

National WOMEN'S MONTH

Celebrating our wonderful women

More than half of South Africa's population is female. Data from StatsSA shows that the life expectancy of women in South Africa in 2020 was 71.3 years while that of men was 64.6 years.

Women have come a long way with a long way still to go, but more and more, women are being recognised and treated as equals in all spheres of life. With this independence comes the need to be self-sufficient – especially when it comes to financial planning for the long term ... and women are doing it for themselves, on top of all the other things they already do for those whom they love.

What can women do to plan for a more secure retirement?

As with all things, knowledge is the key to empowering yourself. By understanding the options and benefits you have through your retirement fund, and your own financial advisor you can ensure that you will be financially secure without having to depend on anyone else. It feels great to have the confidence that you are able to control your own money matters.

Remember that, not only are you likely to live longer, but the length of your working career may be shorter than that of a man your age, due to the need to care for children or other relatives at various points during your career.



5 tips for wonderful working women

- 1** Your retirement fund will have a member guide and/or a website that will help you to understand your benefits and any options provided, whether it be contribution rates or investment choices. It will also indicate what you are covered for in terms of risk benefits (death, disability and funeral cover). You will also receive a benefit statement each year. Make sure you are familiar with these documents, and that you understand them.
- 2** **Standing on your own two feet** now will bring stability to your future. That's not to say you're expected to become a financial expert overnight. By getting professional advice from a certified financial advisor, you'll be able to make some wise decisions that could put you on the right track for the long term.
- 3** **Take positive steps to improve your situation** – it's never too late to start saving, or to add more to what you've already saved. Women are, on average, more risk adverse than men however, when it comes to investments, a bit of risk when you are young enough and have a long investment horizon, is not necessarily a bad thing in order to grow your long term savings. Once again, your certified financial advisor will be able to help you tailor an investment strategy that suits your personal circumstances. Make the time to choose an advisor that is a good fit for you, and who understands your personal long-term goals and how to reach them realistically.
- 4** If you have a little extra money to save, then **making additional voluntary contributions to your retirement fund** and / or taking advantage of a tax-free savings account are ways to supplement your existing retirement plan. Remember, your retirement contributions are tax deductible up to 27.5% of your taxable income to a maximum of R350 000 per annum; also you can contribute up to R36 000 per annum and R500 000 in your lifetime to a tax-free savings account and all interest/investment return earned thereon will be totally tax free.
- 5** Our lives are changing all the time. Every year, **take the time to investigate your investment options** and to review whether your investment portfolio is still suitable, based on your age profile, your planned retirement date, your post-retirement plans, and any other personal requirements you may have. Similarly with the rest of your benefits and risk cover, be sure to check that these are in line with the number of dependants you have. And of course, don't forget to update your nomination of beneficiary details as well, when necessary.

So many people rely on women, therefore women owe it to themselves and to those they love to plan in a way that ensures their happiness and those who are dependent on them.