



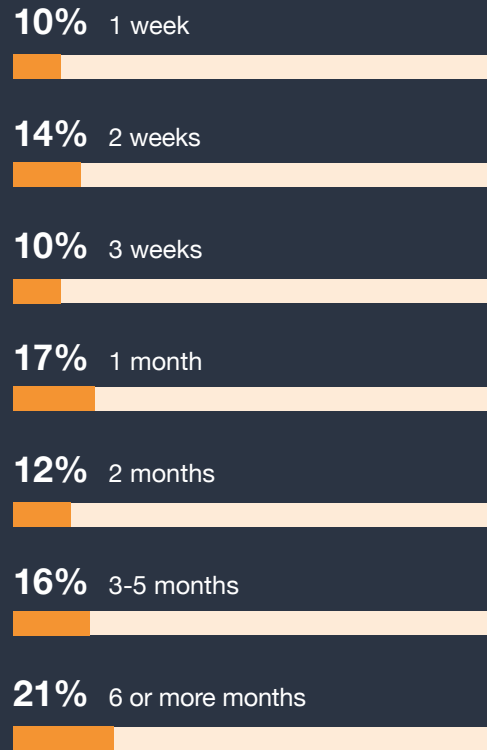
TREND 1

Financial security continues to be a major concern for Americans, and health care costs are a strong contributing factor.

As in previous years, the report continues to find that many employees would have difficulty going more than three months without a paycheck before relying on debt or credit. Additionally, health care and dependent care costs are contributing significantly to the financial strain.

- ▶ **48% couldn't pay \$1,000 or more for out-of-pocket expenses without relying on debt or credit if an unexpected serious illness or accident occurred today.**
- ▶ **42% would use a credit card to pay for high out-of-pocket expenses associated with an unexpected serious illness or accident.**
- ▶ **61% believe their share of medical costs will increase in the next year.**
- ▶ **In light of COVID-19, 1 in 5 experienced unexpected costs related to caring for a family member, deductibles and/or out-of-pocket health care costs.**

How long could you go without a paycheck?



Financial impact of COVID-19

Anxiety surrounding financial security has only grown with the COVID-19 pandemic. In fact, 67% of employees said they experienced at least a minor financial impact due to the pandemic, including one-third who experienced moderate to major impacts on their finances. Most of the survey respondents — all employed at the time of the survey — experienced some sort of recent turmoil because of the public health crisis. Of those surveyed, 36% experienced a layoff, temporary unemployment, or furlough, and half started working from home.

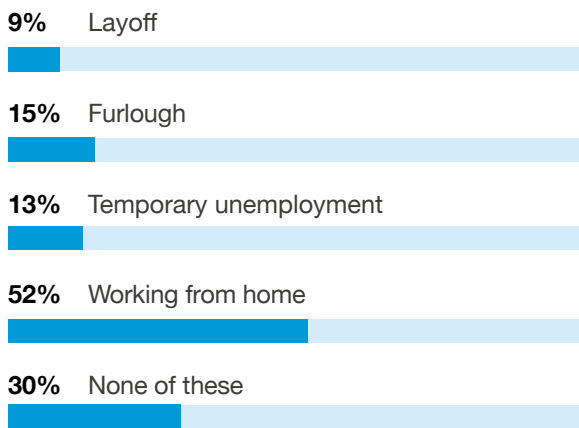
The most common financial impacts reported by employees involved canceled trips or events and loss of a job or income, but 1 in 5 also experienced unexpected costs related to caring for a family member, deductibles and/or out-of-pocket health care costs.

Financial strain related to COVID-19

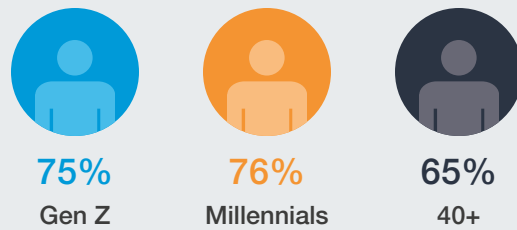
- 42% Canceled trip(s) or event(s)
- 36% Loss of a job or income
- 21% Unexpected costs related to care for a family member, child or dependent
- 18% Health insurance deductible (difficulty affording it)
- 18% Out-of-pocket health care costs
- 13% Loss of health insurance benefits
- 17% None of these



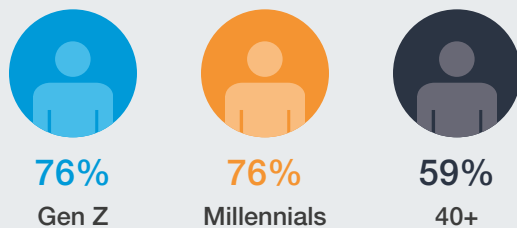
70% experienced a significant change at work



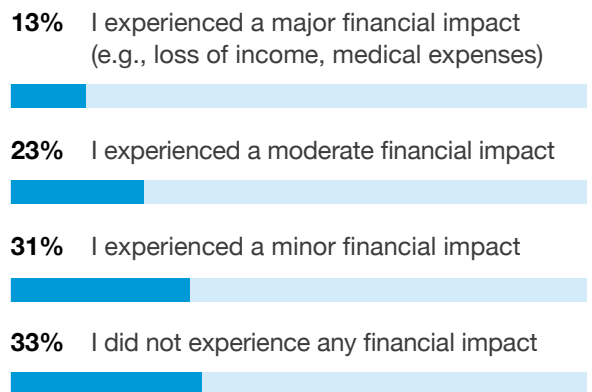
Gen Z and millennials more often reported some type of change:



Gen Z and millennials more often reported at least a minor financial impact:



67% experienced at least a minor financial impact because of COVID-19



The 2020-2021 Aflac WorkForces Report is the 10th annual Aflac employee study examining benefits trends and attitudes. The employer survey, conducted by Kantar on behalf of Aflac, took place online between June 12 and June 30, 2020. The survey captured responses from 1,200 employers across the United States in various industries. The employee survey, conducted by Kantar on behalf of Aflac, captured responses from 2,000 employees across various industries and business sizes between July 7 and July 21, 2020. For more, visit aflac.com/awr.