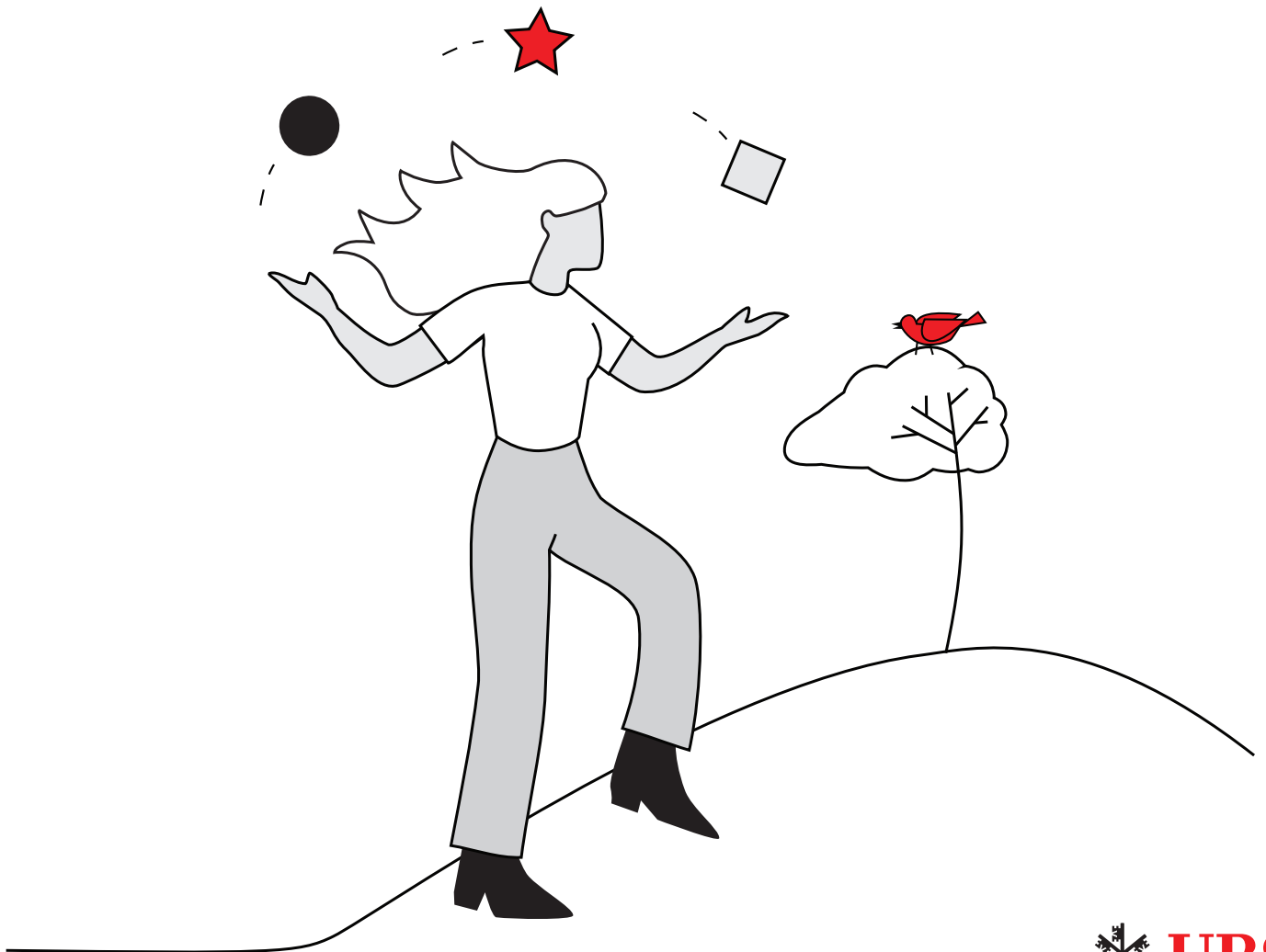


Tradition, trust and time

The challenges women breadwinners
face embracing their financial clout



Women continue to make great strides in education, labor force participation and career advancement, and they are contributing more to their families' incomes than ever before.¹

And despite a widely acknowledged gender pay gap, nearly one-third (30%) of the US women in heterosexual couples we recently surveyed said they earn more income than their spouse or partner.

Yet challenges remain

For our latest installment of *Own your worth*, we examine how women breadwinners* make decisions about the money they earn. We spoke with over 800 high-earning women and men in heterosexual couples and women in same-sex couples, and found that only half of women breadwinners in heterosexual couples are very engaged in short- and long-term financial decisions.

That's significantly less than men breadwinners. This lack of engagement has the potential to put women's hard-won earnings and future financial security at risk.

If money is power, why aren't more women breadwinners exercising it?

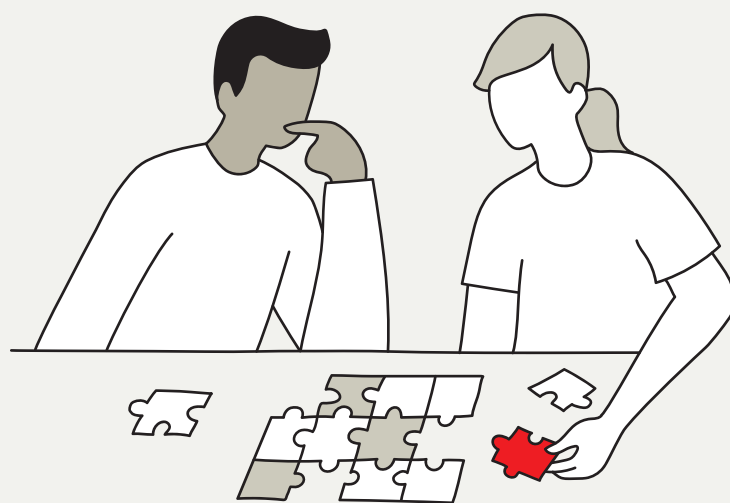
From our research, a picture emerges of why so many women breadwinners are still relinquishing their power over financial decision-making. And while some of these challenges are less pronounced for women in same-sex couples, we found several reasons for the disparity between women and men breadwinners:

- traditional gender roles heighten women's ambivalence about being the primary earner
- women contend with trust issues from their partners
- women breadwinners also spend more time on household responsibilities

Women are working harder and going farther than ever before. We know that their lagging financial confidence isn't a matter of competence. Through this research, we hope to identify what is preventing so many women breadwinners from taking a more active role in the important decisions about their financial futures.

So, how can we change this dynamic?

With this question at the center of our research, we consider what's needed to support women breadwinners—and all women—on the path to greater financial participation.



*For the purposes of this report, all references to "breadwinners"—men and women—refer to **primary** breadwinners in their households, not necessarily sole breadwinners.

What we found ...

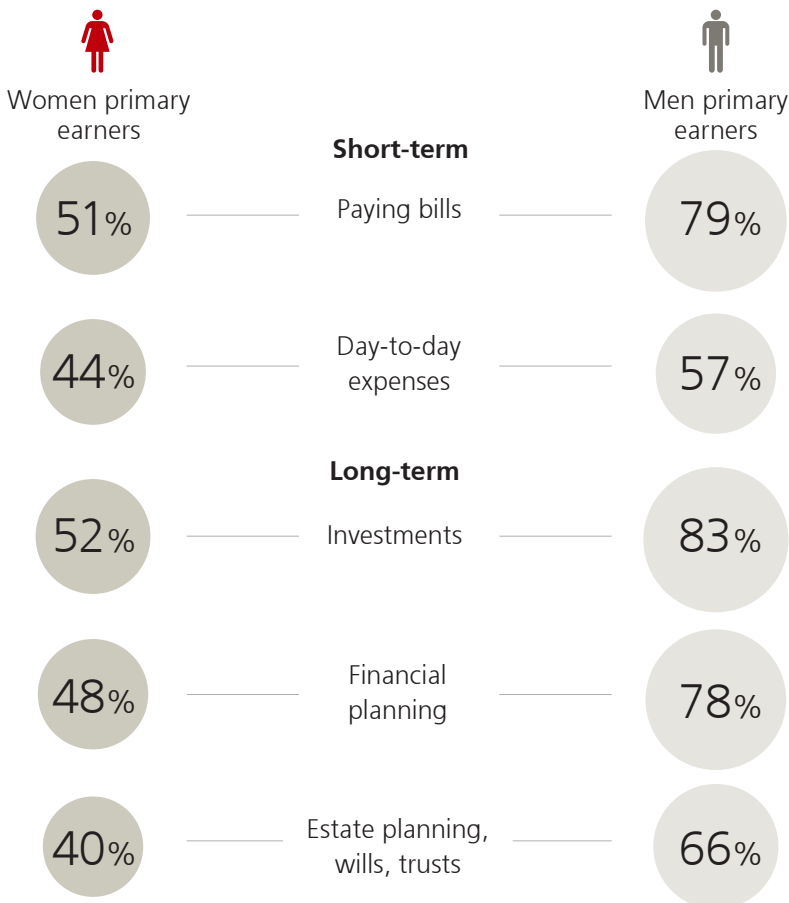
Women breadwinners are less engaged than men breadwinners in financial decisions

Our research shows that when compared to men breadwinners, women breadwinners are less engaged in short- and long-term decisions about the money they've earned and feel less knowledgeable about investing.

Only about half of women breadwinners take the lead on financial responsibilities, ranging from daily expenses and bill paying, to longer-term decisions like investing and financial planning.

Women breadwinners are less likely than men breadwinners to decide where their earnings go ...

% who say they handle the following somewhat or much more



... and feel less knowledgeable about investing

% who agree

I consider myself highly knowledgeable about investing overall

53%

Women primary earners

75%

Men primary earners

My husband takes the lead on long-term financial decisions. He's good at managing finances, and I prefer not to deal with it.

Marci, 62
Primary earning woman

| Challenge one

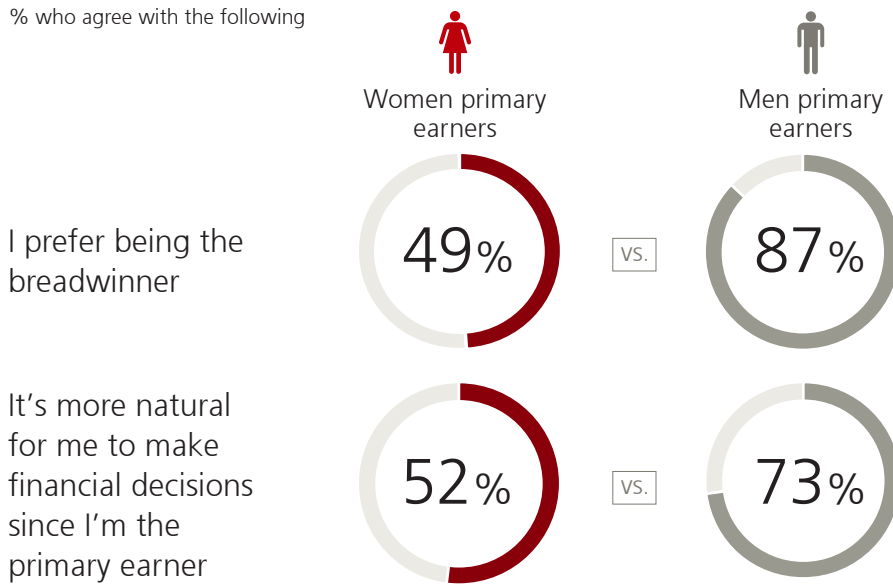
Traditional gender roles heighten women's ambivalence about being the breadwinner

Women report having mixed feelings about being the primary earner. Less than half say they prefer it, compared to 87% of men primary earners. Women breadwinners also feel that financial decision-making is less natural for them compared to men in their position.

Whether from traditional societal expectations or gender stereotypes, many primary earning women say their families and social circles assume men are the primary earners—and women don't correct this assumption.

Many women are less comfortable than men being the breadwinner

% who agree with the following



Who earns what?

A US Census study in 2018 found that in heterosexual couples where women earned more than men, both spouses often misrepresented their earnings.

Couples tended to inflate the man's earnings and deflate the woman breadwinner's earnings, as compared to their actual earnings on their income tax statements.²

Friends and family assume men are the primary earners

% primary earning women who cite the following

1 in 2

Our friends and family made the assumption and we never corrected them

My husband is uncomfortable that I make more money and definitely doesn't want others to know.

Jane, 50
Primary earning woman

| Challenge two

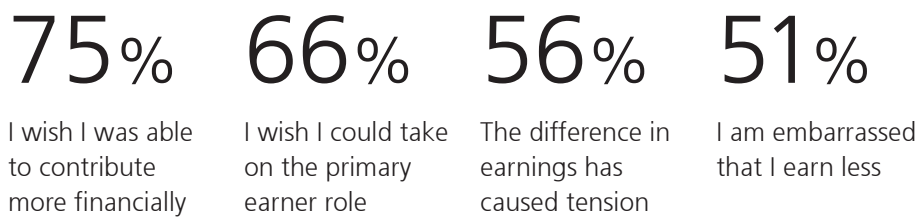
Many women also contend with trust issues from their partners

Women breadwinners must also face their partners' insecurities about their earning status. Most non-primary earning men wish they were the breadwinner and that they could contribute more. Many of these men say this causes tension in their relationships.

In addition, women face significantly more distrust from men around shorter-term money decisions like spending as well as longer-term decisions, including investing. Ironically, women breadwinners are trusted the least by their non-primary earner partners.

Most non-primary earning men express insecurities about their earning status

% non-primary earning men who agree





Who's better with money?

A 2021 study in the *Journal of Economic Behavior and Organization* found that the stereotype of women as "bad with money" raised financial anxiety in women and furthered the financial confidence gap between the sexes.³

Yet, a 2019 survey by *Bankrate* found that women are actually better than men at saving, and nearly equal to men with spending habits.⁴

Non-primary earning men are less trustful of their breadwinner partners' spending and investing habits

% who agree

	Men 		Women 	
	Men non-primary earners	Men primary earners	Women non-primary earners	Women primary earners
I sometimes worry about my spouse's or partner's spending habits	66%	49%	22%	37%
I sometimes hold my spouse or partner back from spending money	62%	52%	37%	41%
I sometimes worry about my spouse's or partner's investing habits	55%	40%	16%	32%

Being the primary earner caused tension in our relationship. He felt like less of a man.

Cloe, 33
Primary earning woman



| Challenge **three**

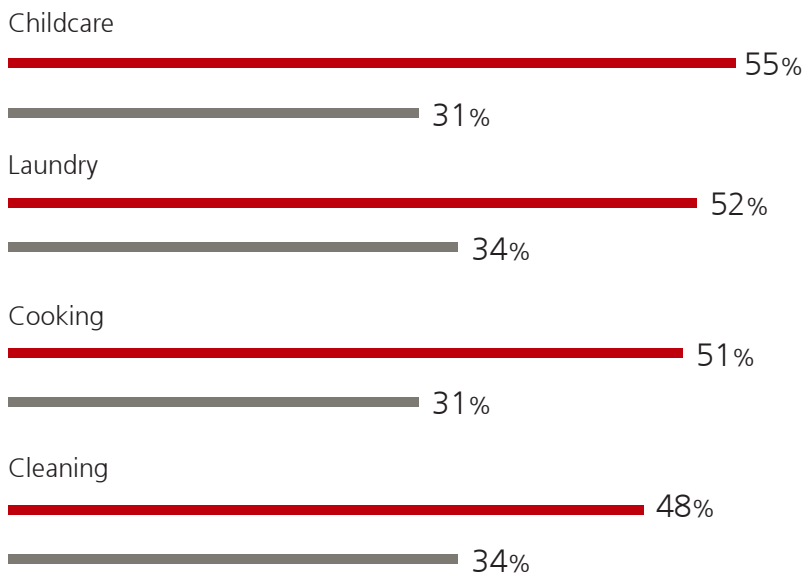
Women breadwinners spend more time on household and childcare responsibilities

Compared to men breadwinners, women breadwinners still take on more of the traditional household tasks, such as cooking and cleaning, as well as childcare. This leaves women breadwinners with less time for financial matters.

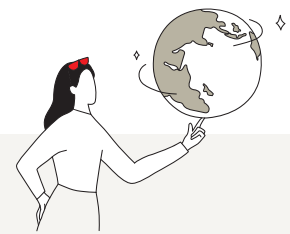
Many women are more engaged in household responsibilities

% who say they manage the following somewhat or much more

 Women primary earners*  Men primary earners**



*92% of spouses employed; 8% not
**60% of spouses employed; 40% not



Juggling it all

Women breadwinners surveyed rarely had a spouse or partner who wasn't employed outside the home to help manage the bulk of household responsibilities: the vast majority of women primary earners among heterosexual couples were in dual income households. In contrast, in couples where men were primary earners, 40% of women did not work outside the home.

I'm still the one who goes grocery shopping and manages everything for the house.

Donna, 46
Primary earning woman

The way forward ...

The financial industry has an opportunity to do more to support women breadwinners

We found that women breadwinners were very clear about their financial priorities, citing a number of long-term planning considerations as highly important, including retirement planning, maintaining an emergency fund and tax planning. Financial professionals can play a critical role in helping to meet these priorities.

However, our industry must also address the imbalances that women breadwinners—and all women—still experience. We found that less than half of women breadwinners think the industry has treated them equally to men. Nearly six in 10 say financial professionals tend to assume men are the primary earners.

Women breadwinners' top financial priorities

% who say the following are highly important



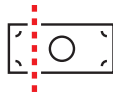
86%

Retirement planning



74%

Maintaining an emergency fund



70%

Tax planning



68%

Budgeting



67%

Long-term care planning

The financial services industry has room for improvement

% of women breadwinners who say the following about the financial industry

Has been patronizing to women 64%

Has catered mainly to men 63%

Assumes my spouse/partner is the primary earner 57%

Has treated both women and men equally 44%

Fortunately, our advisor is very good at engaging with both of us equally. Otherwise, he would not be our advisor any longer.

Amy, 62
Primary earning woman

Women breadwinners in same-sex couples

How do their experiences compare?

In our research, we also explored the dynamics between women in same-sex couples where one partner is the primary earner. Although we found that all women breadwinners face certain common challenges, some struggles are tied more closely to traditional gender roles among heterosexual couples.

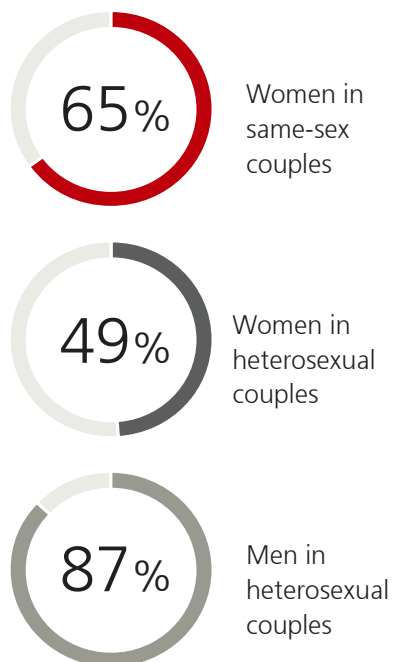
For example, societal assumptions or partner insecurities around earning status were less apparent among women primary and non-primary earners in same-sex couples. Women primary earners in same-sex couples also expressed greater confidence in making long-term financial decisions than women breadwinners in heterosexual couples.

Women breadwinners in same-sex couples show a higher comfort level with their earning status

Two-thirds of primary earning women in same-sex couples want to be the breadwinner, compared to less than half of women breadwinners in heterosexual couples, and almost 90% of men breadwinners.

Who wants to be the breadwinner?

% of primary earners who prefer being in this position



And have more confidence in financial decision-making

Primary earning women in same-sex couples have more confidence in making financial decisions than women primary earners in heterosexual couples, but still less than men primary earners.

Confidence is higher

% primary earners who agree

I make decisions about what to do with the money since I am the primary earner



I consider myself highly knowledgeable about investing overall



Yet women breadwinners in same-sex couples feel less supported by the financial services industry

Women primary earners in same-sex couples say their experience with financial services has been even more tenuous than their heterosexual counterparts, showing room for improvement by the industry.

Seeking more support

% women primary earners in same-sex couples who agree

80%

The financial services industry favors heterosexual couples and doesn't always address my needs

75%

The financial services industry has catered mainly to men

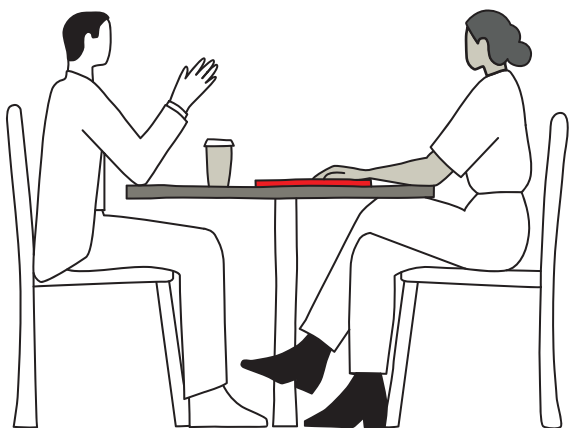
Recognizing and addressing these challenges are crucial steps for helping women breadwinners on their financial journeys

Many women breadwinners are not fully embracing their financial power—for valid reasons. Understandably, women who excel at careers and still handle most of the household responsibilities have plenty of other important demands on their time and energy beyond financial decision-making considerations. Especially if they are deferring these decisions to help keep the peace with a partner who has insecurities about their own earning status.

The cost of this dynamic

The problem remains that when women breadwinners defer participation in financial decisions, they may be giving up a say in the key considerations that impact their long-term financial goals. Demographic trends bear out that 80% of women will at some point have to manage their finances on their own, so it's important to be engaged in these decisions at each life stage.⁵

It's critical for women breadwinners to feel empowered throughout the course of their lives so that they can shape their own financial futures and steer their own paths to achieving the goals that are most important to them.



Claiming one's rightful seat at the financial table

Financial professionals can help alleviate some of the burden or sensitivities that exist around money by doing the following:

- 1 Seek to understand** the family income dynamics first, and facilitate conversations that include each partner in the relationship equally
- 2 Set assumptions aside** and listen to the unique needs of women breadwinners
- 3 Look for ways** to simplify, ease and automate services to help reduce the time burden of financial engagement for women breadwinners
- 4 Address financial engagement** through the lens of a comprehensive, goals-based financial planning approach such as UBS Wealth Way

There is undoubtedly more work that needs to be done to empower women breadwinners in financial matters. However, by focusing on comprehensive planning, engaging women breadwinners as decision-makers and positioning our industry as champions of financial parity, we can take crucial steps together to help correct this imbalance.

UBS Wealth Way is an approach incorporating Liquidity. Longevity. Legacy. strategies that UBS Financial Services Inc. and our Financial Advisors can use to assist clients in exploring and pursuing their wealth management needs and goals over different time frames. This approach is not a promise or guarantee that wealth, or any financial results, can or will be achieved. All investments involve the risk of loss, including the risk of loss of the entire investment. Time frames may vary. Strategies are subject to individual client goals, objectives and suitability.

About the survey

For this publication, UBS surveyed 809 high-earning women and men investors from January 10 – 20, 2023. All investors had either annual personal incomes of \$175,000 or more or were married/living with a significant other making at least \$175,000 or more. All data included in this report are based on UBS proprietary research unless otherwise noted.

1 Pew Research Center: "In a Growing Share of US Marriages, Husbands and Wives Earn About the Same," April 2023.

2 United States Census Bureau: "Manning up and womaning down: How husbands and wives report their earnings when she earns more," June 2018.

3 *Journal of Economic Behavior and Organization*: "Gender differences in financial literacy: The role of stereotype threat," December 2021.

4 *Bankrate*, 2019.

5 National Vital Statistics Reports, Vol. 66, No. 6, November 27, 2017.

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