Taking Control of Your Financial Future

Unique considerations for Women

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## Know, Acknowledge, Understand, Seek and Plan

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Know Your Unique Life Circumstances</td>
</tr>
<tr>
<td>2</td>
<td>Acknowledge Your Relationship with Money</td>
</tr>
<tr>
<td>3</td>
<td>Understand Your Saving and Spending Tendencies</td>
</tr>
<tr>
<td>4</td>
<td>Seek the Advice of a Professional</td>
</tr>
<tr>
<td>5</td>
<td>Plan for Today, Tomorrow and Beyond</td>
</tr>
</tbody>
</table>
The Reality – Longevity

➢ Female life expectancy is 81 years vs. 76 for men¹

➢ 1 out of 2 females who are in their mid-50s today will live to be 90²

➢ Up to 80% of women will be responsible for their own finances at some point in her life

¹Sources: Center for Disease Control, National Vital Statistics Report, 2018
²Society of Actuaries, Age Wise Infographic Series – 1, 2019
³Women and Widowhood Study, 2020
What is the average age of widowhood in the United States?

59.4


What percentage of women over the age of 18 are single in the US?

51%
Women’s Growing Wealth and Spending Power

➢ Approximately 70% of women work outside the home.  
   Source: Bureau of Labor Statistics, 2018

➢ Women hold 52% of all management- and professional-level jobs  

➢ 29% of women were employed as executives  
   Source: Catalyst, Quick Take: Women in Management (August 11, 2020)
2

Acknowledge
Acknowledgment Your Relationship with Money

What is Money Mentality?

Level of Engagement
• Procrastinator
• Do It Yourselfer
• Engager
• Seeker

Money Style
• Spender
• Hoarder
• Saver
• Investor
What Keeps Us Up at Night?

You are Not Alone

➢ Fear of running out of money
➢ Maintaining healthcare
➢ Funding long term care
➢ Maintaining current lifestyle
3

Understand
Two Working Incomes Needs Two Retirement Incomes
Assets vs. Liabilities

Understanding Your Numbers

➢ What is your net income?

➢ Document your monthly and annual living expenses

➢ How much are you saving?

➢ How much cash do you spend?

➢ What is your credit card debt?

➢ What is the cash being used for?

➢ What is your tax liability for the year?

➢ What is your student loan debt and forgiveness options?

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How Much is Enough?

What will you need in retirement?

➢ What do you want to do in retirement?

➢ Plan realistically

➢ 80% of pre-retirement income?

➢ Inflation

➢ Cost of health care

➢ Cost of long-term care
Building Your Financial Foundation – Invest and Save

Understanding What You Have & Can Acquire

➢ Maximize your qualified plans

➢ Asset Allocation (Fixed v Variable)

➢ Social Security

➢ Plans from previous employers

Review your state pension plan

Enroll in (MBOS): Check beneficiary/ Buy back yrs.

Understand the Teachers’ Pension and Annuity Fund (TPAF)

• Health Check Up
Male vs. Female Saving Preferences

➢ Women are more concerned than our male counterparts about running out of money in retirement. Source: Equitable Nielsen Study, 2016

➢ 46% of women chose financial security and well being vs. 36% for men when they were asked what they enjoy most about money. Source: U.S. Bancorp Survey on The U.S. Bank Women and Wealth Insights, 2020

➢ 89% of female investors rated principal protection as extremely important. Source: A Survey of Concerns and Expectations, Equitable 2010

➢ 81% of women rated guaranteed income for life as extremely important compared to just 69% of men. Source: IRI Study on Women and Retirement, 2015
Seek
Benefits of Working with a Financial Professional

- 403(b) participants who worked with a financial professional had double the median account balances than those who did not.\(^1\)
- They have the expertise, education and tools.
- Non-emotional and can be objective.
- Recommendations based on facts and experience not emotion.
- Financial professionals see the big picture.

\(^1\) Equitable’s “The Value of the Advisor: The Impact of Advisors on Financial Outcomes Among K-12 Educators.” 2018
Main Factors Driving Trust in Advisors by Gender

Questions to ask a Financial Professional

➢ Tell me about your practice including specialties and typical clients.

➢ How long have you been a financial professional?

➢ Do you have any special education or designations?

➢ How do you communicate with your clients and how often?

➢ What is your fee structure?
Working with the Right Professional for You

➢ Use your other professional relationships as a guide

➢ What is important to you – area of expertise, client base, etc.

➢ Clearly define your expectations

➢ Level of contact and communication

➢ Level of detail – what it does or what it will do for me?

➢ Does he/she relate well to both you and your significant other?
5

Plan
Planning for Your Future Needs to Be a Top Priority

But What De-Rails Us?

- We are busy
- Women are caregivers and put others first
- New investors can feel uninformed or afraid to ask questions
- New investors sometimes feel that they don’t have enough assets to seek professional advice
- It’s natural to delegate and let someone else take care of retirement planning
Building a Plan On Your Terms

- Provide a roadmap of what you want retirement to look like
- Make your goals and objectives clear
- What is your risk tolerance?
- Bring information on assets, liabilities and retirement income sources
A Financial Plan is a Living Breathing Document

➢ Once you develop a financial plan you need to continually re-visit it

➢ Life changes and so do our needs, our financial plan needs to reflect that

➢ Look at your plan and make sure it is consistent with your life plan and timeline
Furthering Your Knowledge

• Websites:
  ➢ www.wiserwomen.org
  ➢ www.investopedia.com
  ➢ www.moneyclubs.com
  ➢ www.equitable.com

• Books:
  ➢ Love Your Life, Not Theirs, 7 Money Habits, by Rachel Cruze
  ➢ Women’s Worth by Eleanor Blayney, CFP
  ➢ A Woman’s Road Map to Financial Well-Being by Olivia Mellan and Sherry Christie
HELPING WOMEN SAVE FOR A LONG AND SECURE FINANCIAL FUTURE

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