

NEWS

BANQUE DE LUXEMBOURG

SPECIAL WOMEN & WEALTH ISSUE

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HOW WOMEN'S RELATIONSHIP TO MONEY HAS CHANGED



—— It was not long ago that women had to ask their fathers and then their husbands for money, even when it was their “own” money. For a long time, money was “men’s business”. Men were the sole breadwinners with responsibility for the family budget, while women had to be content with housekeeping money.

Women fought hard to win the right to have their own money in the 20th century. Having their own money was a form of emancipation and equality. Free from control and dependency, and even dominance, women finally had the satisfaction of a more balanced relationship with men. Today, this ideal of autonomy can still be influenced by the past.

For example, even women who are graduates or have brilliant careers are often unwilling to manage the family assets, which is often perceived to be a gender-specific task performed by men. Women’s relationship to money is

still linked to their role in society, a role focused first and foremost on others, on their children or on the household, planning for the future and taking responsibility for others.

Although women’s economic power continues to grow throughout the world, wage inequality and the famous glass ceiling – including the still-difficult task of sharing responsibilities in the home and dealing with life’s challenges – make them more vulnerable. And all this influences their approach and expectations when it comes to managing their personal finances. They prefer their money to mean something. For while their needs may change at life’s milestones – marriage, separation, a second marriage or even an inheritance – their expectations with regard to wealth remain linked to their plans for the future.

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THREE QUESTIONS FOR VIVIANE CLAUSS,

HEAD OF WOMEN & WEALTH
AT BANQUE DE LUXEMBOURG.

1. WHAT ARE WOMEN'S KEY CONCERNS?

Each new situation in life brings its own set of questions and needs in terms of finance and wealth management. It is usually at life's major milestones (a new job, a change in the family situation – marriage, children, divorce, second marriage, retirement, the death of a loved one and inheritance) that personalised support is required. This can range from structuring accounts, protecting children, or building up wealth over the long term. One of the most common questions we deal with is how to prepare for retirement and maintain a certain standard of living. Indeed, women tend to have a less linear career path than men due to parental leave or part-time work, combined with the fact that they still earn less than men. They have less savings power but tend to live longer.

2. DO WOMEN HAVE A DIFFERENT APPROACH TO MONEY COMPARED TO THAT OF MEN?

Women's needs are more or less the same as those of men, except that women place more emphasis on responsible and ethical investment. Women definitely take a long-term approach to investment, and protecting their children financially is one of their most frequent concerns. They therefore need to talk to someone who understands them, who can put themselves in their situation and whom they can trust. Women are less interested than men in products per se. They talk more readily about their situation and emotions and don't hesitate to confide information. What they are looking for first and foremost is daily support over the long term. But they also want to be taken seriously, understood and supported in their plans.

3. HOW CAN BANQUE DE LUXEMBOURG SUPPORT THEM?

Over the years, our female clients have frequently asked us about family-related issues, savings and wealth management. The Women & Wealth programme is therefore something that they need, but the goal is not to offer specific products. Our response focuses on providing information and sharing knowledge through talks, meetings and discussions with our experts, who can help them better understand what is going to happen and plan accordingly. Then we help them clarify their goals and analyse the state of their wealth so we can guide them towards the most appropriate solutions.

“

*All women are different. We have different lives, personalities, family or professional situations, aspirations, concerns, goals...
But regardless of where you are in life, Women & Wealth is here to answer your questions.*

THE WOMEN & WEALTH PROGRAMME



I need guidance in setting up a portfolio

- How do I start building up savings? What are the first steps? What savings products should I choose?
- Is it better to manage my investments myself or entrust the task to an expert?



I want to plan for my children's future

- Should I open a current account, savings account or savings plan for them? What does each do and what are the goals?
- If my child has a debit card, will they be more responsible for managing their money? How can I monitor their spending?



I want to ensure my financial independence

- I want to secure my future without depending on my loved ones.
- How can I safeguard my standard of living and financial independence over the long term?
- After my divorce, I've had to rearrange my plans. What must I look out for to remain independent?



I want to know what factors will impact my portfolio

- I have chosen to live with my partner as an unmarried couple: what are the tax and estate implications? What happens if I opt for a civil partnership or if we decide to get married?
- My partner is self-employed: what is the best marriage contract to choose?
- Blended families: how do I protect my children when I get married again?



I want to prepare for my retirement

- What capital must I put together to retain my purchasing power?
- I think I still have time to prepare for my retirement but I need to be prudent. When should I start planning?
- I work part time so I can spend more time taking care of my family. How do I know if my contributions will be sufficient to claim a satisfactory statutory pension?



I would like to plan for the transfer of my estate without lowering my standard of living

- What aspects should I be identifying early on that may affect my wealth?
- How do I choose between a will or a gift? What are the tax implications?
- Can I waive an inheritance in favour of my children?
- How do I prepare for the sale or transfer of my family business or my property assets?



I want to stay informed and do some networking

- I want to participate in events that offer a different perspective on finance, the markets, their impact on my investments, art, and so on.
- I want to be able to talk to other women who share the same interests, in a friendly atmosphere.
- How can I monitor market trends and keep up to date with the Bank's news?



I want to simplify my day-to-day life

- I am looking for quick, simple solutions to manage my accounts and communicate with my adviser.
- How do I get an instant overview of my assets in a single click? How do I get this on my account page or smartphone?
- What insurance is included with my Visa Femmes card?
- What preferential rates apply to my current account transactions?



I look at my investments from an ethical and socially responsible standpoint

- How can I support balanced, sustainable development of my investments without compromising my return?
- Can I invest in theme funds, such as renewable energy and ecology?
- How do I donate part of my estate to a general interest cause?
- How do I structure my philanthropic project and manage my donation?

ESTABLISHING A PERSONAL RELATIONSHIP WITH EACH AND EVERY ONE OF YOU

Our Women & Wealth advisers are here to support you with all your financial and wealth management projects. They will listen to you and help find solutions appropriate for your personal situation, while respecting your private life.

Would you feel more comfortable with a male or female adviser? You can choose who will be your personal contact.



WEALTH MANAGEMENT SUPPORT **FOR WOMEN**

WOMEN & WEALTH

Are you looking for ways to make your savings grow? Do you want to prepare more effectively for your retirement without losing purchasing power? Do you feel the need to talk with other women and experts to get more information about the issues that affect you? The Women & Wealth programme offers support and answers to these questions.



“Women often realise too late how life changes impact their savings.”



FOR MORE INFORMATION,
CONTACT:

Viviane Feiereisen
Private Banking Adviser

Women & Wealth offers a range of services and initiatives designed specifically for women. The intent is to listen to your needs and offer personalised advice appropriate for each stage of your life as well as that of your family.

Women more readily include family considerations in their wealth planning. But they often forget about themselves in the process... “Before, our female clients didn’t realise, until sometimes too late, how events in their family or professional life can impact their wealth and financial situation,” says Viviane Feiereisen, Private Banking Adviser at Banque de Luxembourg. “Now they are planning ahead. In general, women start saving earlier than men, whether it’s for the unexpected or for a project that’s important to them. Our teams can also work with them to help them structure a philanthropic project.”

Women & Wealth is also designed to respond to changes in the way that women interact with their bank. The days when a couple would visit their adviser together are long gone. “Today, joint accounts are often being replaced by individual accounts, a third of which are held by women,” says Viviane Feiereisen.

“Women & Wealth is distinctive because it is also part of an initiative to impart information and share knowledge. Our relationships are based on supporting and listening to clients.”

Talks and meetings focus on topics relating to finance and wealth management, and also cover broader subjects such as family and society. Here is an opportunity to meet experts, discuss the things that matter to you, and share your experience. In addition, as a subscriber, you will receive a monthly newsletter via email.





✦ Viviane Feiereisen,
Private Banking Adviser, Women & Wealth

MANAGING YOUR ASSETS

THE TEN GOLDEN RULES

01 — DEFINE YOUR INVESTOR PROFILE

This means determining your capacity and willingness to take risks. The capacity to take risks depends on three criteria linked to your situation: investment horizon, the size of your portfolio, and future expenditure related to your projects. Your willingness depends on individual perception.

02 — BUILD A DIVERSIFIED PORTFOLIO TAILORED TO YOUR RISK PROFILE

Diversifying your portfolio helps to reduce the risk carried by the entire portfolio. You may diversify from a geographical point of view or by asset class (equities, bonds, and so on). A properly diversified portfolio is more resistant to periods of recession than a portfolio invested in a single asset class.

03 — TAILOR YOUR PORTFOLIO TO EACH KEY STAGE IN YOUR LIFE

The composition of your assets depends on where you are in your life. For example, if you are going to need short-term financing to buy a house, you shouldn't invest your money in equities.

04 — INVEST OVER THE LONG TERM

Investing over the long term smooths out market fluctuations and reduces the impact of market slumps, which are always inevitable.

05 — STAY INVESTED, RATHER THAN ATTEMPT TO TIME THE MARKET

Market timing is very random. If you sell off your positions in an attempt to time a dip in the market, you risk losing out on the profit from a future rise in stock prices.

06 — INVEST REGULARLY

This is the only proper way to build up assets over the long term. Investing during high and low periods gives you an average purchase price.

07 — CONTROL YOUR EMOTIONS

Emotions are investors' worst enemy, making them feel obligated to act in uncomfortable or unforeseen situations.

08 — HAVE REASONABLE PERFORMANCE EXPECTATIONS

You need to keep your performance expectations in check and bear in mind that a period of above-average returns may be followed by a long run of negative returns.

09 — BEWARE OF FADS

Following market trends and investing in trendy securities is the best way to expose yourself to a risk of permanent loss of capital.

10 — UNDERSTAND YOUR INVESTMENTS

It is essential to invest in solutions that you understand and avoid products that are too complicated. It is also important to invest in good quality assets because even if they experience a temporary loss, they will not fail in the long run. Also, do not overpay for them, because the price you pay will determine the future return on your investment.



FOR MORE INFORMATION,
CONTACT:

Angela Murrell
Private Banking Adviser



At each stage in life, we face a new set of challenges that affect our financial situation. As more and more people are entering into second marriages, it is important to take into consideration the impacts of blended families on wealth management.

BLENDED FAMILIES

SUCCESSFUL WEALTH MANAGEMENT

INVESTING DIFFERENTLY

Many of our clients are starting to look at their investments from an ethical and socially responsible standpoint, because creating long-term value should not be based purely on financial criteria.

You can support balanced, sustainable development of your investments without compromising returns. Some international equity funds combine a best-in-class approach with the application of ethical criteria when selecting securities.

You can also invest in theme funds, such as renewable energy and ecology.

Our teams will work with you to help you structure your philanthropic project and manage your donations to a general interest cause.



A NEW FAMILY SETTING

In an increasingly globalised world, new lifestyles and new expectations are giving rise to new family structures. Because blended families do not correspond to a set model, tailor-made solutions are required. Wealth-related issues, especially when it comes to estate planning, require a very specific approach.

MORE COMPLEX WEALTH MANAGEMENT

Estate planning is an experience that is unique to each person. With blended families, it is even more important to make the right arrangements for your estate, tailored to your personal situation and in line with the donor's concerns and projects. In the case of blended families, it is essential to identify not only the aspects that

families need to consider, but also their impact on the ways assets can be shared within the couple or between generations. If the parent wishes to protect their children from a first marriage and/or protect their new spouse, provisions also need to be made.

PERSONAL SUPPORT

In response to life's twists and turns, Banque de Luxembourg's Women & Wealth programme supports, listens to and provides personalised advice. Women & Wealth advisers are specially trained in all aspects of family law, finance and wealth management. By listening to and supporting their clients, our advisers help find the most appropriate solution for each personal situation. "We are committed to building close, personal relationships with each of our clients and helping them organise their assets throughout their lives," says Peggy Damgé. "We help them manage the unexpected by providing personalised responses to questions such as how does a second marriage impact my estate? How can I increase the protection of my surviving spouse? Can I pass all of my estate to the children of my first marriage? Do inheritance laws differ if there are children in common or children from a previous marriage?"

FOR MORE INFORMATION,
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Peggy Damgé
Private Banking Adviser



Longer life expectancy, a less linear career... When it comes to retirement, women have a disadvantage compared to men. Which is why you need to start planning today.

RETIREMENT

PLAN AHEAD TO MAINTAIN YOUR STANDARD OF LIVING

INEQUALITIES WHEN IT COMES TO RETIREMENT

From pregnancy to parental leave, women tend to have less linear careers compared to men. In 33% of couples in Luxembourg, the woman does not work. And 38.3% of them opt either to work part time or take a career break. This all has an impact on a woman's pension at retirement.

START PLANNING AS EARLY AS POSSIBLE

This is why it is essential to start planning for retirement as early as possible. And given that women tend to live longer than men (the average lifespan of a woman is 85 compared to 78 for men), their retirement will also be longer. Using private savings to supplement the statutory pension is the best way to deal with the gap between salary and pension. However, finding your way through the myriad of solutions on offer is no easy task. To make a wise and informed decision, you need to seek expert advice, and consider your sensitivity to risk and performance objectives.

"Our clients are concerned about whether their pension contributions are sufficient to receive a reasonable statutory pension," says Dirk Leisteco, Private Banking Adviser at Banque de Luxembourg. "Our role is to take into account unexpected events that may impact the retirement age, and estimate how much capital women should build up in order to maintain their standard of living. Preparing for retirement is one of the key objectives of our Women & Wealth programme."

♥
"38%
of women opt
for part-time work or
a career break."
♥



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FOR MORE INFORMATION,
CONTACT:

Dirk Leisteco
Private Banking Adviser

HAVE YOU STARTED PLANNING FOR YOUR RETIREMENT?

When can you afford to retire? How much should you save to maintain your standard of living when you retire? To help find the answers to all your questions, our Women & Wealth specialists will help you define:

■ THE INCOME

you will need to maintain your standard of living on retirement and the amount of capital you need to save by the age of 65.

■ THE INVESTMENTS

you should choose based on your sensitivity to risk and your performance objectives in order to ensure your financial independence.



Just because our life expectancy is increasing doesn't mean that we should put off inheritance planning. On the contrary, it is important to consider the impact that a personal situation can have on the ways an estate will be divided up. So, how can you go about making the best arrangements for passing on your estate?

ESTATE PLANNING

MAKING ARRANGEMENTS TO PASS ON YOUR ESTATE



Women tend to be forward thinking and readily make family considerations a key component of their financial plans. They are concerned about protecting their children or partner when it comes to passing on an estate or inheritance.

THE IMPORTANCE OF THE MARRIAGE CONTRACT

The first priority is to be selective with regard to the marriage contract. This will govern the financial relationship between the future spouses and decide how the estate is divided up between the beneficiaries. An additional portion of the legacy, beyond what is legally stipulated, can still be allocated to the surviving spouse through a will. However, this additional portion can never deprive the children of the minimum portion of the legacy to which they are entitled.

WHO INHERITS?

Assets are allocated to the person with the closest family relationship or to the person appointed by the deceased as heir, should that person accept the inheritance. But no two inheritance situations are the same, and it is important to consider aspects such as the family situation, the ages of donor and beneficiary, the composition and location of the assets, and the heirs' country of residence.

TRANSFERRING ASSETS

"Often women realise too late how their family situation can impact their financial situation," says Claude Medernach, Legal Adviser at Banque de Luxembourg. "We have noted that our female clients are starting to think about these things ahead of time. And our role is also to raise awareness of the importance of estate planning as early as possible." Given the many different life situations, expert advice should be sought to ensure a smooth handover of assets. "We support our clients with the organisation of the inheritance process and help them with the relevant legal documentation," continues Claude Medernach. "We also put them in touch with specialists such as notaries, lawyers, accountants and tax advisers, while ensuring that their needs and projects are considered throughout the process."

HAVE YOU MADE ARRANGEMENTS FOR YOUR ESTATE?

To help find the answers to all your questions, our Women & Wealth specialists will help you:

- **ANALYSE**
your personal, family and asset situation.
- **DRAW UP A PLAN**
for passing on your estate.
- **ANTICIPATE THE IMPACT**
of your marriage contract on how your estate will be shared out.
- **DETERMINE THE IMPACT**
when children are involved.
- **DECIDE**
what type of estate transfer you should opt for based on your personal situation.

FOR MORE INFORMATION,
CONTACT:

Claude Medernach
Legal Adviser



OTHER ASPECTS OF WOMEN & WEALTH...



PLANNING FOR YOUR CHILD'S FUTURE

Saving for the future or teaching your children to manage money on a day-to-day basis? We offer your children services specially tailored to their current and future needs.

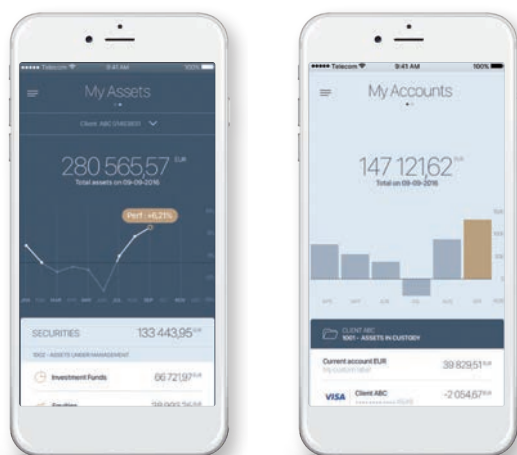
Saving for their future

You can set up a savings account to help them build up starting capital and open a savings plan where your savings are invested regularly in one of the Bank's investment funds.

Becoming independent

Once your child reaches 12, we offer a special package tailored to their needs. This includes a current account, a V-PAY card, online banking, a loyalty programme and an advantage card.

At 18, plans and projects start to emerge. We offer student loans, personal loans, mortgages, credit cards, etc.



SIMPLIFYING DAY-TO-DAY LIFE

Do you want to manage your accounts, communicate with your adviser, benefit from special insurance and enjoy preferential fees and conditions?

Manage your accounts securely at any time

You can view your accounts on your laptop or smartphone using the BL Mobile Banking app.

Choosing the card that's right for you

We offer a full range of debit and credit cards (VISA/Mastercard) to suit your needs, including:

- Supplementary insurance benefits with the VISA F payment card
- Secure online payments with the VISA Web card
- Premium access to airport lounges and concierge services with the VISA Infinite card.



INFORMATION, NEWS AND EVENTS

Would you like to talk to specialists from the Bank or other experts? Keep in touch with what's happening at the Bank: check our blogs, subscribe to our newsletters and follow us on social media.

BL news blog

Find out about developments on the markets and take part in discussions about portfolio management, wealth management, financing issues and general news.

Talks and workshops

Women & Wealth gives you the opportunity to take part in events on topics related to finance, law and tax, as well as other subjects, such as the family and changes in society.

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