian consumers continue to feel the most financially included of any region, with markets from the region occupying the joint 1st and 2nd highest scores in 2025.
- Hong Kong shows strong overall financial inclusion sentiment with 74.2% of the population feeling financially included (ranked 5th globally).
- Government support perception remains positive as well, with 67.6% of Hong Kong residents feeling the government acts in ways that support financial inclusion (ranked 8th globally).

- While Hong Kong scores well overall, employer support sentiment is notably lower at 62.7% (ranked 33rd globally), suggesting room for improvement in workplace and employer-provided financial inclusion measures

Hong Kong consumer sentiment	2022	2023	2024	2025	Net change since 2022
Percentage of household financial decision makers who feel financially included	88%	89%	67%	74%	-14 percentage points
Consumer sentiment ranking	5	4	9	5	0 spots

Top 10 Markets for financial inclusion

Market	Rank	Year-over-year (YoY) change
Singapore	1	0
Hong Kong	2	0
Switzerland	3	+1
South Korea	4	-1
Sweden	5	0
Denmark	6	0
United States	7	0
Thailand	8	0
Australia	9	0
United Kingdom	10	+1

To explore the full report and insights, visit principal.com/financial-inclusion

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