

Retirement in 2050:

The world we retire into

**Three climate futures.
Three different retirements.**

With Standard Life and Robeco



Standard Life
For the life we live

ROBECO

The world people retire into matters

A good retirement will be determined by more than just the size of your pension pot. It also depends on whether our homes, services and communities enable us to live well.

Helping people save for the future, achieve better outcomes and build greater financial security in later life will always be essential. But the quality of retirement in the UK will also increasingly be shaped by the effects of climate change on health, housing, transport, public services, everyday costs and local communities.

Standard Life and Robeco: A partnership focused on the future

Standard Life as asset owners and Robeco as asset managers both have an important role in helping customers build sufficient savings and achieve better outcomes in later life.

The future is increasingly uncertain, and the choices taken now will impact what life will look like in 2050. Now is the time to take positive action.

By combining retirement expertise, investment insight and climate scenario analysis, we are exploring how a changing climate could affect later life. Through our scale, voice, investment approach and long-term perspective, we can help customers prepare financially for the future while also helping to create the conditions for people to live well. Any investment action remains subject to applicable fiduciary and regulatory responsibilities and is taken with the aim of supporting long-term customer outcomes.

Robeco and Standard Life would like to thank Lansons for their expertise and guidance, Roberto Spacey Martín, Policy Fellow, Grantham Research Institute on Climate Change and the Environment for his academic review and EY for their experience and support.

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Executive summary: the report at a glance

Retirement is often discussed in financial terms: how much people are saving, when they can stop working, and how far their pension pot might stretch. These considerations remain vital, but they don't tell the full story.

The future of retirement will be shaped by two connected factors: the savings people build and the world in which those savings are spent. People's experiences in retirement will increasingly be influenced by wider environmental, social, political and technological factors. In particular, climate change stands out as having the potential to affect both the value of pension savings and the quality of later life.

Across the UK, people are already experiencing warmer summers, heatwaves, flooding, drought, disruption to transport and growing concerns about the resilience of homes, public services and infrastructure, energy security and volatile fuel prices. These trends look set to continue, and retirement outcomes will be increasingly shaped by how successfully the world limits global warming, how well we adapt to its effects and how resilient economies, infrastructure and public services remain.

This makes climate change a fundamental retirement issue. With insufficient action, there is a risk that millions could experience a very different life after work to the one they currently envisage.

By using illustrative retiree stories alongside evidence and data, the report brings together two perspectives that are often kept separate: the numerical analysis of climate and pensions, and the human reality of what later life might feel like.

To explore these potential outcomes, Standard Life and Robeco developed three plausible climate scenarios for the UK in 2050.

These scenarios are not forecasts. They are evidence-based exercises designed to explore how environmental, economic and social conditions could interact to shape retirement outcomes. By 2025, global temperatures had already risen by 1.38°C, and with the current policies in place, we are projected to put warming on track for 2.8°C this century.

¹ Actions that reduce or prevent greenhouse gas emissions, helping to limit the extent of climate change.

² Actions that prepare for and respond to the impacts of climate change, helping people, communities and businesses cope with changing conditions.

Introducing the scenarios



Healthy ageing in a resilient UK: Global warming is kept below 2°C by 2100

In this scenario, climate mitigation¹ and adaptation² progress rapidly in a coordinated way. Strong public institutions, high investment in health, infrastructure and nature, and declining inequality reduce exposure and vulnerability to climate hazards.



Getting by under pressure: Global warming reaches around 2-3°C by 2100

This scenario reflects a continuation of current trends. Global and national mitigation efforts continue, but more slowly and unevenly. Adaptation is incremental rather than transformative, often reacting to shocks rather than preventing them. Systems such as healthcare, water, and infrastructure remain functional but increasingly strained.



Fragmented and exposed: Global warming rises above 3°C by 2100

Under this scenario mitigation stalls and adaptation is delayed or poorly coordinated. Economic and political fragmentation weakens institutions and erodes public investment, while climate hazards intensify. Environmental degradation accelerates and social inequalities widen.

Findings and implications

The clearest difference between the scenarios is not simply how much money people retire with. It's the kind of retirement that money is able to support.

In a more stable climate and economy, pensions are likely to have better growth, resulting in a bigger pot to use in retirement. Not only that, money goes further in an economy with higher growth, lower inflation and lower cost of living.

More importantly, the scenarios highlight how differences emerge not only in pension values but in health outcomes, housing security, transport reliability, access to healthcare, community resilience and everyday living costs. The more challenging scenarios show that even retirees with reasonable savings may find it harder to live the life they had planned.

Better retirement outcomes are still achievable, but decisions made today by policymakers, businesses, investors, employers and individuals will all help to determine which future becomes reality.

A more orderly transition to a lower-carbon economy, greater investment in adaptation, stronger infrastructure, resilient public services and responsible long-term investment can all contribute to better outcomes for future retirees.

We know it can be difficult to imagine what the future might look like. This report brings three possible futures to life, showing how everyday life, and retirement in particular, could be experienced in 2050.

By connecting long-term climate trends with everyday retirement outcomes, we hope to contribute to a broader discussion about building a future in which people can live well for longer.

Key findings summary:



Climate change is a retirement issue: it can affect investment returns, inflation and pension pots, as well as health, independence and quality of life in later years.



Financial impacts are material:

Illustrative pension pots fall 22%, from £276,000 in the most resilient future to £215,000 in the most exposed scenario.



Climate change could significantly impact overall retirement wellbeing:

Resilient communities and services support independence, while disruption, higher costs and poorer access can make later life more constrained.



Pension wealth alone cannot guarantee a good retirement:

Climate-related effects on GDP and inflation could prevent even well-prepared retirees living the life they planned.



Better outcomes remain achievable: Individuals, employers, pension providers, investors, businesses and policymakers need to act today to shape the world we retire into.

The three futures compared

The difference between the scenarios is not only how much people retire with. It is how far that money can go in the world around them.

A pension pot is more powerful in a society where healthcare works, homes are insurable, transport is reliable, food and water systems are stable, and communities are resilient.

	Healthy ageing in a resilient UK	Getting by under pressure	Fragmented and exposed
 Environment	Climate risks increase but are largely managed through early, coordinated adaptation, while well-managed natural environments support health, recreation and resilience.	Climate impacts cause more frequent disruption, with reactive adaptation and uneven environmental recovery leaving some places more exposed.	Escalating climate risks bring repeated disruption, while adaptation and weakening natural systems struggle to keep pace.
 Economy	GDP growth of 2.0% and inflation of 2.0% support incomes, investment, public services and household spending power.	GDP growth of 1.7% and inflation of 2.5% mean slower growth and higher costs, reducing financial flexibility for households, businesses and government.	GDP growth of 0.6% and inflation of 3.5% create weak growth, sustained cost pressures and limited financial flexibility.
 Essential systems	Water, energy, housing and transport remain safe, reliable, affordable and adaptable, helping people manage everyday costs, stay connected and maintain secure homes.	Water, energy, housing and transport remain available, but become more costly, less reliable and more dependent on where people live.	Water, energy, housing and transport become less reliable, less affordable and more exposed to climate and infrastructure pressures.
 Health	People live longer and spend more years in good health than in 2025, supported by reliable care and stronger prevention.	Life expectancy remains broadly similar to 2025, but healthy later life and access to care become less consistent across regions.	People live shorter lives and spend fewer years in good health, as environmental pressures and rising demand strain health services.
 Wealth	A £276k real pension pot and a £100 basket of goods in 2026 costing £164, provide greater financial flexibility and make a secure, fulfilling retirement more achievable.	A £266k real pension pot and a £100 basket of goods costing £185, provide some stability, but rising costs and uneven access mean retirement outcomes depend more on income, housing and location.	A £215k real pension pot and a £100 basket of goods in 2026 now costing £236 significantly restrict choices, with existing disadvantages amplified in retirement.
 Wellbeing	Strong local networks, reliable transport, accessible services and easier travel help retirees stay socially active, independent and able to enjoy holidays and time with family and friends.	Daily life remains manageable, but social connection, independence, travel and leisure require more planning, resilience and financial capacity.	Reduced access to transport, services, travel and leisure makes it harder for retirees to stay connected, independent and socially active.
 Global outlook	A cooperative and connected global context supports UK resilience through stable trade, knowledge-sharing and coordinated climate action.	An uneven and unpredictable global context keeps international links open, but creates more disruption, volatility and pressure on UK resilience.	A fragmented and restrictive global context increases geopolitical, supply-chain, economic and social pressures in the UK.

Calls to action

The scenarios illustrate that retirement outcomes are shaped by both the savings people build and the world those savings are spent in. Better retirement outcomes remain achievable, but only if individuals, employers, pension providers, investors, businesses and policymakers act today. The actions below highlight where each stakeholder can make the greatest difference.



Individuals can engage with their pensions, understand how their money is invested and what it is invested in and think about the kind of later life they want.



Employers, advisers and workplace pension providers can help people make informed decisions, improve engagement and communicate how pensions support financial security and resilience. This includes management of sustainability challenges affecting markets and society.



Pension providers and life insurers can use long-term scenario analysis, diversified investment strategies and stewardship to protect and improve customer outcomes.



Investors can integrate climate change factors into decision making, portfolio construction, strategic asset allocation, engagement and voting activities to manage long-term risks and opportunities and support good outcomes for beneficiaries.



Companies can integrate climate considerations in business strategies, remunerations and incentives, training and capital allocation.



Policymakers can improve retirement outcomes by investing in resilient infrastructure and agricultural systems, housing, healthcare, energy and transport, supporting an orderly transition.

Why climate change matters for retirement

Pensions are, by their nature, long-term. Their outcomes are influenced by long-term economic, social and environmental trends – including climate change.

Climate change should therefore be considered a retirement issue as well as an environmental and investment issue. It can affect both sides of the retirement equation: the financial resources people build up and the wider conditions that determine how far those resources go.

Climate risks can affect financial markets, economic growth, inflation, asset values and the long-term performance of pension portfolios. But the connection between pensions and climate change goes beyond investment returns. A pension pot is ultimately used to pay for everyday life in retirement. Its value depends not only on the number shown on a pension statement, but also on the stability and affordability of the world in which it is spent.

A pension may feel very different in a society where healthcare is accessible, transport works, homes are insurable and food and water systems are reliable, nature is thriving, compared with one where those systems are under pressure. For pension providers, employers, trustees, advisers and policymakers, this creates a broader responsibility to think about how they support savers on their journey to and through retirement. Adequacy remains essential, but so does resilience. Long-term savings need to be understood alongside the systems that enable people to live well in later life.

Climate change stands out

For someone retiring in 2050, their experience will be shaped by much more than the value of their pension pot. Climate change stands out because it has the potential to affect many of the systems that help make retirement secure, healthy and independent, from housing and infrastructure to healthcare, transport and the cost of living.

These impacts are no longer a future possibility. Rising temperatures, more frequent heatwaves, flooding, droughts and other extreme weather events are already affecting communities, businesses and public services across the UK and around the world. The costs associated with adapting to these changes are becoming more visible through pressures on infrastructure, housing, food systems, water resources and healthcare.

¹ Office for National Statistics (2024)

² Department for Energy Security and Net Zero (DESNZ) (2026)

³ Met Office (2026)

⁴ Government Office for Science (2026)

⁵ Met Office (2026)

⁶ Energy and Climate Intelligence Unit (2023)

It's not too late to act

2050 is not a distant future. It is when many of today's workers in their 40s and 50s will be retiring, drawing on their pension savings, supporting family members, caring for grandchildren, managing health needs, or thinking about the legacy they want to leave behind. The choices made over the coming years could help shape not only the value of their pension savings, but also the kind of retirement those savings are able to support.

Better retirement outcomes remain achievable, but the coming years are critical.



Climate change is still on people's minds...

- 84% of adults expected climate change to affect them in the next 10 years, especially through increased temperatures, water shortages and flooding.¹
- Almost 8 in 10 people (78%) are either very or fairly concerned about climate change.²



...as impacts are increasingly being felt:

- 2026 summer was the hottest on record with daily temperatures reaching 38.1°C in the UK.³
- Climate-change damages could cost 3% to 4% of UK GDP by 2050.⁴
- July 2026 was the driest on record in England.⁵
- Climate impacts have added an estimated £360 to the average UK household food bill.⁶

How we built the three climate futures

This report explores three possible climate futures and their impact on the UK in 2050. Under each scenario we look at what the future could mean for pension savings, health, housing, transport, public services and everyday living costs.

This approach helps move the conversation beyond abstract climate data. Rather than focusing only on temperature pathways or financial modelling, the scenarios explore the lived experience of retirement: whether someone can travel to see family, whether their home is secure, whether healthcare is reliable, whether food remains familiar and affordable, whether local communities are supportive, and whether people can maintain independence as they age.

These futures are not predictions. They are plausible, evidence-based scenarios designed to help bring long-term risks and opportunities to life. While the difference between them is reflected in pension outcomes, the bigger distinction is how secure, healthy and independent life in retirement may feel.

To make these futures tangible, we follow the lives of three fictional retirees. Each begins with the same pension pot in 2026 and makes the same ongoing pension contributions.

What changes is the world around them.



How did we explore the future?

The scenario framework

Our three futures are built around established climate and socio-economic scenario frameworks, including global pathways used in climate research and UK-specific indicators covering demographics, health, infrastructure, water and food systems, ecosystems, social cohesion and economic conditions. They are designed to support structured thinking about uncertainty rather than to predict one fixed future.

Why scenarios?

No one can predict exactly what the UK will look like in 2050. The future will be shaped by decisions taken by governments, businesses, investors, communities and individuals, as well as by global climate, economic, political, social and technological developments.

Scenario analysis helps us explore that uncertainty in a structured way. To this end, we have developed three possible climate futures scenarios and considered their impact on retirees in the UK in 2050.

The scenarios in this report are plausible futures designed to help people understand what could be at stake. They allow us to ask: what might retirement look like if climate risks are managed well? What if progress continues, but unevenly? And what if climate action, adaptation and social resilience are weaker?

This approach helps move the conversation beyond abstract climate data. Rather than focusing only on temperature pathways or financial modelling, the scenarios explore the lived experience of retirement: whether someone can travel to see family, whether their home is secure, whether healthcare is reliable, whether food remains familiar and affordable, whether local communities are supportive, and whether people can maintain independence as they age.

By using fictional retiree stories alongside evidence and data, the report brings together two perspectives that are often kept separate: the numerical analysis of climate and pensions, and the human reality of what later life might feel like.

Three lives, three retirement futures

While 2050 may feel distant, many people in their 40s and 50s today will be retired or approaching retirement by then. To make these futures tangible, this report follows the lives of three fictional retirees. Here we look at their life in the world of today – and their dreams for the future.



Debbie, 43 Aberdeen

Healthcare administrator, keen gardener and devoted mum.

Scenario 1: Healthy ageing in a resilient UK

Debbie will retire into a world where global warming is kept well below 2°C.

What matters most:

- Family, freedom and simple pleasures.
- Retirement goal: happy spending her days in the garden and having family round more often.

Debbie spends her weekdays helping keep a busy healthcare service running smoothly, while weekends are often spent outdoors, tending to her garden or exploring Aberdeen's coastline.

Her twins are preparing to leave for university, and Debbie is already imagining what the next chapter of family life might look like.

Practical and financially sensible, she's worked hard to build security for the future and wants retirement to feel less like an end point and more like the start of a new chapter.



Leroy, 45 Birmingham

Geography lecturer, football fanatic and lifelong Brummie.

Scenario 2: Getting by under pressure

In Leroy's world, global warming is on track to rise to between 2-3°C by 2100.

What matters most:

- Community, family and staying active.
- He'd like to use some of his pension to help his daughter get on the property ladder.

Leroy has spent most of his career teaching young people how cities grow and communities evolve.

Outside the classroom, he's rarely far from a football pitch and still turns out every week for a local five-a-side game.

Weekends are often spent with his daughter, whether that's helping her revise for exams, ferrying her between social plans or catching up over a home-cooked Sunday roast.

He's proud to be watching her start to think about what comes next. And while retirement still feels some way off, he'd love to be in a position to help her build a secure future of her own one day.



Lahna, 46 Thames Estuary

Travel agent, keen planner and aspiring explorer.

Scenario 3: Fragmented and exposed

Lahna faces a future where global warming is on track to rise above 3°C by 2100.

What matters most:

- Travel, independence and new experiences.
- After spending years helping other people plan adventures around the world, she'd love retirement to be her turn to explore it.

A keen traveller herself, she loves hearing customers' stories and discovering new places, even if work and family life don't always leave as much time for travel as she'd like.

Her children are beginning to make plans of their own and she and her husband often talk about where they'll finally visit when work no longer dictates the diary. Curious and quietly adventurous, she's worked hard to build security for the future and hopes retirement will give her the freedom to explore the world at her own pace.

All start with the same pension pot of £40,000, a contribution of 10% and salary of £40,000.

Scenario 1: Healthy ageing in a resilient UK

Year 2050

Global warming on track to stay well below 2°C by 2100

A retirement full of possibilities.

In this scenario, climate risks are present but largely managed, allowing retirees to live longer, healthier and more independent lives. Globally, governments, businesses and communities act early and collaboratively on climate change, rapidly cutting emissions and investing in adaptation. Global warming is on track to be well below 2°C by 2100 and societal resilience is strengthened.

This is the most positive version of retirement in 2050. The UK has invested early in health, infrastructure, nature and community resilience. Summers are warmer and some familiar things have changed, but public services are reliable, air pollution has fallen, water systems work, transport is accessible and people are supported to stay independent for longer. Retirement feels like a new chapter rather than a period of decline.

Pension pots are expected to be the strongest in this scenario as it is supported by higher long-term growth and returns, and people are expected to live longer as there is a stable healthcare system with less climate change-related pressure on it than in other scenarios. Overall, people are likely to be the happiest in this scenario due to the reliability of public services and overall quality of life.



Pension pot in 2026
£40,000



Final pension pot in 2050
£276,000



Environment

Climate risks increase but are largely managed through early, coordinated adaptation, while well-managed natural environments support health, recreation and resilience.



Economy

GDP growth of 2.0% and inflation of 2.0% support incomes, investment, public services and household spending power.



Essential systems

Water, energy, housing and transport remain safe, reliable, affordable and adaptable, helping people manage everyday costs, stay connected and maintain secure homes.



Health

People live longer and spend more years in good health than in 2025, supported by reliable care and stronger prevention.



Wealth

A £276k real pension pot and a £100 basket of goods in 2026 costing £164, provide greater financial flexibility and make a secure, fulfilling retirement more achievable.



Wellbeing

Strong local networks, reliable transport, accessible services and easier travel help retirees stay socially active, independent and able to enjoy holidays and time with family and friends.



Global outlook

A cooperative and connected global context supports UK resilience through stable trade, knowledge-sharing and coordinated climate action.

Scenario 1: Healthy ageing in a resilient UK

Debbie, 68 Aberdeen

Then: 2026

Debbie hoped retirement would mean more time outdoors, more time with family and the financial freedom to enjoy later life without worrying about every penny.



Now: 2050

She's living her vision of retirement in a world where climate risks have largely been managed, giving her more years to enjoy family, stay active and make the most of the life she's worked hard to build.

She still lives in Aberdeen, has three grandchildren that keep her on her toes and has become known among friends for the tomatoes she now grows in her garden.

Debbie's story

Everyday life

The garden is my favourite place to be these days. The tomatoes are ripening outside, alongside peppers and herbs that would've looked completely out of place in Scotland when I was growing up. Summers are warmer now. Even here, with the North Sea close by, the heat arrives with more purpose than it did when I was wee. I water the veg early, keep the blinds down after lunch and plan my walks before the pavements begin to hold the warmth.

Some things have changed, but life still feels easy to enjoy. The house is comfortable as it's better insulated than it used to be, the heat pump works without drama. Public transport is reliable and getting around Aberdeen rarely feels like a challenge. Retirement feels active, independent and full of possibilities.

Financial freedom

Today I sent my youngest granddaughter some money for her birthday. I did check my banking app before, more out of habit than worry, and sent her mum fifty pounds for a present. That's one of the things I'm most grateful for. My pension isn't extravagant, but it gives me confidence. The bills are manageable, I can afford the occasional treat and I don't find myself worrying about every spending decision.

Looking back, I'm glad I listened when I was encouraged to consolidate my pension pots and take a greater interest in my retirement planning. Those decisions have given me more freedom than I realised at the time.

“My friends and I joke that seventy is the new age for ‘just-getting-started’.”

Scenario 1: Healthy ageing in a resilient UK

Debbie's story continued

Health and wellbeing

Growing older doesn't feel quite the way I expected it would. The healthcare support around me is proactive and easy to access. My local health centre checks in before periods of extreme heat, and managing my diabetes feels straightforward rather than stressful. Many of my friends still volunteer, travel, work part-time or help with grandchildren.

People seem to stay healthier and independent for longer than previous generations. Retirement feels less like slowing down and more like having the time and energy to focus on what matters most.

Family and community

Seeing my children and grandchildren regularly is one of the greatest joys of this stage of life. Whether it's birthdays, weekends together or simply spending time by the coast, these moments never lose their importance. I'm lucky enough to look after my grandchildren once a week before they start school. My local community feels strong too.

People stay connected, local services remain reliable and public spaces are places people genuinely want to spend time. The coastline feels cleaner and healthier than I remember as a child, and watching my grandchildren play there makes me hopeful about the future they'll inherit.



Looking ahead

The world has changed since I was young. The weather is definitely warmer. The food we grow is different. The technologies we rely on have evolved. But many of the things that matter most have endured.

I feel optimistic about the years ahead. My health is good, my finances feel secure and I have the freedom to spend time with the people I love. When I look at my grandchildren running along the shoreline, I feel hopeful that they'll have the same opportunities to build happy, fulfilling lives of their own.

Scenario 2: Getting by under pressure

Year 2050

Global warming on track to rise between 2-3°C by 2100

A retirement that needs planning.

In this scenario, life remains manageable, but disruption becomes more common and retirement outcomes depend more heavily on where people live and what resources they have. Globally, climate action continues but at an uneven and insufficient pace, with gradual emissions reductions and reactive adaptation efforts. The world is on track for around 2–3°C of warming by 2100 and there is increasing pressure on people, infrastructure and ecosystems.

This is not a collapse scenario. It is a world of “usually”. The bus usually comes. The appointment usually happens. The water usually works. But reliability has weakened. Heatwaves, heavy rainfall, strained services, higher living costs and uneven infrastructure make retirement more complicated. People can still enjoy later life, but it requires more planning, more support and more resilience.

Pension pots in this scenario are relatively close to those in the best-case scenario but daily costs and housing pressures make financial comfort less certain. Healthcare becomes uneven across the UK under growing pressure. People remain positive, community life remains strong in places, but travel, rent, disruption and service reliability increasingly affect independence.



Pension pot in 2026
£40,000



Final pension pot in 2050
£266,000



Environment

Climate impacts cause more frequent disruption, with reactive adaptation and uneven environmental recovery leaving some places more exposed.



Economy

GDP growth of 1.7% and inflation of 2.5% mean slower growth and higher costs, reducing financial flexibility for households, businesses and government.



Essential systems

Water, energy, housing and transport remain available, but become more costly, less reliable and more dependent on where people live.



Health

Life expectancy remains broadly similar to 2025, but healthy later life and access to care become less consistent across regions.



Wealth

A £266k real pension pot and a £100 basket of goods costing £185, provide some stability, but rising costs and uneven access mean retirement outcomes depend more on income, housing and location.



Wellbeing

Daily life remains manageable, but social connection, independence, travel and leisure require more planning, resilience and financial capacity.



Global outlook

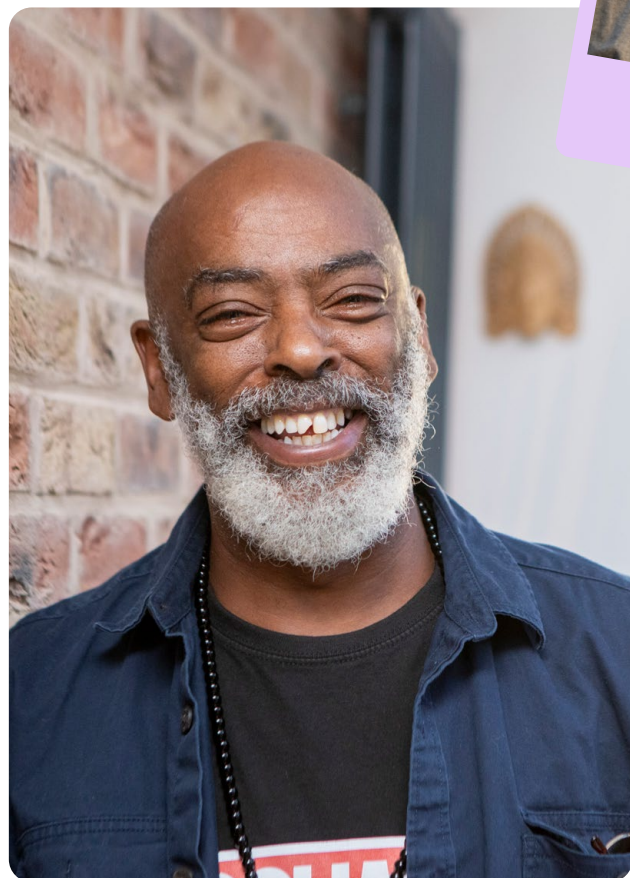
An uneven and unpredictable global context keeps international links open, but creates more disruption, volatility and pressure on UK resilience.

Scenario 2: Getting by under pressure

Leroy, 70 Birmingham

Then: 2026

Leroy hoped retirement would mean staying active, remaining close to family and helping his daughter get on the property ladder.



Now: 2050

He's achieved much of what he hoped for, but in a world where hotter summers, rising costs and less reliable services mean retirement requires more resilience and careful planning than he once imagined.

Rising rents and living costs have gradually reshaped his own retirement plans, ultimately leading to Leroy moving in with his daughter and grandchildren.

Leroy's story

Everyday life

Most Tuesdays still begin with walking football in the park. The reflexes aren't what they were, but they're good enough to keep me in goal. I wipe the sweat off my brow and can't imagine summers getting any hotter. The city around me has changed though. Birmingham has grown in every direction, with more people, more homes and more pressure on the systems that keep everything moving.

There are positives. The parks are greener than they used to be, with more trees, rain gardens and shaded spaces added to help people cope with warmer summers. But life feels less predictable than it once did. Heatwaves, downpours and local flooding are no longer unusual. The tram usually arrives. Services usually work. The city is still full of life, but my retirement increasingly revolves around having to carefully plan ahead.

Life has changed when I think about the small pleasures too. Fish and chips used to be our lazy Friday treat. Now we have it less often, partly because the price makes you squirm and partly because cod is not the ordinary choice it was. The chippy down the road does sea bass sometimes, or sardines, or hake when they can get it. Squid appears on menus more often than it did when I was young. My daughter says I should stop giving lectures on warming seas while people are trying to eat. She is right about that as well. But I cannot help noticing what the menu is telling us.

Financial freedom

Renting all my life shaped one of the biggest financial decisions I've ever made. When my daughter needed help with a deposit, I used some of my pension savings to help her get onto the property ladder. Knowing my daughter and grandchildren have firm foundations for the future feels like money well spent.

But rent in retirement changes the shape of a month. Every annual increase means something else quietly disappears from the budget. As my rent continues to rise year on year, it becomes harder to justify. I've had conversations with our daughter about what to do and she suggested converting her loft and moving us in, which feels like the sensible option. I tell myself it's because we wanted to spend more time together. The truth is, the numbers played their part too.

“Knowing your neighbours stopped being a nice extra and became part of how the city keeps going.”

Scenario 2: Getting by under pressure

Leroy's story continued

Health and wellbeing

The older I get, the more I realise how much effort staying healthy takes. The heat can be exhausting at times, and I've become much more conscious of avoiding the hottest parts of the day. I can still see a doctor, but I find myself having to plan further ahead than I used to. I feel lucky that I'm still able to get out, keep moving and look after myself, because I know not everyone my age finds it quite so easy.

I notice the divide more these days. Some people my age still think nothing of booking a holiday, putting the air conditioning on when they need it or taking the grandchildren away for a few days. Others are having to think much harder about every expense – and have less room for the things that make retirement enjoyable. It feels like where you live, what you've saved and the support around you matter more than they used to.

Family and community

I'm excited to move in with my daughter and grandchildren, it will give me a sense of purpose every day. One thing I never expected is how much more important neighbours would become. When I was younger, community felt like a nice thing to have. It's stopped being a nice extra and has become part of how the city keeps going. We look out for one another, check in during heatwaves and help when plans are disrupted.

On the odd day where it's not too hot or too wet, we try and get the community together for a few hours. Someone usually brings a football, someone else puts music on and before long people are chatting like they've got nowhere else to be.

Life doesn't always run smoothly anymore, but knowing there's always someone willing to lend a hand makes a bigger difference than I ever thought it would.



Looking ahead

The city has stretched in every direction. People came because London became too crowded, too hot and too expensive, because work moved, because transport changed, because families needed somewhere they could still imagine a future.

I still love this city. It's changed, adapted and found new ways to keep moving forward. But I'd be lying if I said I didn't worry about the future sometimes. When my grandchildren point out how much the city has changed when we look at my old photographs, I find myself wondering what Birmingham will look like when they're my age.

Retirement is still rewarding. I'm close to my family, can still kick a ball once a week and enjoy being part of my community. But compared with the retirement I once imagined, life demands more resilience, more flexibility and a greater willingness to adapt. Birmingham is still my home. It is still full of life. The map has become more complicated, yes, and people have had to adapt to find new routes. Sometimes the tram is late, the rent is too high and the rain interrupts the music. But it still feels like home.

Scenario 3: Fragmented and exposed

Year 2050

Global warming on track to rise above 3°C by 2100

A retirement under strain.

In this scenario, climate risks and weaker systems combine to make later life less healthy, less secure and less independent. Global cooperation on climate change breaks down, emissions remain high and adaptation is delayed. The world is on track for more than 3°C warming by 2100 and is experiencing escalating physical climate risks and growing social and economic disruption.

This is the scenario where pressures stack up. It is not one single shock that changes retirement, but the accumulation of weaker healthcare, unsafe water episodes, declining transport, higher pollution, reduced home insurability and lower social cohesion. For some retirees, everyday life becomes narrower: fewer journeys, fewer choices, more uncertainty and a greater reliance on family, neighbours or personal savings to manage disruption.

Pensions are lower, but the bigger issue is that money buys less security when services and systems are unreliable. People are not living as long, as health, environmental and social conditions deteriorate. Life is harder as independence becomes harder to maintain.



Pension pot in 2026
£40,000



Final pension pot in 2050
£215,000



Environment

Escalating climate risks bring repeated disruption, while adaptation and weakening natural systems struggle to keep pace.



Economy

GDP growth of 0.6% and inflation of 3.5% create weak growth, sustained cost pressures and limited financial flexibility.



Essential systems

Water, energy, housing and transport become less reliable, less affordable and more exposed to climate and infrastructure pressures.



Health

People live shorter lives and spend fewer years in good health, as environmental pressures and rising demand strain health services.



Wealth

A £215k real pension pot and a £100 basket of goods in 2026 now costing £236 significantly restrict choices, with existing disadvantages amplified in retirement.



Wellbeing

Reduced access to transport, services, travel and leisure makes it harder for retirees to stay connected, independent and socially active.



Global outlook

A fragmented and restrictive global context increases geopolitical, supply-chain, economic and social pressures in the UK.

Scenario 3: Fragmented and exposed

Lahna, 70 Thames Estuary

Then: 2026

Lahna pictured retirement as her chance to travel the world, spend more time with family and enjoy the freedom she'd worked hard for.



Now: 2050

Retirement looks very different from the future she once imagined. Rising living costs, a smaller pension pot and the expense of adapting her home mean her retirement savings don't go as far as she'd hoped.

A part-time job helps cover the bills and has unexpectedly given her a renewed sense of purpose and connection to her community.

Lahna's story

Everyday life

Some days the water flows normally. Some days it doesn't. Heat alerts, water notices and flood warnings have become part of the rhythm of daily life. Living by the Thames Estuary still offers moments of beauty, but retirement now involves much more planning than I ever expected. We moved here because the city fumes had started to sit in my chest, and the air here felt open.

I think twice before using air conditioning. There are days where I have to choose between keeping the house cool and keeping costs down. Both energy and water bills seem to climb every year, making it harder to treat comfort as something I can take for granted. I watch the weather more closely than I used to and keep an eye on local alerts in a way that feels normal now. During the afternoons the upstairs rooms become difficult to use, so closing the blinds and staying downstairs where it is cooler has become part of my daily routine. The inconveniences add up. What once felt dependable increasingly feels uncertain.

Financial freedom

When my late husband and I talked about retirement, we imagined seeing the world. We'd spent years saving and making plans for all the places we'd finally have time to visit together. Lisbon, Lahore, Lima. Now I'm lucky if I make it to Cornwall, Cardiff or Cambridge. Much of the money we set aside to travel has gone into adapting our home to cope with flooding and hotter temperatures. Flood doors, raised sockets, pumps and cooling systems weren't part of the retirement plan.

My pension still supports me, but it doesn't go as far as I'd hoped. A few years ago, I started working a couple of days a week at the local visitor centre. At first, it was just about the income. These days, I enjoy it more than I expected. The extra money helps with the bills, but so does having somewhere to go, people to talk to and a reason to leave the house. Retirement still gives me freedom. Just not quite as much as I'd imagined.

“I never thought turning on a tap would become something I couldn't take for granted.”

Scenario 3: Fragmented and exposed

Lahna's story continued

Health and wellbeing

The people working in healthcare are still kind and committed, but I find myself waiting longer than I used to for appointments or support. There are days when the heat leaves me feeling completely drained, and several neighbours have been taken to hospital during heatwaves. It makes growing older feel more fragile than I expected. My asthma is harder to manage during long hot spells, and some summers bring weeks where heat and poor air quality makes it difficult to spend time outdoors.

I still try to stay active and look after myself. Most days I manage just fine, but in the peak of summer it's almost impossible. I've become much more aware that staying healthy isn't something I can take for granted anymore.

The strange thing is that the coast has become quieter – not because people wanted it that way, but because so many plans simply stopped with the sea level rise. The new building development that once promised new homes and businesses, now empty plots that sit beneath scrub and long grass, reminders of plans that never materialised. Even food has become a reminder. I cannot remember the last time I had proper cod and chips wrapped in paper by the sea – the smell of it is a distant memory I try and hold onto. The shop sells other fish now, and sometimes something grown in tanks made to taste close enough.

Family and community

Travel is difficult, which is ironic after spending so many years planning travel for others. My children and grandchildren don't live far away, but visiting them feels more complicated than it once did. Before any journey, I'm checking train services, weather warnings, flooding updates and ticket prices. Travel that used to feel routine now feels like something that needs organising carefully and takes a lot of energy.

That's why family visits matter so much when they happen. A noisy get together with all the grandchildren crammed around the dining table reminds me there's still plenty to be grateful for.

One of the unexpected benefits of working again is the people I've met. At first, I took the job because I needed the income. Now I look forward to the conversations as much as the payslip.

Over the years I've come to rely on friends and neighbours more than I ever expected to. There's comfort in knowing someone will check in after a storm or stop for a chat when you've had a difficult week. Life feels less predictable than it once did, but the people around me help make it feel manageable.



Looking ahead

When I stopped working, I imagined retirement would be defined by freedom, travel and new experiences. Instead, much of it has been about adapting to challenges I never saw coming. I have learned that happiness is sometimes smaller and more stubborn than the life you planned. It is in the kettle boiling after the filter has done its work. It is in the sea air through the window on a morning when the warnings are quiet or an extra shift at the visitor centre.

The future feels more uncertain than I once thought it would, and the world feels less stable than it once did. Climate shocks, water shortages and food pressures have become common in many countries, and the effects ripple through prices, supply chains and everyday life here at home.

Retirement hasn't become unbearable. It's become smaller. More of my time, money and energy goes into coping with things previous generations rarely had to think about. When I look at my grandchildren, I can't help wondering what kind of world they'll inherit if these trends continue.

What the futures could mean for pension savings

The scenarios show that climate change could affect retirement in two connected ways: how much money people are able to save in their pension, and the world in which they will end up using that money.

The same conditions that shape daily life can also affect economies and investment markets. Resilient infrastructure, reliable supply chains, healthier populations and strong institutions can support growth and business performance. By contrast, more frequent disruption, rising costs and repeated resource or supply shocks could create a more difficult environment for economic growth, inflation and long-term returns.

After seeing what retirement could feel like in each future, the financial implications become clearer. In the illustrative example below, the difference between a pension pot at retirement in the Healthy ageing in a resilient UK and Fragmented and exposed scenarios is approximately £61,000 or 22% lower. Therefore, the larger the pension pot, the larger the absolute impact.

The illustrative example below models a saver aged 42, earning £40,000¹ and contributing 10% of salary to their pension until retirement in 2050. Different assumptions for growth, investment returns and inflation have been applied to show how outcomes could vary across the three climate scenarios.

We have applied different assumptions on key economic and financial drivers including real economic growth, real equity return and inflation to illustrate how this saver's pension pot in 2050 could vary across our three climate scenarios.

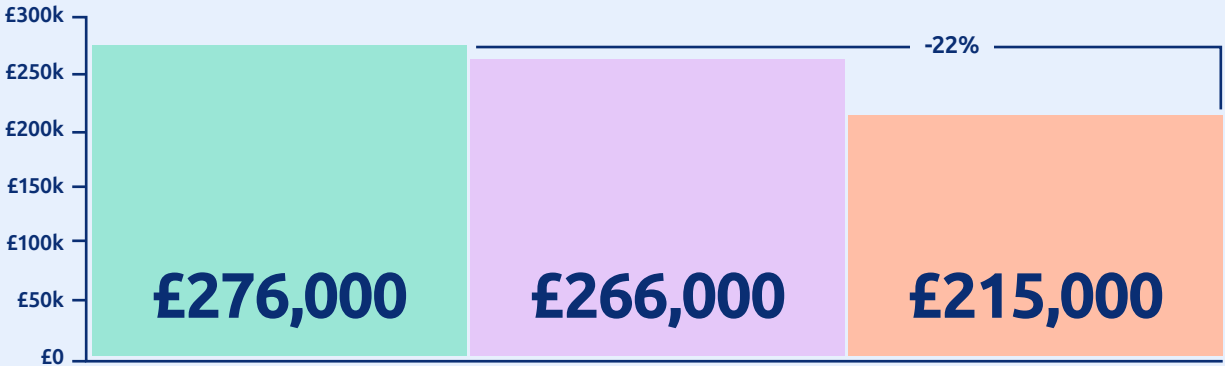
The variation reflects the impact of lower economic growth, weaker wage progressions and reduced long-term investment returns under a higher climate risk future. However, the financial gap tells only part of the story. In the more challenging scenarios, higher inflation may reduce the spending power of retirement income at the same time as people facing greater pressure from housing, insurance, food, energy, transport and care costs in a warmer, less enjoyable and less socially cohesive environment.

This shows why helping customers save, protecting the value of those savings and considering the world those savings will be spent in are all connected. Climate risk is also a retirement risk as it can affect how much people have, how far that money goes and whether the world around them helps them live well in later life.

	Healthy ageing in a resilient UK	Getting by under pressure	Fragmented and exposed
Real economic growth	2.0%	1.7%	0.6%
Real equity return ²	4.5%	4.3%	3.0%
Inflation	2.0%	2.5%	3.5%

Table: Illustrative long-term economic, investment and pension outcomes under the three climate scenarios.³

Illustrative pension pot in 2050



¹ Employee earnings in the UK: 2025, (ONS. 2025)

² See methodology

³ Figures are shown in real terms and are modelled examples, not forecasts.

What needs to happen now

The scenarios in this report show that the future of retirement is not fixed. Better outcomes remain achievable, but they will depend on the decisions made today: how quickly climate risks are addressed, how effectively the UK adapts, how resilient public services and infrastructure become, and how long-term savings are protected and positioned for future opportunities.

Preparing for retirement starts with helping people save and build financial security. But the findings show that outcomes in later life depend on more than the size of a pension pot. They also depend on the world those savings are spent in, with the stability of the economy, the resilience of homes and services, the affordability of everyday life, and people's ability to stay healthy, independent and connected.

For Standard Life

For Standard Life, this reinforces our role in helping customers build financial security for later life through long-term, resilient investment solutions that consider both customer outcomes and the world those outcomes depend on. This includes through our Sustainable Multi Asset solution, which is designed to support better customer outcomes while investing with the transition in mind.

For Robeco

For Robeco, this reinforces our conviction that climate change is a financially material investment issue, with risks and opportunities that will increasingly shape long-term returns and, ultimately, retirement outcomes. In a more fragmented world, where the pace of transition is uneven and physical climate risks are growing, understanding how well companies are positioned to navigate these changes matters more than ever.

We combine investment expertise, forward-looking sustainability research and active ownership to capture these insights and integrate financially material risks and opportunities into investment decisions. Guided by science and grounded in client interests, we aim to help clients build resilient, future-proof portfolios while contributing to the real-world transition on which better retirements depend.

Calls to action

Given the systemic nature of climate change, many stakeholders have a role to play in shaping the future:

- **Individuals** can engage with their pensions, understand how their money is invested and what it is invested in and think about the kind of later life they want.
- **Employers, advisers and workplace pension providers** can help people make informed decisions, improve engagement and communicate how pensions support financial security and resilience. This includes management of sustainability challenges affecting markets and society.
- **Pension providers and life insurers** can use long-term scenario analysis, diversified investment strategies and stewardship to protect and improve customer outcomes.
- **Investors** can integrate climate change factors into decision making, portfolio construction, strategic asset allocation, engagement and voting activities to support the transition to a lower carbon economy.
- **Companies** can integrate climate considerations in business strategies, remunerations and incentives, training and capital allocation.
- **Policymakers** can improve retirement outcomes by investing in resilient infrastructure and agricultural systems, housing, healthcare, energy and transport, supporting an orderly transition.

These actions should be pursued within existing fiduciary, regulatory and governance responsibilities. Investment decisions should remain focused on customers' and beneficiaries' long-term financial interests, based on financially material risks and opportunities.

Methodology

Scenario construction

To ensure the analysis adopted an approach that is transparent and comparable with mainstream scholarship, we have ensured alignment to the scenario architecture of the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), which combines Shared Socioeconomic Pathways (SSPs) with Representative Concentration Pathways (RCPs).

SSPs are a scenario framework describing different plausible futures for societal, economic, demographic and technological development, which influence both climate change and society’s ability to respond to it and RCPs are greenhouse gas emissions and warming pathways that define the level of climate forcing and temperature rise associated with different climate futures. Further details on methodology [here](#).

The three scenarios within the report were built using the SSPs as the core socio-economic narratives, with each scenario paired to a climate pathway (RCP) to create distinct futures for UK retirees:

- Healthy Ageing was aligned with SSP1-2.6, representing a sustainable, cooperative world with strong investment in health, education, infrastructure and climate action.
- Getting By was based on SSP2-4.5, a “middle-of-the-road” future with uneven progress and moderate climate impacts.
- Fragmented and Exposed was based on SSP3-7.0, characterised by regional rivalry, weaker institutions, lower investment, and higher climate damages.

The SSPs provided the assumptions on economic growth, population, social cohesion, health, infrastructure and adaptation capacity, while the RCPs determined the level of warming and associated physical climate risks. Together, they allowed the analysis to combine qualitative retirement narratives with quantitative projections for GDP, investment returns, life expectancy and pension outcomes under different climate futures.

How the retirement pots were calculated

We used the same example saver in all three scenarios so the results could be compared fairly. The saver is aged 42 in 2026, earns £40,000 a year as per ONS average salary, already has £40,000 in their pension and contributes 10% of salary until retiring in 2050.

For each future, we then applied a different set of long-term assumptions. These covered how quickly the economy and wages grow, the investment return earned by the pension, and inflation. In the more resilient scenario, stronger growth and a 4.5% real equity return help the pot grow to about £276,000. Under pressure, slightly weaker growth and a 4.3% real equity return produce about £266,000. In the fragmented and exposed scenario, much weaker growth and a 3.0% real equity return reduce the pot to about £215,000.

Key factor	Healthy ageing in a resilient UK	Getting by under pressure	Fragmented and exposed
Economic growth	2.0% – stronger economy and wage growth	1.7% – slightly slower growth	0.6% – much weaker growth
Real equity return	4.5% – investments grow fastest	4.3% – investment growth is slightly lower	3.0% – investments grow more slowly
Inflation	2.0% – spending power is better protected	2.5% – prices rise more quickly	3.5% – higher prices reduce spending power
Overall effect	Contributions and investments benefit from the strongest conditions	The pot still grows, but less strongly	Weaker wages and returns significantly limit growth
Illustrative pot in 2050	£276,000	£266,000	£215,000

The figures are shown in today’s money, after allowing for inflation, so they indicate what each pot could buy rather than simply the cash amount displayed in 2050. They are illustrations rather than forecasts: actual outcomes will depend on contributions, pay, charges, investment performance and inflation over time.

About Standard Life and Robeco

Standard Life

We help people save for retirement and achieve better outcomes and greater financial security in later life. We also recognise that the value of those savings depends on the world people retire into. Retirement is not shaped by pension pots alone, it is also shaped by the homes people live in, the services they rely on, the communities around them and the resilience of the systems that support everyday life.

That is why climate change is a retirement issue. It can influence not only investment markets and long-term savings, but also how far those savings go and what kind of later life they can support.

Our investment strength and long-term perspective help us play an active role in building a world worth retiring into. Every decision we make is guided by a clear commitment to better outcomes for long term savers. That is why our core proposition for millions of workplace savings customers, the Sustainable Multi Asset solution, embeds decarbonisation as part of the investment strategy. We want to help people imagine the later life they want and live retired life their way.

[Our Net Zero Transition Plan, Stewardship Report and Approach to ESG Integration.](#)

ROBECO

For more than 95 years, Robeco has helped clients navigate long investment horizons and changing market environments. As a global leader in sustainable investing, we continuously seek to understand the long-term forces shaping economies, societies and financial markets, from climate change and demographic shifts to technological innovation and evolving public policy.

Research and innovation have always been at the heart of Robeco's investment approach. By combining investment expertise with sustainability research, we help clients stay at the forefront of developments that may influence long-term risk and return. Climate change is one of the defining investment challenges of our time, with implications that extend beyond markets and portfolios to the broader economic and social conditions in which people live and retire.



ROBECO

[standardlife.co.uk](https://www.standardlife.co.uk)

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