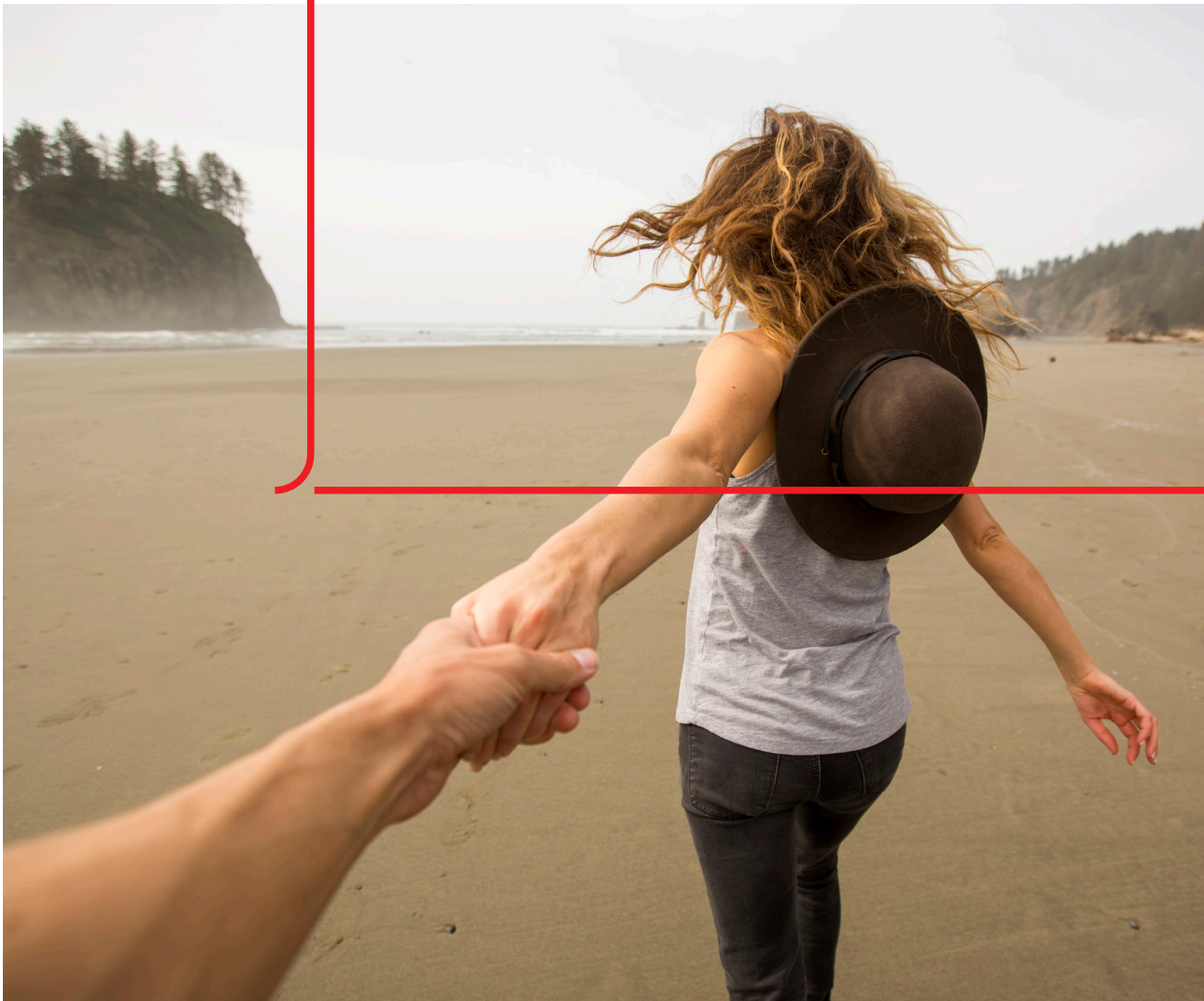


Own your worth 2021

Building bridges, breaking barriers

Why do only 20% of couples participate
in financial decisions equally?





Our latest research explores the relationship between women, men and money. We wanted to know: do men play a role in women's financial participation? When women don't participate, are men part of the problem? Can men become part of the solution?

A majority of women and men agree that gender equality will not be achieved until more women are engaged in financial decisions that impact them. But even before the pandemic, and despite decades of incremental progress, women are not where they should be. In fact, half of married women still defer long-term financial decisions to their spouse or partner.

Why are some women stuck in this financial time warp?

Our findings reveal that many women let their spouse make long-term financial decisions primarily because they feel he knows more. Or they simply do what their mothers did—and let men take the lead. Two-thirds of women who defer say they just want to be taken care of.

Does it matter that men take the lead and women defer?

Quite simply, yes. Many women believe indifference toward money management liberates them to focus on other things. In reality, it often traps them. When women don't participate in financial decisions, they miss out on more than being an equal partner. They forfeit having a voice in decisions that will profoundly impact their family and their future.

For a lot of women, that future calls for being in charge of their own finances. Most wives outlive their husbands.¹ Divorce among the 50+ age group has doubled in the past 30 years.² Many women choose to remain single. For all these reasons, eight in 10 women will end up solely responsible for their money—and the wealth they are likely to inherit. The women who are woefully unprepared are the women who previously deferred financial decisions to men.

This got us thinking: where do men fit in all this?

We surveyed 1,500 men and women in marriages or partnerships. We wanted to know why some men are bridges to women's financial involvement and others are barriers.

Here's what we found.

Seven in 10 men say they take the lead on long-term financial decisions. Overwhelmingly, they believe they know more about long-term finances than their spouse. More than 80% feel it's their responsibility as husbands to make long-term financial decisions for the household. Seven in 10 don't trust their spouse to make good decisions, or they are protecting their assets from divorce.

But there's good news.

Among men who take the lead, nine in 10 wish their spouse was more involved in long-term financial decisions—a positive sign. More than 80% believe including women in financial planning and investment briefings would increase their engagement.

And both women and men agree that making long-term financial decisions together would increase their confidence in the future, minimize financial mistakes and reduce anxiety about money.

Change is not only possible, but necessary.

Currently, only about 20% of couples make long-term financial decisions together. Is this where we want to be in 2021? At UBS, we believe it's possible—and it's time—to do better.

Nearly 100% of women and men believe women should be more involved in financial decisions. Women don't need to take the lead or be solely responsible for making the long-term decisions. Just participate.

Certainly, all women should have a say in the decisions that—to a great extent—will determine their future. Women have an obligation to take their seat at the money table. When they do, women unlock more opportunities to design the life and legacy they want. But men are critical to removing barriers and building bridges.

That's progress for everyone.

#ownyourworth

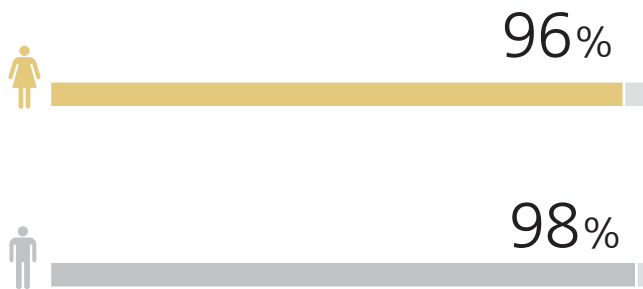
Women and men stress equal financial involvement, but only 20% share equally

Nearly 100% of women and men believe women should be more involved in long-term financial decisions, such as investing, financial planning and estate planning. In addition, women and men overwhelmingly believe that, unless women are equally involved in these decisions, there will never be true gender equality.

Though they agree on the importance of equal financial participation, only about 20% of women and men say they share in long-term financial decisions equally.

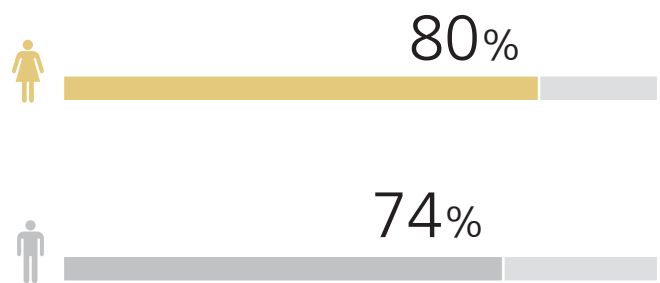
Nearly all couples agree women should be more involved in long-term finances

% who agree



Unless women are equally involved in long-term financial decisions, there will never be gender equality

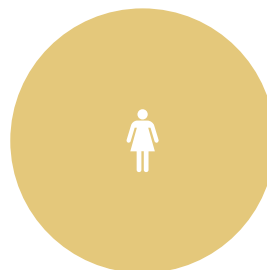
% who agree



BUT

Only 1 in 5 share long-term financial decisions equally

"We share long-term financial decisions equally."



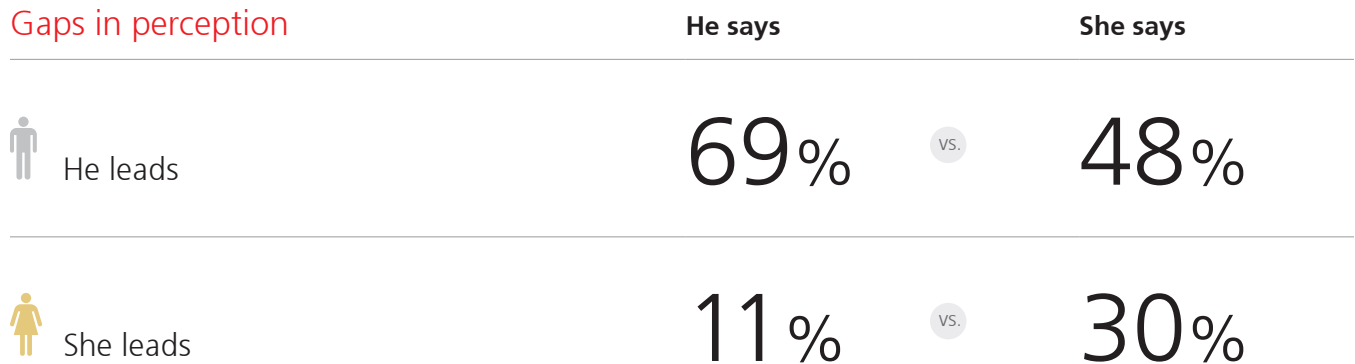
Almost half of women defer to spouses, but men and women see roles differently

There is a clear gap in perception when women and men are asked who takes responsibility for long-term financial decisions.

When we asked men who takes responsibility 69% said they themselves did. Yet when we asked women, only about 48% reported that their spouse takes responsibility—a 21% gap in perception between men and women.

On the flip side, nearly one-third of women claim they are responsible for the long-term financial decisions. Very few men see it that way. Only one in 10 credit their wives with taking the lead—a 19% gap in perception.

Gaps in perception



I'm confident leading. My wife doesn't have any complaints.

Male, age 40

When my dad passed, my mom wasn't in the loop as much in terms of what her situation was financially. I decided to do it differently.

Female, age 61

Why do most men lead... and why do half of women defer?

In cases where men are responsible for the long-term finances (69% of all men) and women defer (48% of all women), both partners have remarkably similar reasons for the roles they assume. Primarily, both these partners think the man knows more, and the woman has little time or interest in the topic.

Some reasons are darker. Among the men who lead, 68% do so to protect assets in case of divorce. Among the women who defer, nearly half say the couple's assets feel like they belong to the husband—even though many of these women earn their own income.

Men who lead and women who defer have similar reasons for behavior

69% of men lead

He believes

I know more about this topic than my spouse/partner.

My spouse/partner has little or no interest in these topics.

My spouse/partner has other responsibilities (e.g., household chores, childcare).

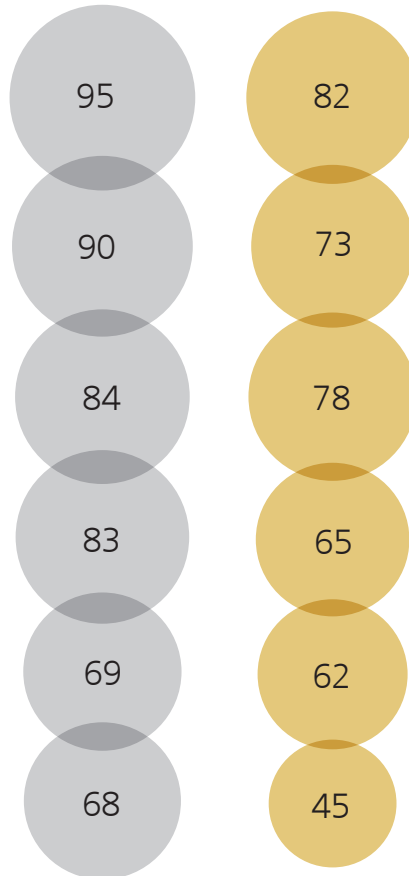
I feel as a husband/the man that this is part of my responsibility.

I don't trust my spouse/partner to make good decisions in this area.

In the event of a divorce, I'd be able to protect my assets.



(in %)



48% of women defer

She agrees

I think my spouse/partner knows more about this topic than I do.

I have no interest in making these types of decisions.

I have other responsibilities (e.g., household chores, childcare).

Truth be told, I just want to be taken care of.

I have no idea where to begin.

It feels more like my husband's money.

He said

I'm not being flippant, but **everyone likes a winner.**

Male, age 53

I used to encourage my wife to take part in decision-making but it seems **she is just happier with other household responsibilities.**

Male, age 40

My wife doesn't want to know anything about this as **she feels that it's my job.**

Male, age 67

If I wasn't around, she would not invest. She would just buy what she needs.

Male, age 30

She said

My husband knows much more than I do about investments, so he is the person to lead.

Female, age 68

My husband always encourages me to be more involved, but **I have no interest whatsoever.**

Female, age 51

I honestly don't feel a need to doubt the work my husband puts into planning for our future.

Female, age 60

I feel like my husband and our advisor have it under control. **I don't say anything, I just listen.**

Female, age 28

Bridges to progress

We asked men who currently handle the long-term finances if they wished their spouse was more involved. A full 88% of them said "yes," suggesting significant hope for progress.

Fortunately, most women who defer are receptive to change. Almost six in 10 of these women (57%) wish to be more involved in the long-term financial decisions.

Men who lead want their wives to be more involved



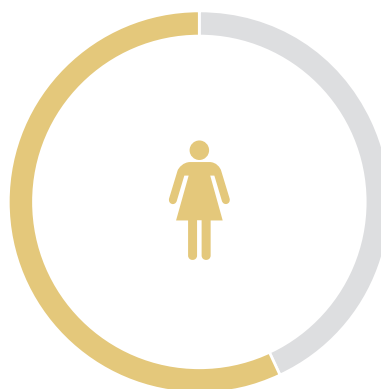
88%

of men who lead say

"I wish my wife was more involved."

My significant other is impacted by our financial decisions just as much as I am so it only makes sense that she play a critical role.

Male, age 40



57%

of women who defer say

"I wish I was more involved."

It's your life so you should have a say in how you want to live it, and a big part of that is your finances. You should not have someone make those decisions for you.

Female, age 37

But barriers still exist

Unfortunately for some couples, the barriers of apathy and indifference may be too difficult to overcome. One in 10 men who lead claim they have no wish to get their spouse more involved. A full 43% of women who defer have no wish to do so either.

About 1 in 10 men who lead don't want their spouse involved



12%

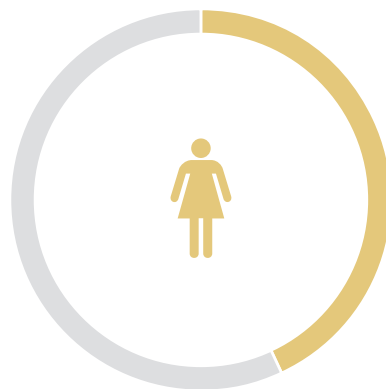
of men who lead say

"I don't want my wife more involved."

I simply know more. If she knew more, I would let her take the lead.

Male, age 53

And 4 in 10 women who defer have no desire to get more involved



43%

of women who defer say

"I don't want to be more involved."

I am fine with him leading. It's easier on me. It would be a struggle for me to do it.

Female, age 52

Creating more equal involvement

Among men who lead and women who defer, both parties agree that encouragement is the key to increasing women's financial participation.

Including women in conversations with a financial advisor, ensuring that women have a clear picture of investment holdings, and discussing finances regularly would also help.

How can men who lead get their spouse more engaged?

% who agree

 **Men who lead**  **Women who defer**

	Men who lead	Women who defer
Encourage her participation	84%	91%
Include her in conversations with our financial advisor	80%	90%
Make sure she understands what types of investments we have and why	82%	88%
Go through the financial planning process together	85%	84%
Go through key financial documents together vs. asking her to just sign	83%	80%
Set up designated time as a couple to go through financial matters on a regular basis	72%	79%

I think men should always ask their spouse what she thinks about investing. That way it is a joint decision.

Female, age 61

I need to encourage my wife more and share my knowledge so she can be more involved.

Male, age 31

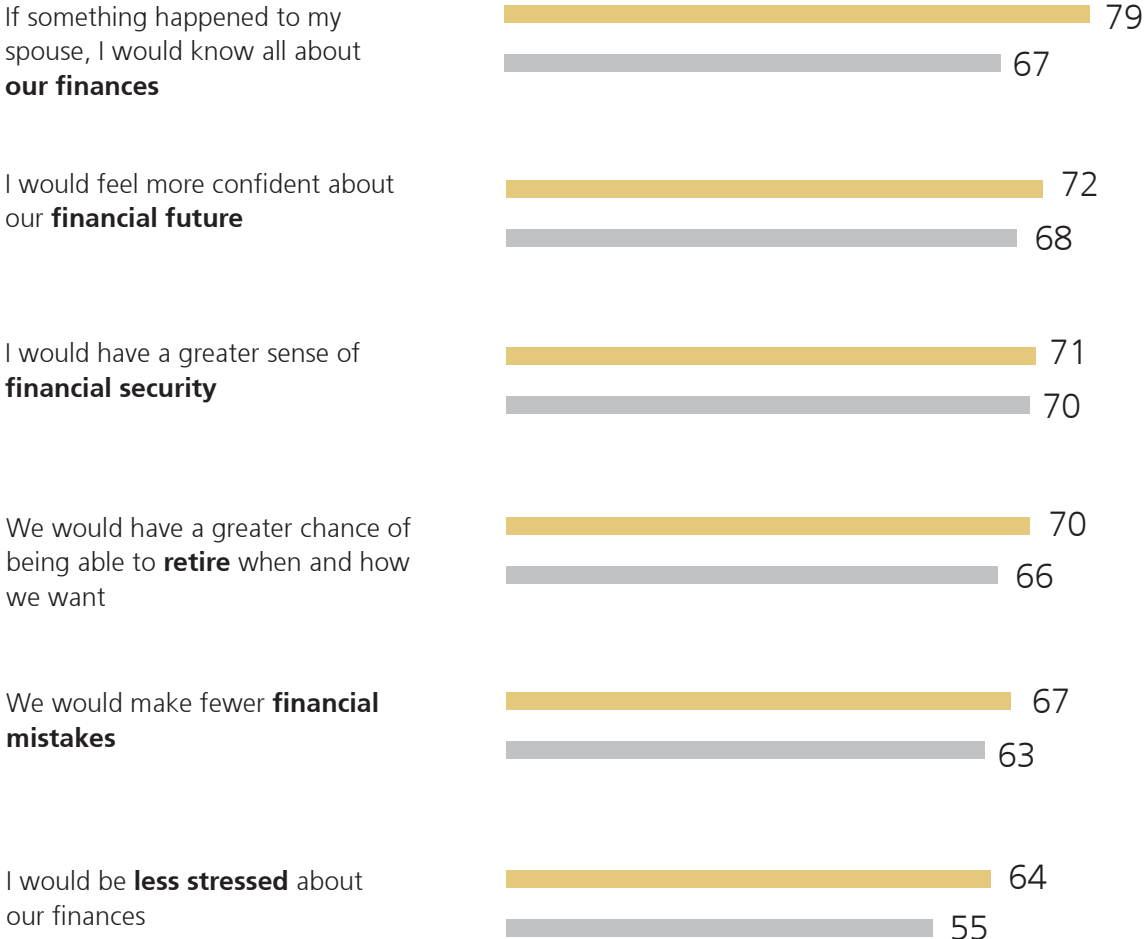
Mutual involvement in financial decisions instills confidence, sense of security

Though only 20% of women and men share long-term financial decisions equally, the majority of all women and men agree that working together would benefit both partners. Seven in 10 believe sharing in decisions would

foster a greater sense of confidence and financial security. Women in particular would feel more prepared in case something happened to their spouse, such as illness, disability or death.

Benefits of greater involvement

% who agree ● Women | ● Men



Generational spotlight

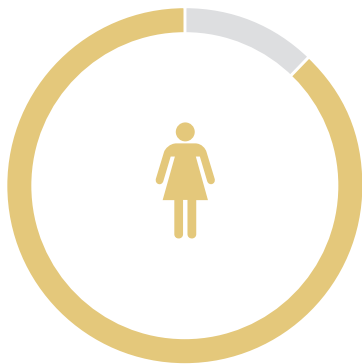
More Millennial women defer to spouses

Prior to marriage, 88% of Millennial women plan to share long-term financial decisions equally, or take the lead. But after marriage, only 15% of Millennial women share decisions equally. A full 51% defer to their spouses—more than any other generation.

The good news is that a third of Millennial women take the lead on long-term financial decisions—twice the number of Boomer women.

Before marriage, Millennial women intend to be financially engaged³

But Millennial women are most likely to defer after marriage



88%

of single Millennial women want to participate equally or take the lead in planning finances for the future

	Millennials	Gen X	Boomers
I defer to my spouse	51%	47%	40%
I take the lead	34%	33%	16%
We share decisions equally	15%	20%	43%

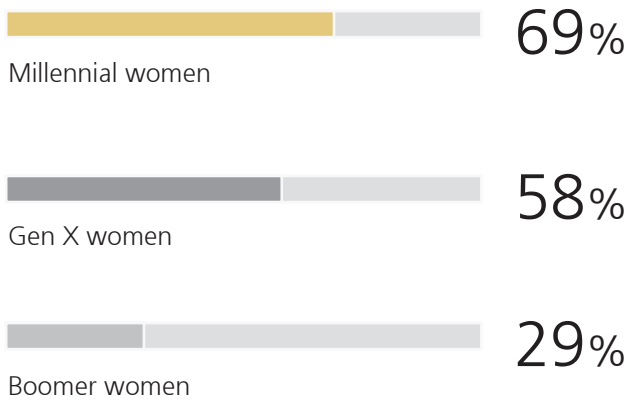
Millennial women who defer are most open to change

Even though Millennial women are the most likely to defer to their spouses, they are also more inclined to change. Almost seven in 10 Millennial women (69%) who currently defer want to be more involved in the finances, compared to only 29% of Boomers who defer.

Fortunately, Millennial men are open to change as well. Among Millennial men who lead, 94% wish their wives were more involved—more than any other generation of men.

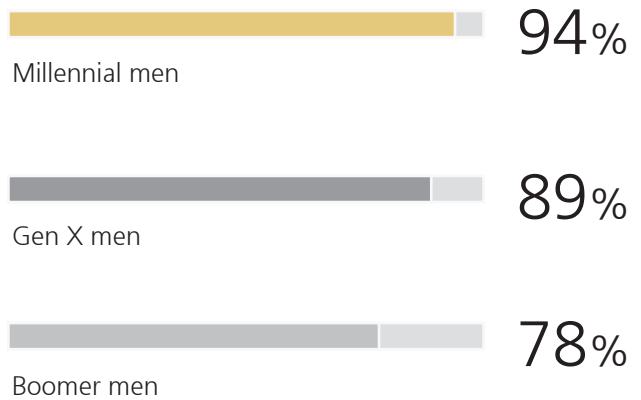
Millennial women who defer want change

% of women who defer but want to be more involved



Millennial men who lead wish spouse was more involved

% of men who lead but wish spouse was more involved



Setting goals together.



Women and men have the opportunity to share long-term financial decisions more equally. Working with a Financial Advisor can create greater engagement and transparency for both spouses. It can also help more women take greater ownership of their future well-being.

In any relationship where imbalance exists, including same-sex couples, progress starts with women stating their intention to participate in decisions that impact them. Fortunately, most men are open to that possibility.

A blueprint for sharing decisions equally

To help couples build a life of meaning and value together, UBS has created a framework called UBS Wealth Way. Our Financial Advisors use it to help women and men identify their life's goals and build portfolios to achieve them—together.

Ask each other these questions

What do you want to accomplish in your **life**?

Who are the **people** who matter most to you?

What do you want your **legacy** to be?

What are your main **concerns**?

How do you **plan** to achieve your life's vision?

Then, think about your wealth along three key dimensions

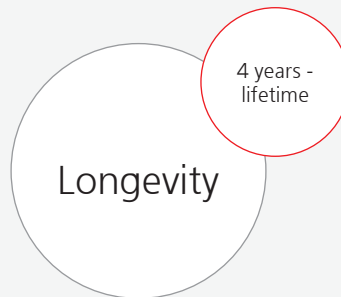


To help provide cash flow for short-term expenses—to help maintain your lifestyle

Entertainment and travel

Taxes

Purchasing a home

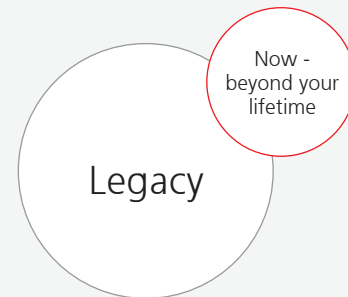


For longer-term needs—to help improve your lifestyle

Retirement

Healthcare and long-term care expenses

Second home



For needs that go beyond your own—to help you improve the lives of others

Giving to family

Philanthropy

Wealth transfer over generations

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.

About the survey

For this publication, UBS surveyed 1,501 investors (493 women and 1,008 men) from January 26 – February 1, 2021. Those between ages 25-30 had at least \$250k in investable assets, those 31-39 had at least \$500k in investable assets and those 40 and older had at least \$1M in investable assets. All data included in this report are based on UBS proprietary research unless otherwise noted.

¹ US Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, 2016.

² Allred, C. (2019). Age variation in the divorce rate, 1990 & 2017. Family Profiles, FP-19-13. Bowling Green, OH: National Center for Family & Marriage Research.

³ UBS *Own your worth*, 2020.

#ownyourworth

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