

Abstract

Czechia is among the developed industrial countries facing significant demographic changes in recent decades. A decline in birth rates, an increase in the average age of citizens, and thus an overall aging population, threaten the stability of social and pension systems, which by their nature require a strong workforce to finance them. In the long term, these changes could substantially impact the functioning of the entire society. In recent years, personal responsibility for short-term and long-term financial decisions has come to the forefront of interest among researchers, policymakers, and politicians. Financial literacy plays a crucial role in an individual's ability to make informed financial decisions for their benefit.

This work therefore described the theoretical principles on which the concept of financial literacy is based. The author then focused on describing and quantifying the relationship between financial literacy and saving for old age using the principle of *ceteris paribus*, to eliminate external influences during the analysis of the examined variables. The linear regression analysis measuring this relationship revealed that a model consisting of the financial literacy level of Charles University students and sociodemographic data explains about 42.7% of the variability in pension savings. Other sociodemographic data had a statistically insignificant or very limited impact on saving for old age. This thesis thus provides valuable insights for further research in this area, as well as for policymakers.