

How this tool calculates the Quality of Life Score

1. What are the dimensions used in the Quality of Life score?

This calculator is meant to be a simple self-assessment tool for the user to attain clarity on their own Quality of Life score to facilitate clarity on their life aspirations, and their financial goals. This calculator utilizes the three emergent key themes to quality of life. When asked about the key individual determinants of Quality of Life, the 2023 QoL Report revealed participants on average allocated 64 points out of 100 to **Physical Health**, **Mental Wellness** and **Financial Fitness** combined. Accordingly, our Quality of Life Index is composed of these three dimensions weighted in importance to combine to create a scoring out of 100.

2. How are the individual dimensions measured?

- **Physical Wellbeing** – Respondents self-reported their fitness levels on a 1 to 10 scale.
- **Mental Wellbeing** - Warwick–Edinburgh Mental Well-being Scale (WEMWBS) – use responses to 14 statements to score respondents on a scale of 14 to 70 points
- **Financial Fitness (FinFit)** – uses 15 questions covering financial habits, knowledge, planning and security to score consumers on a scale of 0 to 100.

3. How are the individual ratings combined to get a Quality of Life score?

Step 1: Get all dimensions onto a comparable scale

The three dimensions calculated using different scales, so they are not directly comparable. The first step is to re-scale them all to a 0 to 100 scale so they can be compared directly.

Accordingly, Physical Fitness and Mental Wellness scores were re-scaled to a 0 to 100 scale. As mentioned above, FinFit Index is already on a scale of 0 to 100.

Step 2: Overall Quality of Life index is the weighted average of the three dimensions

The scores on each dimension were weighted by the relative importance a respondent gave to each of these factors and then averaged to get the Quality of Life Index.

	Importance of the dimension	Self-rated scores on each dimension, re-based to 0-100	Self-rated Scores, weighted by importance	
Physical	44%	73	32	
Mental	30%	70	21	
Financial	27%	82	22	
	100%		75	Quality of Life Index

4. How were the study questions simplified for a simple calculator calculation?

For the Quality of Life report, a total of 30 questions were used to calculate the score for the three dimensions that go into the composite Quality of Life Index. In order to build a calculator that consumers can use, we added simplicity by reducing the number of questions in the calculation without compromising the accuracy of the index calculation.

Since Physical Wellness only utilized a single question, this methodology was kept for this dimension. For the two other dimensions, Mental Wellness and Financial Fitness, the number of questions was reduced by looking at the correlation between each dimension's questions and overall financial fitness categorization to identify those questions which contribute to the overall categorization more than others. Based on this, we decided which questions could be dropped. A trimmed list was finalized when the new scores were within an acceptable range of 5-10% difference from the original scores.

The final trimmed set has a total of 20 questions - 1 for Physical Fitness, 9 for Mental Wellness and 10 for Financial Wellness.

This is meant to be a

APPENDIX: QUESTIONS USED TO ASSESS PHYSICAL FITNESS, MENTAL WELL-BEING AND FINANCIAL WELLNESS

Questions shaded in pink were those removed from the trimmed version.

PHYSICAL FITNESS

How physically fit do you consider yourself to be right now? Please rate on a scale of 1 to 10, where 1 is “Not fit at all” and 10 is “Extremely fit”.									
1 – Not fit at all	2	3	4	5	6	7	8	9	10 – Extremely fit

MENTAL WELL-BEING

<p><u>Calculation</u> For the Warwick–Edinburgh Mental Well-being Scale (WEMWBS), the total score is a simple sum of the score (point 1-5) given on each of the 14 statements, so the scoring range for each item is from 1-5. The total score ranges from 14-70. The score is categorized as below:</p> <ul style="list-style-type: none"> ▪ Very low (14-40) ▪ Below average (41-44) ▪ Average (45-59) ▪ Above average (60-70) 						
<p>Below are some statements about feelings and thoughts. Please select the occurrence that best describes your experience of each over the last 2 weeks.</p> <p><i>Please select one answer for each statement.</i></p>						
		None of the time	Rarely	Some of the time	Often	All the time
1	I have been feeling optimistic about the future	1	2	3	4	5
2	I have been feeling useful	1	2	3	4	5
3	I have been feeling relaxed	1	2	3	4	5
4	I have been feeling interested in other people	1	2	3	4	5
5	I have had energy to spare	1	2	3	4	5
6	I have been dealing with problems well	1	2	3	4	5
7	I have been thinking clearly	1	2	3	4	5
8	I have been feeling good about myself	1	2	3	4	5
9	I have been feeling close to other people	1	2	3	4	5
10	I have been feeling confident	1	2	3	4	5
11	I have been able to make up my own mind about things	1	2	3	4	5
12	I have been feeling loved	1	2	3	4	5
13	I have been interested in new things	1	2	3	4	5
14	I have been feeling cheerful	1	2	3	4	5

FINANCIAL WELLNESS

We used the FinFit methodology previously developed by HSBC. It uses 15 questions to score consumers on a scale of 0 to 100.

The score for each individual is the percentage of the 15 statements to which they answered “Yes”. For example, if a person answered yes to 10 out of the 15 statements, they would get a score of 66.7%.

The score is categorized as below:

- Unfit (0-59)
- Moderate (60-79)
- Very fit (80-100)

The following sentences describe different people’s understanding and behaviour with regard to finances and financial products. Which of them are applicable to you?			
FINANCIAL KNOWLEDGE			
		Yes	No
1	You are <u>confident enough</u> to choose the financial products that suit your needs	1	2
2	Before purchasing financial products, you <u>would first understand the product features, benefits, and potential risks</u>	1	2
3	Before purchasing financial products, you <u>would first compare different products before making decision</u>	1	2
4	In the past 12 months, you have assessed/ updated your risk tolerance level	1	2
FINANCIAL PLANNING			
5	You <u>regularly</u> review your financial plan, at least once a year	1	2
6	You ask financial advisers, insurance brokers and bank staff for professional advice whenever necessary (including face-to-face, phone or online consultation)	1	2
7	You <u>are</u> well prepared/ have adequate protection for the health care costs or unpredictable medical expenses	1	2
8	You <u>have</u> a comprehensive financial plan for retirement	1	2
FINANCIAL HABITS			
9	Even if you had no income, you could <u>afford to cover your basic living expenses for 6 months</u> with savings	1	2
10	In the past 6 months, you <u>have ever forgotten</u> to pay <u>bills</u> by their due dates (e.g., utilities expenses, gas bills, phone bills, etc.)	1	2
11	In the past 6 months, you <u>have utilized</u> financial products (e.g., time deposit, stock, insurance) to increase the value of your assets	1	2
12	You <u>monitor</u> your expenses every month to prevent overspending.	1	2
FINANCIAL SECURITY			
13	You check your bank account and credit card monthly statements every month and confirm the transaction records to discover if there are any misappropriation/ suspicious transactions	1	2
14	You carefully keep your bank account login information and prevent others from seeing you enter your password	1	2
15	In the last 6 months, you have ever provided credit card information on unknown or unfamiliar online shopping sites	1	2