

Four Easy Steps to

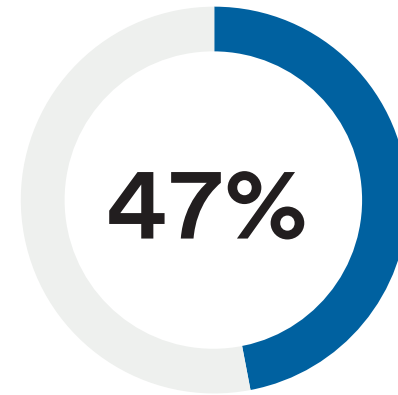
# Improve Your Family's Financial Wellness and Security

[metlife.ae/LifeComesFirst](https://metlife.ae/LifeComesFirst)





COVID-19 reminded us of how precious—and vulnerable—the health and well-being of our families have become. In fact, protecting family and dependents is the number-one insurance-policy element in demand among those seeking insurance in UAE.\*



**Unfortunately, nearly half of adults in the UAE—47%—are not financially prepared to face an unfortunate incident of any kind, including loss of life, sudden disability, or critical illness.** People now have more of an immediate need to improve their financial preparedness, confidence, and trust to ensure that their families are protected.



## **How can you improve your financial literacy and choose financial products that will improve your family's economic security and confidence?**

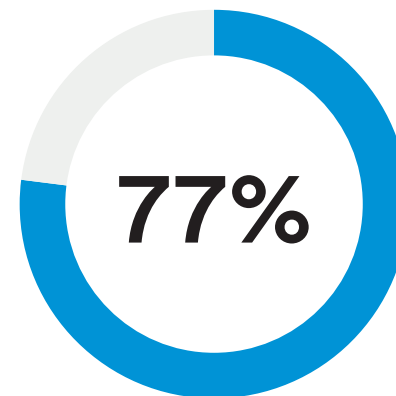
In this guide, you will discover four easy steps to improve your family's financial security. By following the key recommendations based on our study of families in the UAE, you can be assured that you are making the right decisions about life's most important assets—family, prosperity, and personal health.

\* In October 2020 and February 2021, MetLife UAE conducted a survey of 2,000 adults in the UAE. The survey measured UAE families' financial attitudes and preparedness at a time when there has been widespread concern about jobs, financial security, and health among them.

# Step #1

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**Good health and job security today are a blessing, but don't lose sight of the eventualities your family may face in the future.**



**We were pleased to find that 77% of adults in the UAE believe they are in good or very good health. But this paints a deceptively positive picture of the long-term prospects of working-age adults in the UAE.**

Misunderstandings and a lack of urgency regarding financial products—as well as the real costs of illnesses, disabilities, accidents, and a loss of income—mean that adults in the UAE are not prioritizing their financial futures. As a result, underinsurance is a key risk among families in the UAE.

**55%**

believe they are  
actually covered

**30%**

are actually  
covered based on  
their eventuality

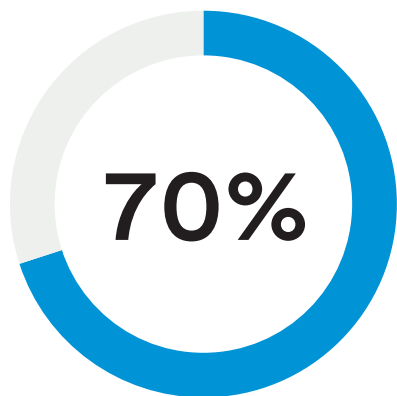
**70%**

total actual  
underinsurance

**25%**

gap between the  
reality and the  
perception

**Those with  
a medical  
insurance plan  
or an individual  
insurance plan**



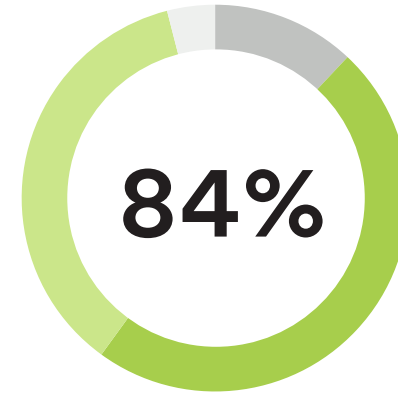
Even among those respondents with both corporate medical insurance and individual insurance, **70% of UAE adults believe their insurance will not cover an eventuality**; or, they have experienced an eventuality which their insurance did not cover. These adults feel underinsured, or they have realized there are hidden costs that can impact their financial stability, as a result.

## What You Should Do

- 1 Don't let good health today hide the real financial risks that your family faces in the future. Start by scheduling annual medical checkups for you and your family members, and plan to increase their frequency as you age to stay one step ahead of critical illness.
- 2 Take stock of your top financial risks, including lack of savings, high inflation rates, potential health issues among family members, and the potential fallout from unexpected loss of income. These incidents can come without warning and have enduring personal and financial impacts.
- 3 Consider how investing in low-cost protection insurance solutions today can protect against future crises and provide you peace of mind.

# Step #2

**Protect your and your family's financial wellness in the event of income loss.**



■ Partial impact    ■ No impact  
■ Full impact    ■ Not sure

**If they would lose their primary source of income, most adults in the UAE (84%) could not maintain their standards of living for more than 2 months.**

If you are like the majority of adults in the UAE in our study, your family members—children, parents, or spouses—depend on your income. If that's the case, you need options to help maintain your family's financial wellness in the event of a job loss, sudden illness, or other crisis.

Remember, today's income doesn't translate into financial security tomorrow if you don't have good financial habits in place. Set up benchmarks and goals for yourself to ensure you and your family are protected, so you can be more confident about your financial wellness and future financial prospects.



## What You Should Do

**Good habits that will help ensure financial wellness for you and your family include:**

- 1 Save each month so that you have sufficient savings to handle major unexpected expenses.
- 2 Prepare for future life requirements, such as retirement or out-of-pocket health expenses.
- 3 Protect your wealth through savings and investment solutions.
- 4 Pay off liabilities like debt that could impact your family later.
- 5 Invest in insurance solutions that will protect you and your family in the event of a crisis.



# Step #3

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## Align Your Family's Needs With the Right Types of Insurance

**Adults in the UAE are ready to protect their families; including coverage for immediate family members is the top insurance coverage option among adults in the UAE.**

Still, in a normal month, only 4% of respondents' income is dedicated to insurance products, even as roughly one-quarter is attributed to other savings investments—including bank savings accounts, investment savings, and remittances abroad.



# Monthly income distribution by monthly household income

**4%** On its own

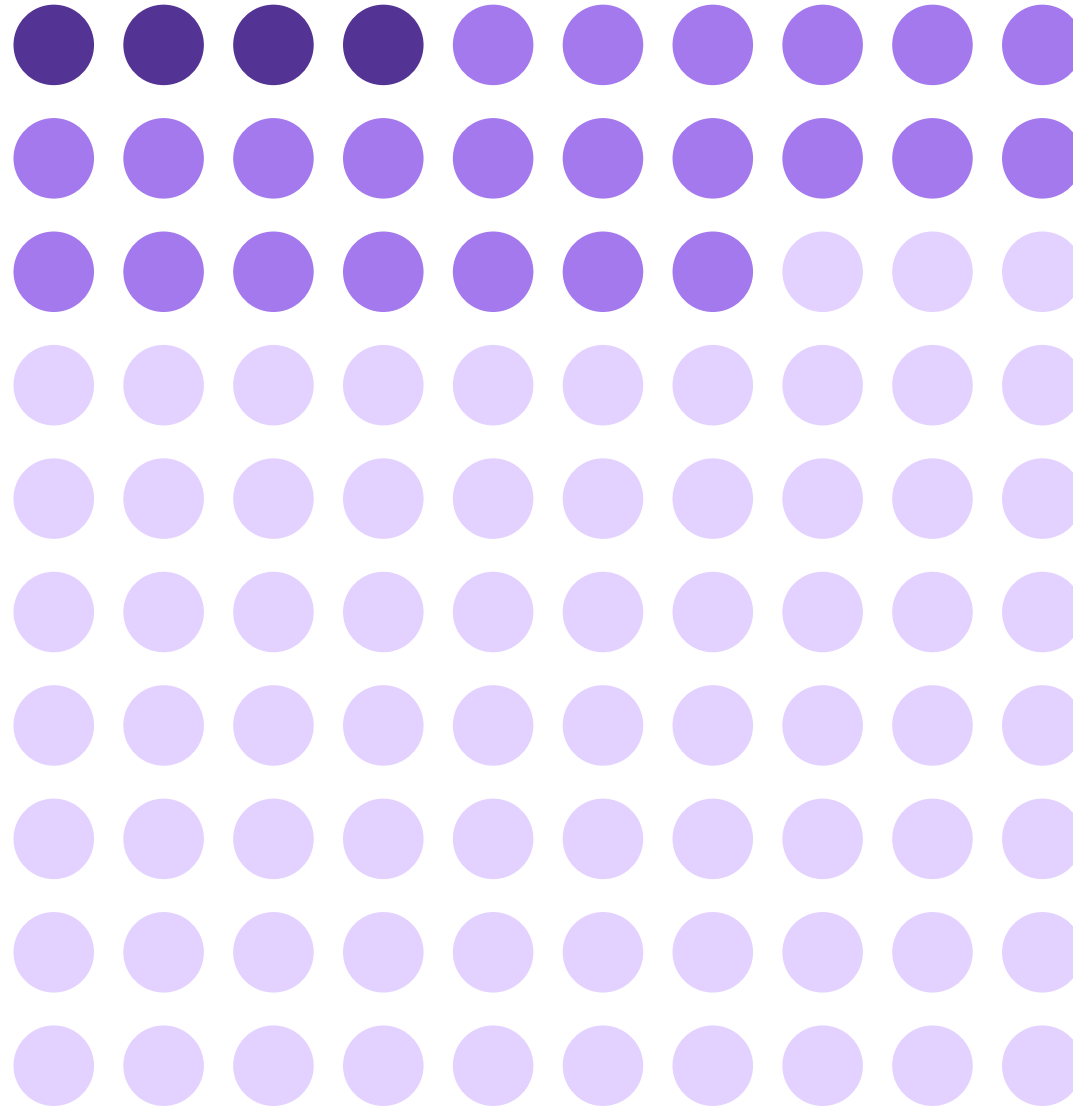
- Insurance

**23%** Savings

- Savings Bank
- Investment Savings
- Remittance Abroad

**73%** Spends

- Rent
- Utilities
- Commuting
- Entertainment
- Grocery/ Retail
- Schooling
- Financial Payments
- Others



Despite this, respondents acknowledge a lack of sufficient coverage. Protecting family and dependents is a key need gap among them today, with most insurance policy owners claiming that their existing policies do not meet their needs in this aspect.



## What You Should Do

- 1** Take active steps to deepen your understanding of insurance options available to you based on your lifestyle, for the sake of protecting your family from income loss and eventualities. For example, many insurance policies will provide a return on your family's day-to-day spends.

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- 2** Evaluate all of your insurance options thoroughly before deciding which types of insurance products are right for you and your family.

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- 3** Determine how much of your monthly income you can safely allocate to insurance products that will protect your family's long-term financial wellness.

# Step #4

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**Connect with an insurance provider that has your unique interests and the well-being of your family in mind.**

Leading financial institutions (FIs) can help families in the UAE close the “protection gap” between the coverage they have and the coverage they need. FIs can engage residents in the UAE actively seeking insurance products that meet their needs. This begins with ensuring each insurance policy or financial product is accessible to those families who stand to benefit from it the most.

At MetLife UAE, we design financial solutions for families in the UAE, helping them understand their options, protect their loved ones, and achieve their financial goals. In fact, the results of our survey speak to the core principles that guide our company today.

## Reasons for owning insurance



# Start Your Journey Towards Financial Security Tomorrow—and Peace of Mind—Today.

Contact your MetLife Representative, Relationship Manager, or Financial Advisor today to get a firm grasp of the financial products available to you.



## About this report:

The data used and found in this report is taken from MetLife Gulf's October 2020 and February 2021 customer research conducted in the UAE.

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