

Scan her: wealth

How wealthy
Scandinavian women
view being wealthy



Scandinavian women and their wealth – a survey in co-operation with Kantar Sifo Prospera 2020



In unique collaboration with Kantar Sifo Prospera, Formuesforvaltning and Burenstam & Partners looked into how wealthy Scandinavian women have generated and manage their financial wealth.

The goal has been to map and shed light on what wealthy Scandinavian women want to achieve with their capital, what is important when they are investing, and what their wealth means to them. The results vary and show both similarities and differences between wealthy women in Sweden, Norway and Denmark.

Women: the new financial decision-makers

When we turn on the TV, read the stock market pages in the newspaper, or search for financial news on social media, we encounter an ever-increasing trend: women are more and more visible, they are performing macroeconomic analysis and commenting on the ups and downs of the stock exchange.

The financial industry has been male-dominated for decades. On both sides of the table. Likewise, it is likely that both the wealth advisor and the financial decision-maker is a man. But this is about to change.

Today, one third of the world's wealth is controlled by women – and it is expected to increase significantly in coming years.. A share that is expected to increase significantly in coming years. We are facing a great wave of generational change, where enormous values will be passed on the next generation. Historically, family fortunes have most often been controlled by men. They have made the major investment decisions, and previous generations' fortunes were often transferred from men to men. Today's heirs are much more on equal footing.

The number of female financial decision-makers is steadily increasing, and they are paving the way for future generations. When more women actively exercise their ownership, the dynamics change. The women achieve financial independence and influence. They become role models, helping to slowly break down old structures. This represents one of the largest, and perhaps most important, economic changes lying ahead.

In our everyday lives as wealth advisors, we see this change taking place. Since our vision is to give our clients "A Richer Life", we are involved in discussions that go beyond just

financial wealth. That's why the real result of Formuesforvaltning's advice is greater than the financial returns alone. We want to help clients make the most of their wealth and potential. But to get there, we sometimes have to ask uncomfortable questions; new questions in our constant search for new answers. "Scan Her Wealth" is a result of these new questions being asked. In this survey we have interviewed 400 Scandinavian women with significant financial wealth.

In client relations where the decision-maker is a women, we often find that the discussions become comprehensive and long-term. Those are good qualities when it comes to preserving and developing family fortunes. That wealth carries with it great responsibility, is clear among our female clients. The pressure is both challenging and sometimes burdensome. Our survey shows, among other things, that a majority of women are interested in both in both sustainable investing and achieving a high return on on their capital. Thus it is not without importance who will be managing the the capital in the future.

With this report we hope to shed light on dreams, thoughts and challenges from a client group set to achieve far greater influence. Many of you reading this will likely see yourself in these women's thoughts and wishes. Don't hesitate to share your thoughts with us.



Carl Sjöström
Chief Marketing Officer
Formuesforvaltning/Burenstam
& Partners

We asked the wealthy Scandinavian women about how their wealth arose, to see if and how the answer affects their experience of being wealthy.

Denmark

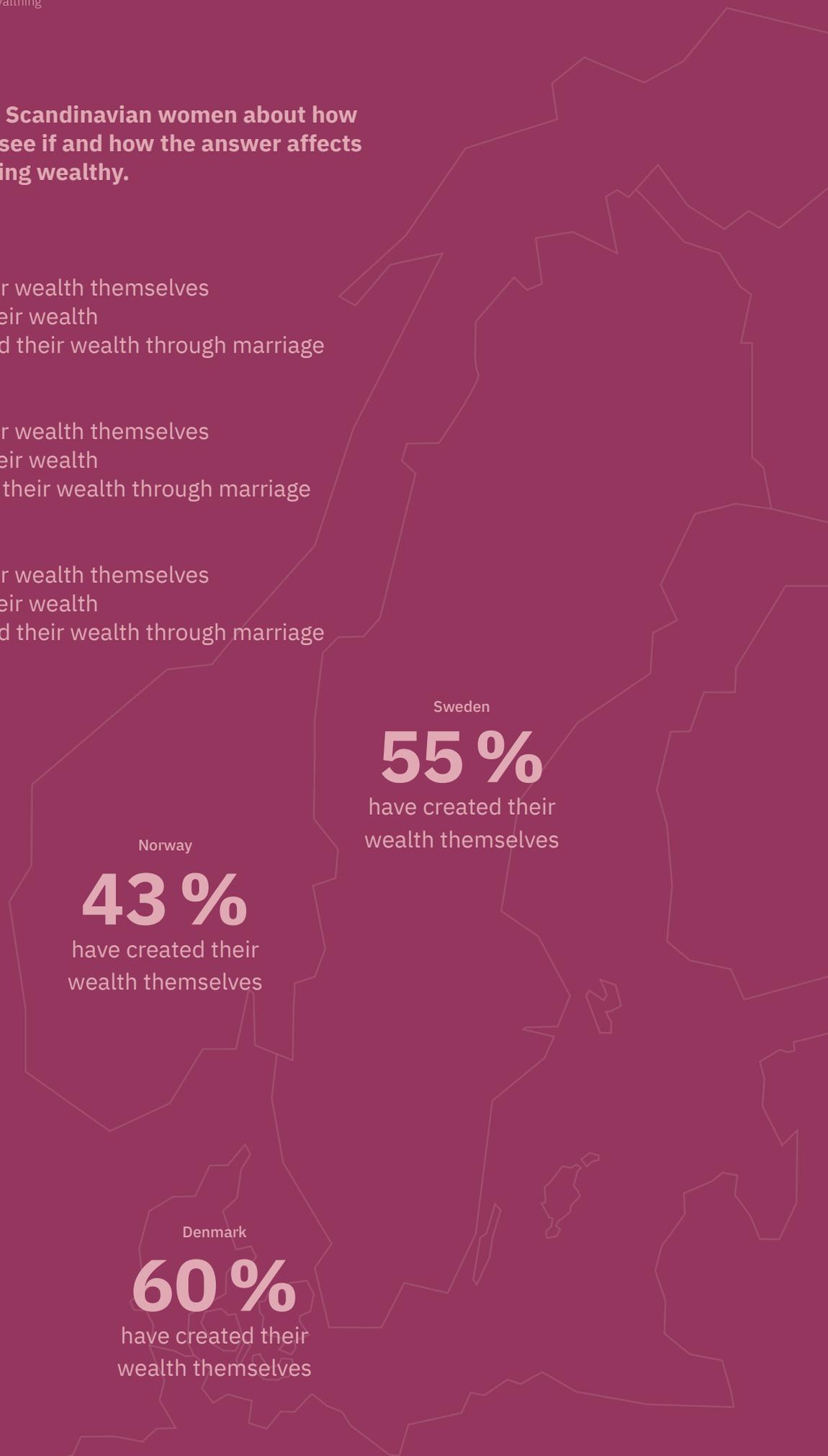
60 % have created their wealth themselves
17 % have inherited their wealth
13 % have accumulated their wealth through marriage

Sweden

55 % have created their wealth themselves
24 % have inherited their wealth
4 % have accumulated their wealth through marriage

Norway

43 % have created their wealth themselves
35 % have inherited their wealth
15 % have accumulated their wealth through marriage



Norway
43 %
have created their
wealth themselves

Sweden
55 %
have created their
wealth themselves

Denmark
60 %
have created their
wealth themselves

The majority have created their wealth themselves

Most Scandinavian women have created their wealth themselves, but there are differences between countries – also in regards to what their wealth means to them.

Of the 400 Scandinavian women who participated in the survey, a little more than half answered that they have created their wealth on their own, but there are differences between countries. 60 percent of the Danish women reply that their wealth is self-created. Among wealthy Norwegian and Swedish women, 43 and 55 percent say that their wealth is self-created.

It is clear that most Norwegian women say that their wealth has arisen through inheritance and marriage. This can be explained by the fact that over 40 years ago, in the 1970s, Norway began to extract oil, which quickly made the country rich and increased Norwegian wealth. Much of this wealth has already been transferred to the next generation.

Wealthy Scandinavian women uniformly agree that the most important thing about wealth is the security it gives to live the life they wish for themselves and their family. 92 percent of the Danish women in the survey agree with that, with Norwegians and Swedes closely behind. In this case the origin of their wealth has little to say for their answers. We see that far more Swedish than Danish

»Scandinavian wealthy women generally agree that the most important thing about wealth is the security it provides to live the life they want for themselves and their families.«



- Their wealth is self-created 53 %
- Their wealth arose through marriage 11 %
- Their wealth arose through inheritance 25 %
- Other/Don't know/No answer 11 %

women see wealth as a proof of success or hard work. This view applies especially to those who have created their wealth themselves.

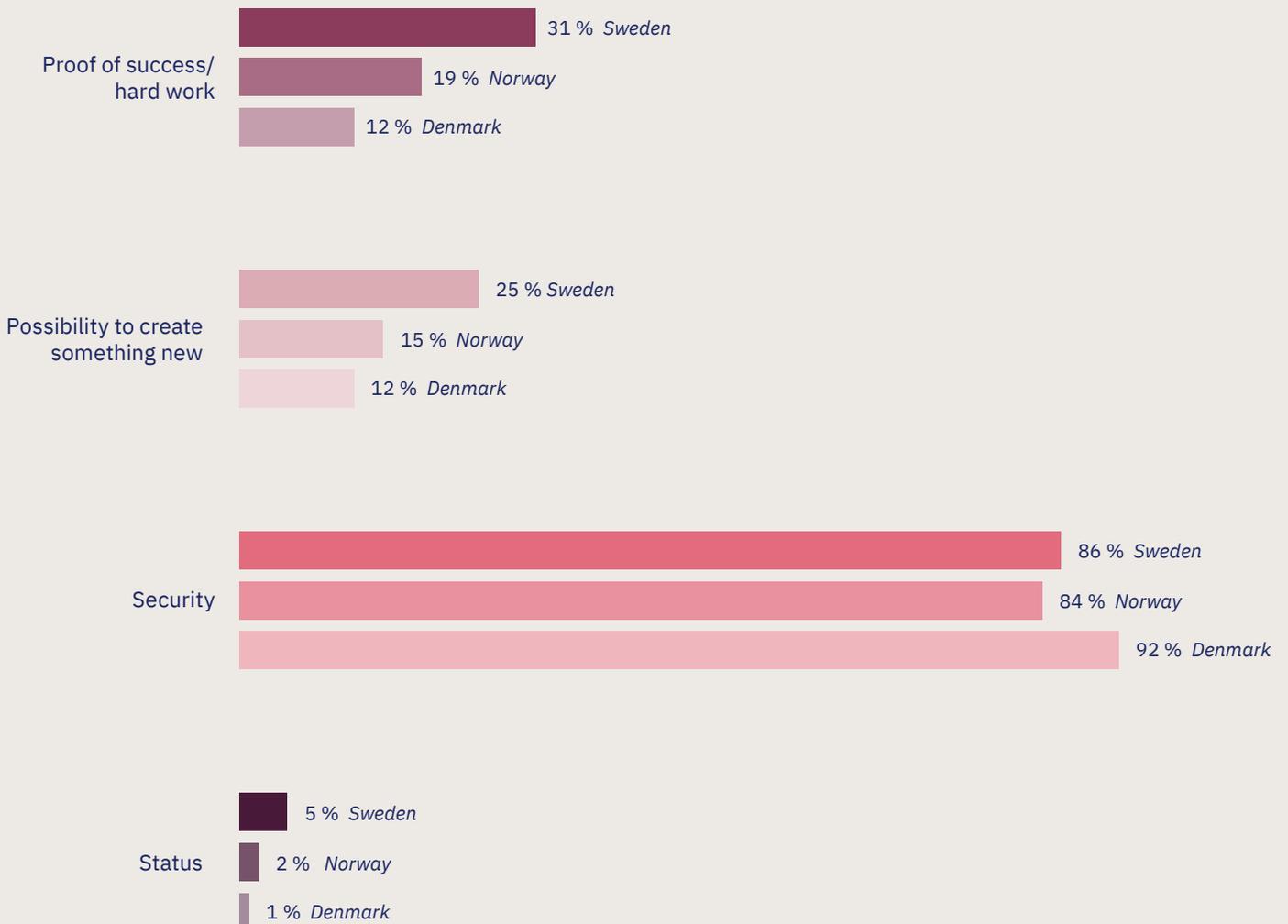
The Swedish women are also far more focused on the opportunity wealth provides to create something new (25 percent). Among the Norwegian and Danish women, the corresponding share was 15 and 12 percent. Swedish women's interest in creating something new can be tied to how entrepreneurship and access to venture capital historically has been better in Sweden than in its neighbour countries, and helped create substantial wealth through companies such as Spotify, Skype and Klarna. Across all three countries we see that those who inherited wealth are the most focused on creating something new.

The status tied to their wealth has a very little importance for the Scandinavian women. Only three percent of the respondents says that they associate wealth with status.

Security and possibilities

Wealth has various meanings for women. Here is how Scandinavian women answer the question about what wealth means to them.

We asked wealthy Scandinavian women about what it means for them to be wealthy.



80

80 percent of Norwegian women believe it is important to preserve their wealth for future generations. Among Swedish and Danish women, the corresponding percentage is 67 percent and 54 percent, respectively.

»It probably varies what wealthy means to each and every person«

When Anna sold her stake in the family company, she decided early on to invest the capital.

It was five years ago, Anna, who in the meantime has turned 40, decided to be bought out from the family business. She and her sisters were co-owners of a joint stock company going back to when their father made a generational change for the company. But Anna did not want to stagnate in the family business.

– I wanted to take it easy and also have the freedom to make my own schedule. Freedom means different things to different people, but for me it was to be able to spend more time with family. I wanted to be home with my family.

Anna describes growing up as having two hard-working parents, and maybe it was just that experience that made the choice both easy and obvious.

– My childhood was characterized by work. My parents worked very hard and it was important for the family, but it was also brought with it a lot of stress.

After Anna was bought out, she has been

given more time, also the opportunity to invest. Early on, she decided to invest her capital.

– I probably have had a hundred ideas about what I wanted to do with the money, but for my part it was probably easier to invest than to spend. I usually follow my gut instinct when I do investing. If it does not feel right, pull away. My husband is more interested in making decisions based on facts. I don't think it has anything to do with gender differences in our case, it's more how we are as people.

Anna hopes that more and more women will find their way to the stock exchange and enter the financial markets. Perhaps in a few years, the statistics will reflect just that, maybe going hand-in-hand with the increasing number of wealthy women.

– Even though the distribution of men and women has become more even recently, women have not been the only one to draw the short end of the stick due to a lack of equality. In general, I think men have a lot to win by letting the women in, and I believe that it is very important that women take control over their wealth. Not least because I myself have four daughters, she concludes:

– It probably varies what rich means to each and every person, but based on my values, I feel rich nearly every day.

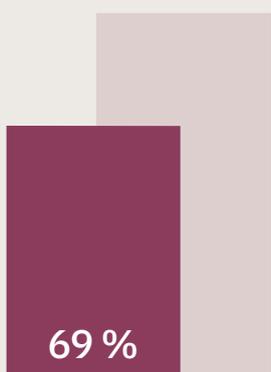


Anna is one of our satisfied clients whom we have had the pleasure of knowing through a long-term client relationship.

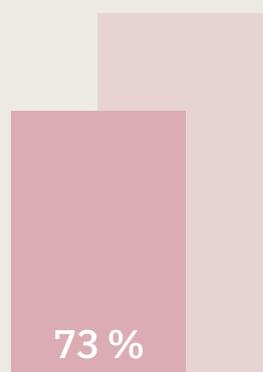
Preserve and develop

This is what Scandinavian women think is important when they invest their capital:

We asked wealthy Scandinavian women about what is important for them when they invest their capital.



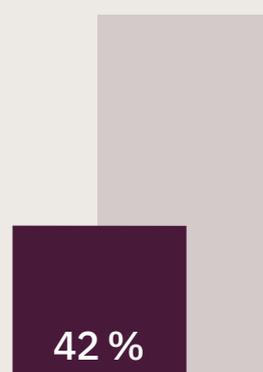
Think it is important or very important that the investments contribute to a sustainable society.



Think it is important or very important with high returns.



Think it is important or very important that their wealth is preserved for future generations.



Think it is important or very important to contribute to financing new companies who create jobs.

»Many women want to contribute to a sustainable society«

Lina Bjuhrberger has been a wealth manager, working with wealthy women and men, for more than ten years. In recent years, she has noticed that women to a greater extent have built up their wealth themselves.

I see more and more women distinguishing themselves both in business and by taking on an entrepreneurial role. This is confirmed in the survey. The results show that Scandinavian women's wealth is primarily self-created.

In the past, I saw far more often that women's wealth came from marriage or inheritance. Often I also experienced that men had their own portfolio of equities where they were nearly unchallenged, and men were stronger in questions about financial rights. I think it's getting harder for men to keep this lead. More women are becoming active owners of their capital, and more and more are taking a natural role in the dialogue about their wealth.

The results from the survey show that the majority of Scandinavian women consider wealth to be a security. That means security to live the life they want – and nearly two thirds will use their invested capital to preserve their wealth for future generations. Women are generally more interested in securing the future.

Another important factor related to invested capital is the return. The required rate of return and expectations for returns vary and depend, among other things, on their background and attitude toward risk. Female investors generally want to be informed about possible scenarios, and in general, I think they take more calculated risks. There are usually no short-term investments, but long-term strategies to create value over time. Women no longer find themselves left



Lina Bjuhrberger
Wealth manager in Burenstam & Partners, Formuesforvaltning's Swedish subsidiary

behind on the stock market, and more and more of them feel comfortable with equity investments.

I see that Scandinavian women are focused on investments being sustainable. That can include issues regarding women's working conditions and rights in developing countries. It is also a question about caring about and wanting to improve the world that children and grandchildren will live in. Taking part in financing new companies that create jobs comes second, after the issue of sustainability. My experience is that women normally don't choose to become "multipreneurs", but that they would like to give back in a different manner. Perhaps they choose to boost young women, be engaged in start-up hubs or contribute to charitable causes that have a special personal significance.

The survey confirms that wealthy Scandinavian women are financially conscious. I am looking forward to help even more women achieve their wishes with their capital.

Sustainable society

Scandinavian women are focused on sustainability when they invest their capital.

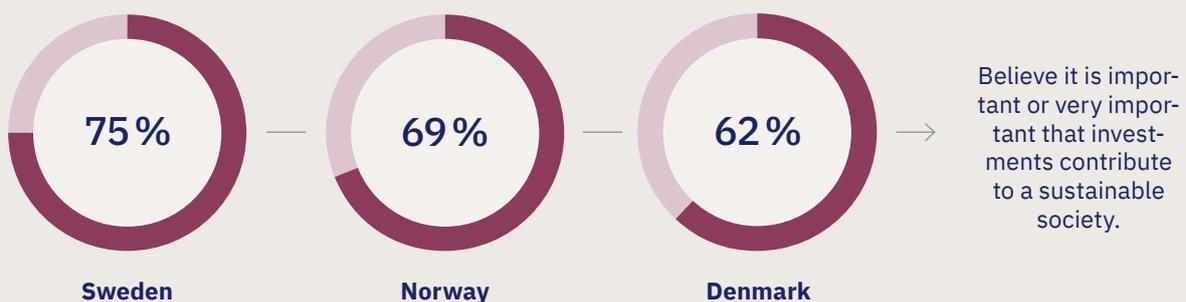
Sustainability is an engaging topic, and the demand for green investments on the stock market is rising. That provides listed companies a chance to raise capital, and on the other hand, it gives people with capital the possibility to make a difference.

Wealthy Scandinavian women are focused on their capital being invested in sustainable alternatives. 69 percent believe that it is important or very important that their investments contribute to a sustainable society. Swedish women show a greater commitment to this than both Norwegian and Danish women. The interest in sustainable

investing also varies, depending on how their wealth was created. Among Scandinavian women with a self-created wealth, 66 percent consider this important or very important. For those who have become wealthy through marriage or inheritance, the numbers are even higher at 71 and 72 percent.

As more women invest and make active investment decisions, the availability of capital increases for value-run and sustainable companies. That in turn can help more sustainable companies to reach a stronger position on the stock market, and in the long-term maybe make sustainability easier to achieve for coming generations.

We asked the wealthy Scandinavian women about how important it is that their investments contribute to a more sustainable society.



Create jobs

Wealthy women are focused on investing their capital to finance new companies that create jobs. Norwegian women pay the most attention to this.

KANTAR Sifo, autumn 2020. Statistically significant differences between the reference group and the complement group are calculated at the 95 % level with the chi-square method.

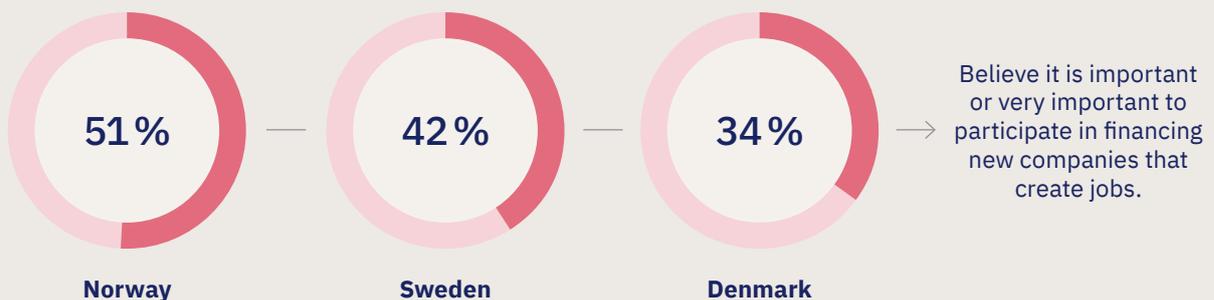
Ownership in listed and unlisted companies is dominated by men. But this is changing. The emergence of many investment networks for women shows that interest in taking ownership is increasing, whether it be in companies on the stock exchange, or unlisted ones.

Half of the wealthy Norwegian women respond that investing in new companies that create jobs is important or very important. They show greater interest for this than the Swedes and far greater interest than Danish women. We see that more of them who have accumulated their wealth through inheritance reply that this is important or very important

than those who have self-created wealth (53 percent versus 39 percent). The reason for this could be that more of those with self-created wealth are still active owners in the companies they have founded.

Investing in new, unlisted companies often implies taking bigger risks and having a more long-term perspective than when you invest in listed companies. By building an investment portfolio with many different asset categories and by spreading the capital among many different companies, you can invest in new companies without taking on too many high investment-risks.

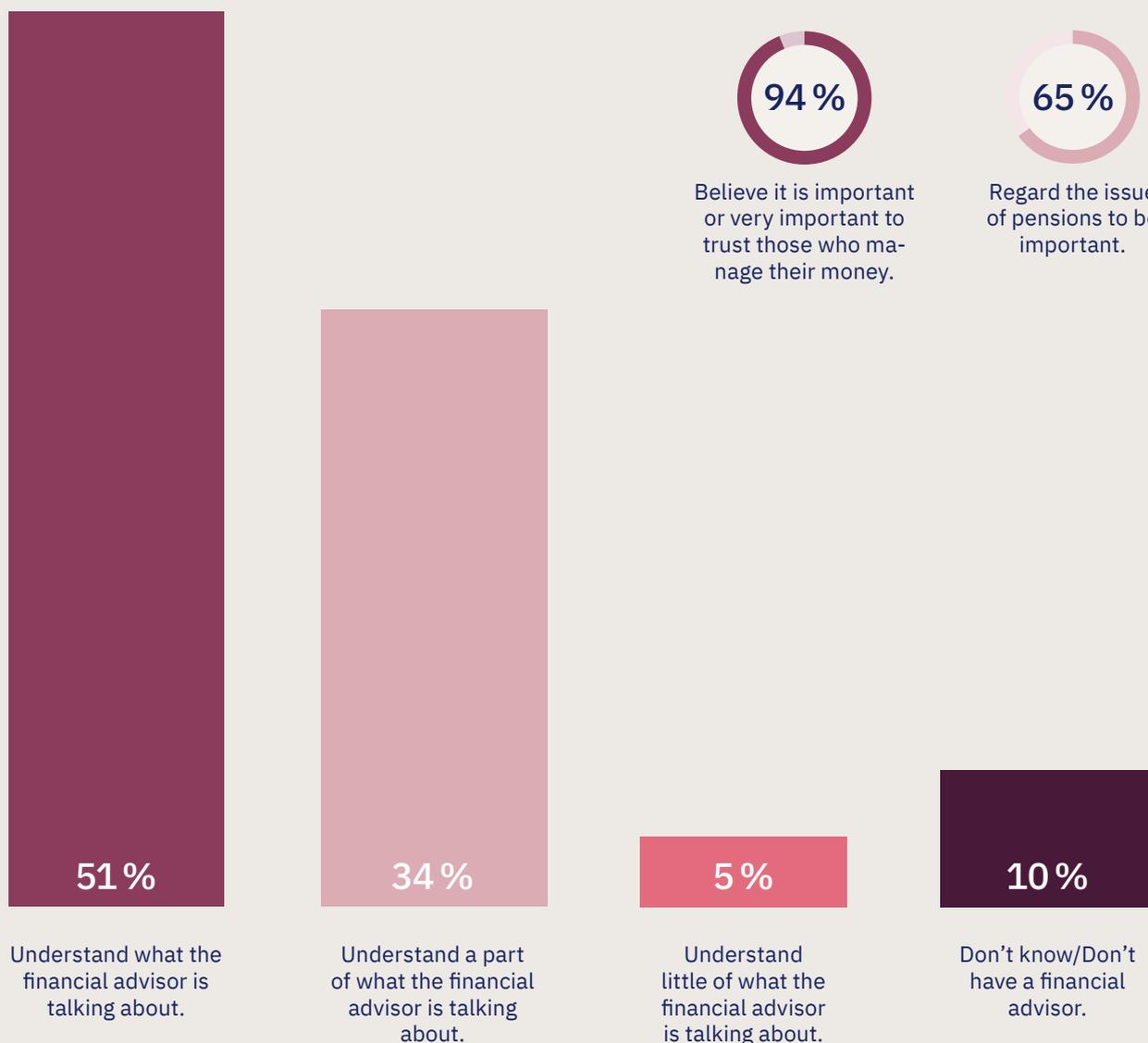
We asked the wealthy Scandinavian women about how important it was for them to participate in financing new companies that create jobs.



Advisory and management

We asked the wealthy Scandinavian women about how they view their financial competence.

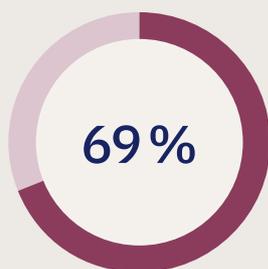
KANTAR Sifo, autumn 2020. Statistically significant differences between the reference group and the complement group are calculated at the 95 % level with the chi-square method.



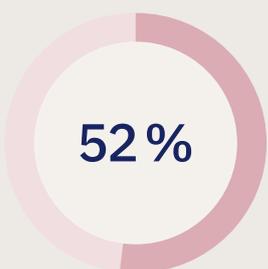
Pension and security

We asked the wealthy Scandinavian women about how focused they are on questions regarding pensions.

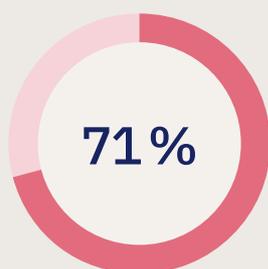
KANTAR Sifo, autumn 2020. Statistically significant differences between the reference group and the complement group are calculated at the 95 % level with the chi-square method.



→ Believe it is important or very important to get an overview, be able to influence and know which possibilities they have with their pension. This is more important for Norwegian women (80 percent) than for Danish or Swedish women.



→ Believe it is important or very important to know about the consequences of separation/divorce for their pension. This is notably more important for women who have accumulated wealth through marriage.



→ Believe it is important or very important to know about the pension-related consequences of death. This is more important (81 percent) for women who have accumulated wealth through marriage.

»With increased responsibility for your own pension comes more possibilities and increased opportunities for influence«

Pensions affect everyone, regardless of wealth, age or gender. That is according to Formue's pension expert, Alexandra Plahte.

Pensions affect everyone, regardless of wealth, age or gender. Many think of pensions only as old-age pensions, but what if something unexpected happens? Disability benefits, disability pensions and survivor's pensions are also pensions.

A pension isn't necessarily any longer a question about retirement, but about withdrawals. Everyone has many combinations of possibilities and choices.

It is thus not surprising that nearly 70 percent of the wealthy Scandinavian women respond that they consider it important to gain the knowledge about the alternatives they face.

The survey shows that over half of respondents are concerned about the pension consequences in case of a divorce. There is little doubt that a divorce can feel extra unjust when it comes to accumulated pension savings. Not least for one who, typically due to the division of labour at home, has little or no pension savings above and beyond the minimum pension level. Many are actually not aware that the main rule saying "what you make together, you share together", does not apply correspondingly for pensions. With low or no pension-qualifying income, the safety net in the case of sickness or disability will be small.

Many entrepreneurs, women as well as men, have lower pensions from National Insurance or the Pension Agency than most people. That is often due to a lack of awareness regarding, for instance, how tax planning can impact



Alexandra Plahte
Pension expert, Formuesforvaltning

both an old-age pension, disability benefits and survivor's pension from the National Insurance Scheme or Pensions Agency. The same applies to other important benefits such as sickness benefits and the Work Assessment Allowance (AAP in Norway).

With increased responsibility for your own pension comes more room for manoeuvre and increased opportunities for influence. It is too late to plan your pension finances when you are approaching retirement age or when unforeseen events have already occurred.

Even for those who aren't financially dependent on a pension from the National Insurance Scheme/Pensions Agency and through their employer, it is important to feel secure that you receive the benefits you are entitled to, and that you won't lose valuable benefits due to incorrect choices.

My advice is simple: Think in terms of life phase finances. Get an overview about the consequences of the choices you are facing, and remember to take into account unforeseen events.

46

46 percent of Danish women want to use more time on travel/experiences. For Swedish and Norwegian women, the corresponding shares are 27 percent and 38 percent, respectively.

»Much time is spent worrying about everything we don't accomplish«

How we decide to spend our time is one of the most important choices we make in life, says Alexander Heiberg, Head of wealth planning.

Capital is an important resource to achieve the dreams and goals we have in life. But even with unlimited means, we can never buy more time. How we choose to spend time thus becomes one of the most important choices we take in life.

The digital development has challenged ownership in the times we live in. We are available roughly 24/7, and we are easily distracted from things we had planned to do. And not least, we use much time keeping track of what others are spending their time doing.

To have a busy schedule is a status symbol for many. To waste time is considered something negative. If we have free time, many feel the need to fill the empty schedule with something productive. But is a full-packed calendar the road to a wealthier life?

American Stephen Covey, author of the best-seller *The 7 Habits of Highly Effective People*, believed that you should look at time as something you invest and not something you consume. If you look at time as an investment, you will more easily find out what value time creates and what is important for you.

Through my work in Formuesforvaltning I have spoken with many wealthy families and people about how to make more time available. They have often spent very much time building and developing a business or had demanding positions. Many have reached a crossroad where they want to use their time differently going forward. But often they are



Alexander Heiberg
Head of wealth planning, Formuesforvaltning

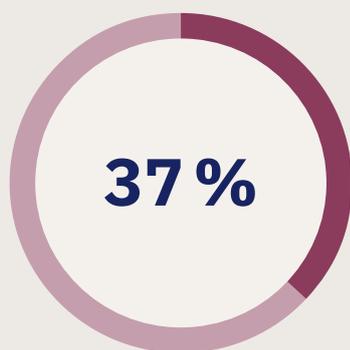
not sure what they want to spend more time doing and what they want to spend less time on.

Much time is spent worrying about everything they don't accomplish, because the list of tasks is too long. My experience is that when they are able to make specific goals about what they want to achieve it also becomes easier to see how they should invest their time. That gives peace of mind.

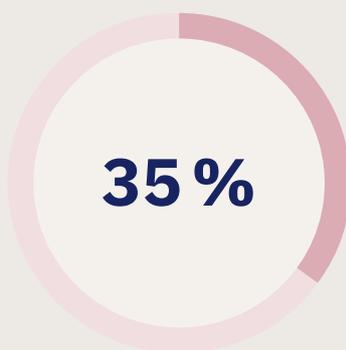
What do you wish to spend your time on going forward? In our survey we see that Scandinavian women highly value activities which include their own time, and time with family and friends. Maybe it is about regaining ownership of time, and making sure that time is invested in something that is important for everyone's own needs. This is something we believe more and more will focus on in the future.

Time and dreams

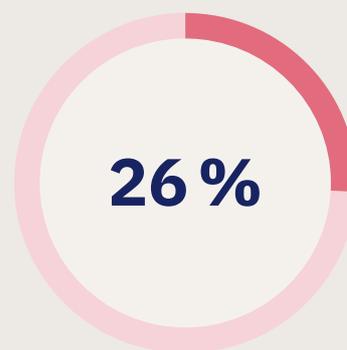
We asked the wealthy Scandinavian women what they want to spend more time on.



Want to spend more time on travel/experiences.



Want to spend more time with children/family.



Want to spend more time with friends.



Want to spend more time on training.



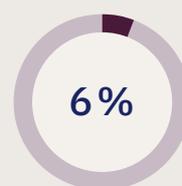
Want to spend more time on their hobby.



Want to spend more time giving something back to society.



Want to spend more time on creating something new.



Want to spend more time on business/work.

We would like to thank everyone who has been involved in producing this report, and everyone who has taken time to take part in the survey.

A total of 400 wealthy Scandinavian women took part in the survey, which was conducted in the period from 27 August until 12 October 2020. 186 women from Denmark participated, 94 women from Norway and 120 women from Sweden. The women who participated have a financial wealth of at least NOK 5 / SEK 5 / DKK 3 million.

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