

Invest in yourself: a financial workshop for women

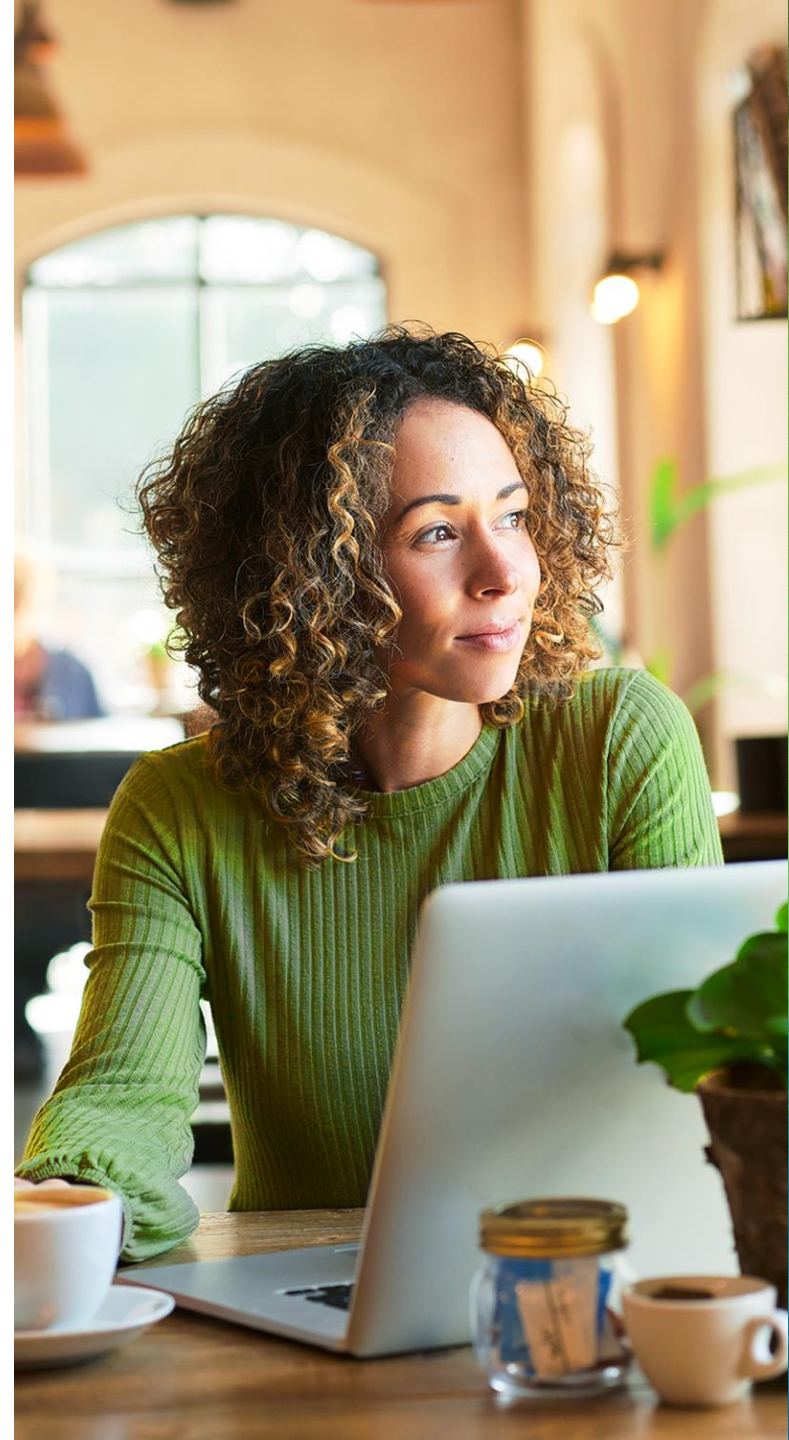
Presenter's name

Presenter's title

<Date>

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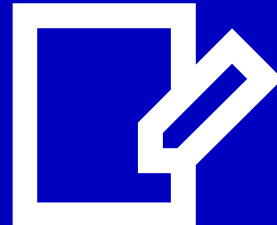
Welcome to invest in yourself

Today, you'll have an opportunity to:

**Discover the
unique financial
challenges
women face**



**Share your
insight and
wisdom**



**Take steps
toward your own
financial security**



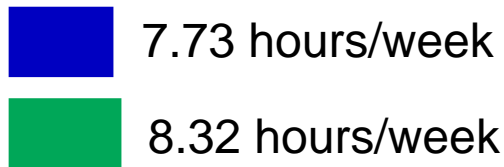
Women have unique needs

■ Women ■ Men

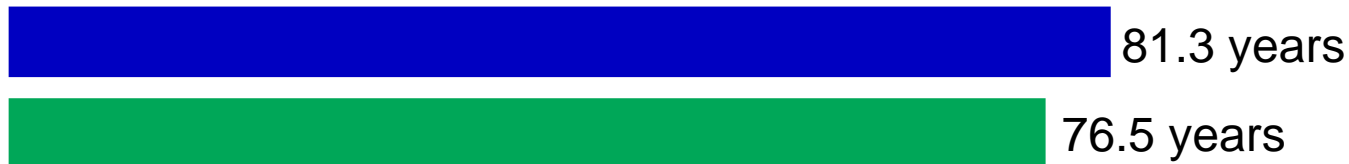
Earn less¹



Work less²



Live longer³



Women have unique needs, *continued*

Receive lower pensions

- Women who work full time receive, on average, \$41,002, compared with \$51,840 for men¹

Lack confidence in their financial knowledge

- 52% of women say they're confident in their ability to manage investments, compared with 68% of men²
- 60% of women feel that lacking the knowledge to invest is their number one barrier²

Women: a major economic force

54% are primary breadwinners¹

Earn **61%** of all associate's degrees and **58%** of all bachelor's degrees²

Earn **58%** of all master's degrees and **53%** of all doctorate degrees²

Between 2014 and 2019, the number of women-owned businesses increased **2.3X** the national average³

Own **13 million** U.S. businesses, employing nearly **9.4 million** people, and contribute **\$1.9 trillion** to the economy³

Recognizing your role as income earners

- **29%** of married women whose spouses work **out** earn their husbands¹
- Women in North America hold 40% to 45% of household wealth²
- By 2023, women are expected to hold \$85 trillion in private wealth assets³

Importance of knowing your needs

52% of women in a relationship—
and who provide half or more of
the household income—say they're
responsible for managing the money.
38% are responsible for long-term
financial planning¹

90% will have **sole responsibility**
for their finances at some point in
their lives²

Learning from each other

Group

1

What's the best financial decision you ever made?

2

What's your earliest memory of money, and how has that helped or hindered you?

3

What's a financial decision you regret, and what did you learn from your mistake?

4

What are the two biggest financial challenges you're facing—and who can help you?

5

What piece of advice do you have for women who are new investors or new to the workplace?

True or false?

Group

- 1 20% of female workers live paycheck to paycheck.
- 2 Older women view themselves as not having the same level of confidence in their ability to invest as younger women.
- 3 Women are more likely to make an estate plan than men, and donate more often to charities than men, when making their wills.
- 4 Women are finding that they can juggle work and motherhood successfully, and the majority of women who decide to remain employed after childbirth do so because they love their jobs.
- 5 Most parents today say they're successfully able to pay for their children's educational expenses and save for retirement at the same time.

Surprising facts

Group

1

81% of female workers live paycheck to paycheck, compared with 75% of males.¹

2

Women grow more confident about investing as they age: 60% of the silent generation feels confident versus 54% of boomers, 52% of Gen Xers, and 46% of millennials.²

3

55% of women make an estate plan and create a will, compared with 45% of men; also, more women (54%) bequest funds to charities than men (46%).³

4

64% of women in the workforce decide to leave before they have their first child, and another 34% don't return to their job afterward. Less than 13% of those who return do so because they love their jobs—the rest do so for financial reasons.⁴

5

Half of parents surveyed say they've sacrificed retirement savings to help their grown children with finances.⁵

¹ "Living Paycheck to Paycheck Is a Way of Life for Majority of U.S. Workers, According to New CareerBuilder Survey," press.careerbuilder.com, 8/24/17. ² "Women & Financial Wellness: Beyond the Bottom Line," Merrill Lynch, Age Wave, 2019. ³ "How women will shape the great wealth transfer," Philanthropy Women, 10/23/19. ⁴ "Motherhood in America: 2019 Report," Ovia Health, 2019. ⁵ "Adult children are eating into parents' retirement savings: Study," CNBC, 4/24/19.

Common financial events

- Saving for college
- Birth/adoption
- Getting married
- Buying a home
- Caring for children/parents
- Starting a business
- Relocating
- Unexpected death
- Retirement
- Divorce
- Inheritance
- New job
- Promotion
- Living alone
- Working part time vs. full time
- Illness

Now for some scenarios

Allison Keyes, 28

Group discussion

“I’ve worked hard, and I finally have a good job. My next goal is to buy a condo, but should I reduce my debt first? I’m not sure what will have the most impact and benefit me more in the long run. Should I pay off more on my car, eliminate some credit card debt, or start paying down some of my student loans?”

What are some ways Allison can pay down her debt, and what other things should she consider as a single person?

Key points for Allison

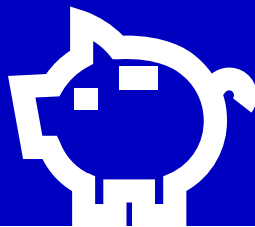
Manage debt

Pay off high interest-rate debt



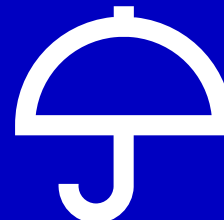
Invest for retirement

Contribute to a 401(k) or IRA—the sooner, the better



Disability insurance

Single people, primary breadwinners, and business owners should consider disability insurance



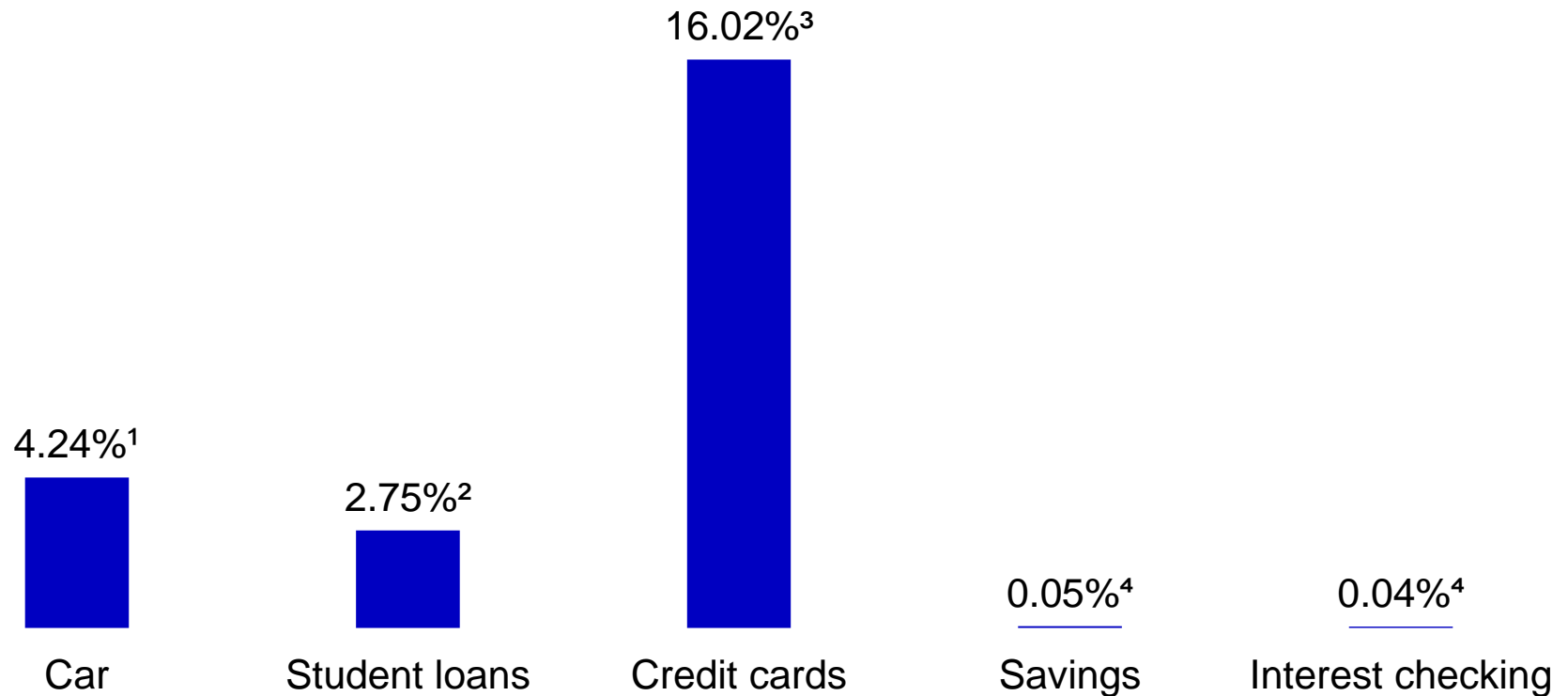
Save for emergencies

Set aside money that can be easily accessed



Key points for Allison (continued)

Not all interest rates are created equal



What would you tell Allison to do?

¹ bankrate.com, as of 9/23/20. Current auto loan interest rates, based on a 60-month new car loan. ² "Interest Rates and Fees on Federal Student Loans, undergraduate, 2020–2021 Award Year," edvisors.com, July 2020. ³ bankrate.com, as of 9/23/20. Current credit card interest rates, based on three-month trends. ⁴ FDIC, September 2020. Weekly national rates and rate caps.

Allison's action steps

1 **Establish** an emergency fund

2 **Understand** the importance of a credit score

- Get a free credit report once a year
- Understand the impact of loans and credit

3 **Manage** debt

- Find lower interest rates
- Consolidate balances
- Check out apps

4 **Invest** more in a 401(k) or IRA

Consider mutual funds, as they offer lower minimums to get started

Sue Robinson, 35

Group discussion

“When we found out we were having a baby, we were so excited. Now that it’s getting closer, we don’t know what to do first. I’m not sure if I’ll want to extend my maternity leave, work part time, or stay at home. Should we look for a bigger home, start saving for college, or get life insurance?”

What are some factors Sue should consider?

Key points for Sue to consider

Life insurance

Rule of thumb: 6x to 8x your salary



Flexible work arrangements

Check out options to work from home, work part time, or job share



Save for college

Even small amounts can add up over time



What other advice would you offer Sue?

Sue's action steps

1

Check current insurance coverage and determine if more is needed

2

Talk to a manager about working part time, from home, or job sharing

3

Name a guardian; update beneficiary forms and will

4

Open a 529 plan for education savings

5

Contribute to a retirement account, even if staying home

Andrea Caponi, 45

Group discussion

“I married my college boyfriend at 25 and worked for a few years before we started our family. When the youngest started school six years ago, I began volunteering in the public schools and at our local hospital. Fast-forward to now, and my husband and I are in the middle of a divorce. I have the three kids with me most of the time; the oldest is starting college in the fall. Financially, it’s been a huge adjustment, and I need to go back to work. I’ve been out of the workforce for 17 years now and I don’t know where to start.”

What are some factors Andrea should consider?

Key points for Andrea

Analyze tax consequences of asset division

Family house versus pension and retirement assets



Understand the financial picture

Review bank statements, tax returns, pay stubs, and canceled checks; determine a household budget



Leverage social networks to restart a career

- LinkedIn offers easy ways to connect with individuals and groups
- Facebook reaches many people quickly and easily



What other advice would you offer Andrea?

Andrea's action steps

- 1 **Network** with friends and gain support
- 2 **Update** beneficiaries, wills, and other documents
- 3 **Consider** freelancing or part-time projects
- 4 **Focus** your resumé on skills and ability, not work history

Many skills are transferable

A volunteer position at a hospital may translate to:

- Chairing a fund-raising committee that raised \$2 million, a 21% increase over past years' donations
- Streamlining the forms process as an emergency department volunteer
- Creating, funding, and launching a children's story hour for patients in extended care

Jenny Wong, 55

Group discussion

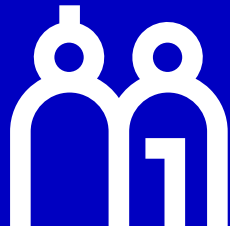
“My mother was diagnosed with Alzheimer’s two years ago. Recently, she had a couple of accidents in her home, so she’s moving in with us—me, my husband, and my two teenagers. She’s still with it much of the time, but her information is in complete disarray. I can barely keep up with her prescriptions and medical appointments. She’s nervous about her money and not sure how much she has or where it all is. I’m considering leaving my job to care for her full time. I’m worried that my mother may have to go to a nursing home.”

Has anyone here experienced something similar?

Key points for Jenny

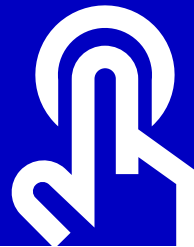
Long-term care insurance

Provides long-term benefits to the chronically ill or disabled—appropriate for those 50 or older who are reasonably healthy



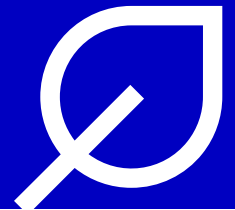
Adult day care resources

Information is available online to impaired seniors and their caregivers



Stress relief

Jenny needs to focus on the impact on her and her family



“Of the women who reach age 65, 58% may need long-term care at some point during their life.”¹

Key points for Jenny, (continued)

Most/very important financial concerns of women

70%

of women say men and women have fundamentally different life journeys

66%

of care provided to older adults is done by women

44%

of adult life is spent outside the workforce by women with children (versus 28% for men), resulting in potential accumulation of \$1 million less than a man might save

41%

of mothers (versus 20% of fathers) say that being a working mother has made it harder to advance in their careers

39%

higher healthcare costs are paid by women than men, during retirement, due to women's average five-year longer life span

Jenny's action steps

- 1** **Involve** family in discussions and decisions
- 2** **Complete** estate paperwork, including power of attorney and health proxy forms, while her mother is still cognizant
- 3** **Meet** with an independent financial professional to avoid conflicts of interest
- 4** **Check** pension and/or vesting requirements before leaving a job

Ellen Anderson, 72

Group discussion

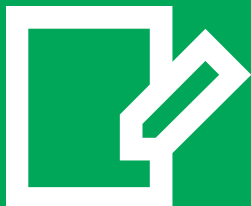
“I was a teacher in the public schools for 40 years before retiring with a pension. I was married to my high school sweetheart at 21, and he passed this year, just after we’d celebrated our 50th anniversary. I have my pension, as well as my late husband’s Social Security benefits, and some stocks and mutual funds, but I worry that it won’t be enough. I’m concerned about the rising price of prescription medications and how long I’ll be able to live on my own without assistance. I’d also like to leave a legacy for my three grandchildren, however small it may be.”

What advice would you offer Ellen?

Key points for Ellen

Estate planning

Wills, trusts, annual gifting, creating and updating beneficiaries, naming an executor, and establishing power of attorney



Leave a legacy

Plan to leave an inheritance to heirs for security, peace of mind, and end-of-life expenses



Understand senior programs

Social Security and Medicare/Medicaid



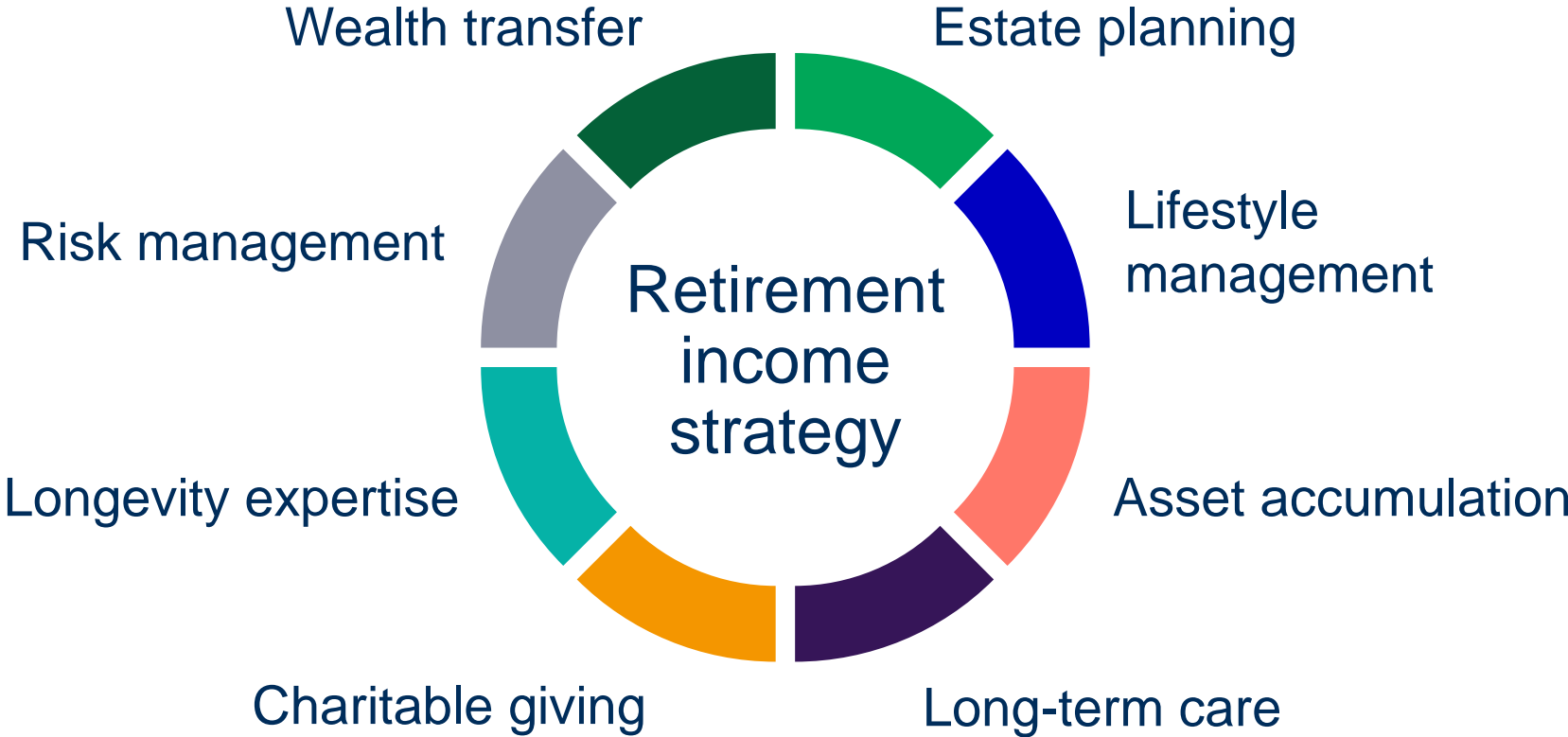
Ellen's action steps

- 1** Create a will and an estate plan
- 2** Assess IRA options to avoid common mistakes
- 3** Establish Roth IRAs/529 plans for grandchildren
- 4** Understand survivor benefits, Social Security, and Medicare/Medicaid

It pays to have a plan

- **Be prepared** for emergencies
- **Insure** for the unexpected
- **Reduce** debt
- Create a will and an **estate plan**
- **Contribute** the maximum to retirement plans
- **Invest** for the long term
- **Seek** expert advice

Develop a total financial strategy



Two types of retirement expenses

Required	Desired
Mortgage/rent	Travel/vacations
Healthcare/prescriptions	Gifts
Transportation	Donations
Food	Dining out
Insurance	Club membership
Utilities	Entertainment

Predictable and consistent

Random and flexible

Legacy planning guidance

Half of all women who become widowed become so by age 65

Do you know
your options for any
inherited retirement
accounts or Social
Security benefits?



Have you thought
about who you're
going to designate
as beneficiary on
these accounts?



Spousal IRA options

Don't automatically make the surviving spouse an IRA owner if:

- The surviving spouse is **under the age of 59½** and would need to take a distribution
- The deceased is younger than 70½, while the surviving spouse is over the age of 70½, so **establishing an inherited IRA might be considered**
- The estate tax exemption **isn't fully used**

Social Security considerations

While both spouses are alive, benefits can be based on their own earning records or on a spouse's benefit. At full retirement age (FRA), benefits are equal to 50% of the higher earner's amount, which decreases prior to FRA.

At FRA, widows can receive the survivor's benefits equal to 100% of their spouse's benefits if it's higher than their own.

Widows can receive reduced benefits at age 60, 50 if disabled, or at any age if caring for a child that's under 16 or disabled.

A financial professional can help

Evaluate
your
current
situation



Develop
short- and
long-term
financial
goals



Create a
financial
plan



Tailor your
investments
to match
your risk
tolerance
and
timeframe



Stay on
track with
ongoing
evaluations



Keys to developing a successful financial plan

Organize your financial picture

John Hancock
INVESTMENTS

Be prepared for emergencies

The best way to handle any emergency situation is to have trusted resources at the ready. Use this worksheet to catalogue your most important contacts and account numbers so that if and when a crisis arises, you'll know exactly what to do.

Emergency services

Police _____ Phone _____
 Fire _____ Phone _____
 Hospital _____ Phone _____
 Primary physician _____ Phone _____
 Pediatrician _____ Phone _____
 Dentist _____ Phone _____
 Veterinarian _____ Phone _____
 Attorney _____ Phone _____
 Town/city hall _____ Phone _____
 Mechanic/Autowing _____ Phone _____

Utility providers

Plumber _____ Phone _____
 Electrician _____ Phone _____
 Electric company _____ Phone _____
 Natural gas/oil _____ Phone _____
 Cable _____ Phone _____
 Phone carrier _____ Phone _____

Nearest neighbors

Name _____ Phone _____
 Address _____
 Name _____ Phone _____
 Address _____
 Name _____ Phone _____
 Address _____

Prepare for emergencies

Estate planning information

Estate planning attorney _____ Phone _____
 Address _____ Email _____
 Power of attorney _____ Phone _____
 Address _____ Email _____
 Healthcare proxy _____ Phone _____
 Address _____ Email _____
 Heirs _____ Phone _____
 Address _____ Email _____
 Location of wills _____

LOANS

Mortgage holder _____ **Second mortgage holder** _____ **Home equity loan holder** _____
 Address _____ Address _____ Address _____
 Phone _____ Phone _____ Phone _____
 Account # _____ Account # _____ Account # _____

Car loan _____ **Car loan** _____ **Miscellaneous loan** _____
 Holder _____ Holder _____ Holder _____
 Address _____ Address _____ Address _____
 Phone _____ Phone _____ Phone _____
 Account # _____ Account # _____ Account # _____

Credit card _____ **Credit card** _____ **Credit card** _____
 Billing address _____ Billing address _____ Billing address _____
 Phone _____ Phone _____ Phone _____
 Account # _____ Account # _____ Account # _____

Social Security Administration 800-772-1213 ssa.gov
IRS (Internal Revenue Service) 800-829-1040 irs.gov
FEMA (Federal Emergency Management Association) 800-521-FEMA (3362) fema.gov

Retirement resources



Contact your
financial professional



Visit our website at
jhinvestments.com

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