



The New Retirement Landscape

Lifetime income with fewer
compromises





Agenda

The New Retirement Landscape

Why Old Strategies May Not Cut It

Preparing for the Unexpected

The Missing Piece for Retirees

Lifetime Income and Personalized Investment Strategy



The New Retirement Landscape

Unique challenges when saving and planning for retirement income



Preparing for a long retirement

How long will you live? There's no way to know, but many Americans could be retired for nearly as long as they worked.¹



Pensions are no longer a tradition

Traditionally, pensions used to play a major role in retirement planning; but today participating in a pension plan.²



Being at the mercy of the market

Over the long term, history has shown that stock can be a powerful way to grow assets and outpace inflation;³ but over the short term, stocks don't always travel in an upward direction.



U.S. Treasury yields are near historic lows

Interest rates have been near historic lows, making it more difficult to generate the reliable income needed for retirement.

¹ [Life Expectancy](#). CDC, September 6, 2022.

² [How many American workers participate in workplace retirement plans?](#) Pension Rights Center, July 15, 2019.

³ Past Performance does not guarantee future results.



Preparing for a Long Retirement

Living longer means retirement may last 20 to 30 years – or more

Average Life Expectancy



Men
84.3 Years



Women
86.6 Years

Among married couples, both age 65:

50% chance

one spouse will live to be 92

25% chance

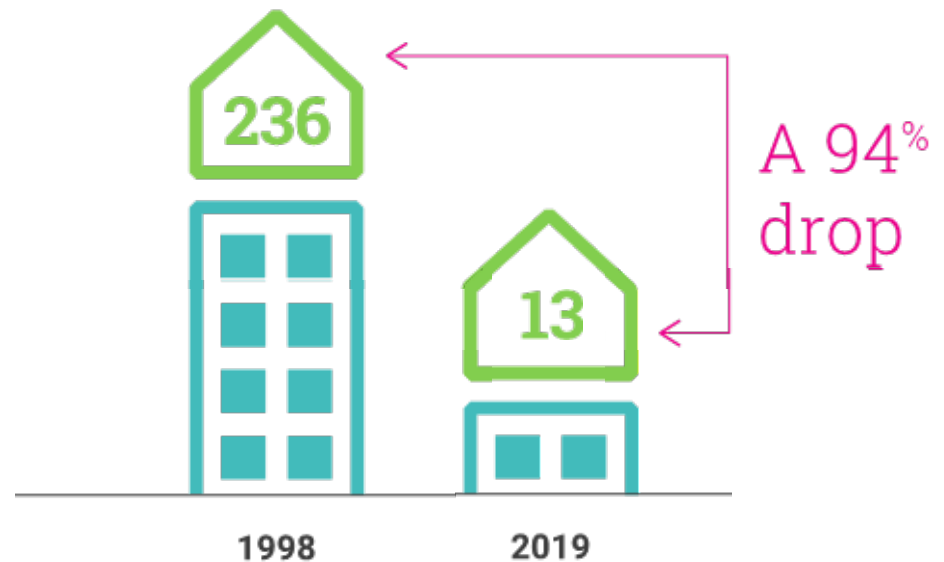
one spouse will live to be 97

Annuity 2000 Mortality Table. Society of Actuaries.

Pensions Are Becoming a Thing of the Past

Between 1998 and 2019, the number of Fortune 500 companies offering traditional pension plans dropped from 236 to 13.¹

Fortune 500 companies offering a traditional pension plan:



¹ [Retirement offerings in the Fortune 500: 1998 – 2019](#). Willis Towers Watson, June 25, 2020.



Pensions Are Becoming a Thing of the Past

Only 1 in 8
private sector
workers has
a pension.¹

Saving responsibility shifts from employers to employees.

Company pension plans are underfunded due to poor returns in the low interest rate environment.²

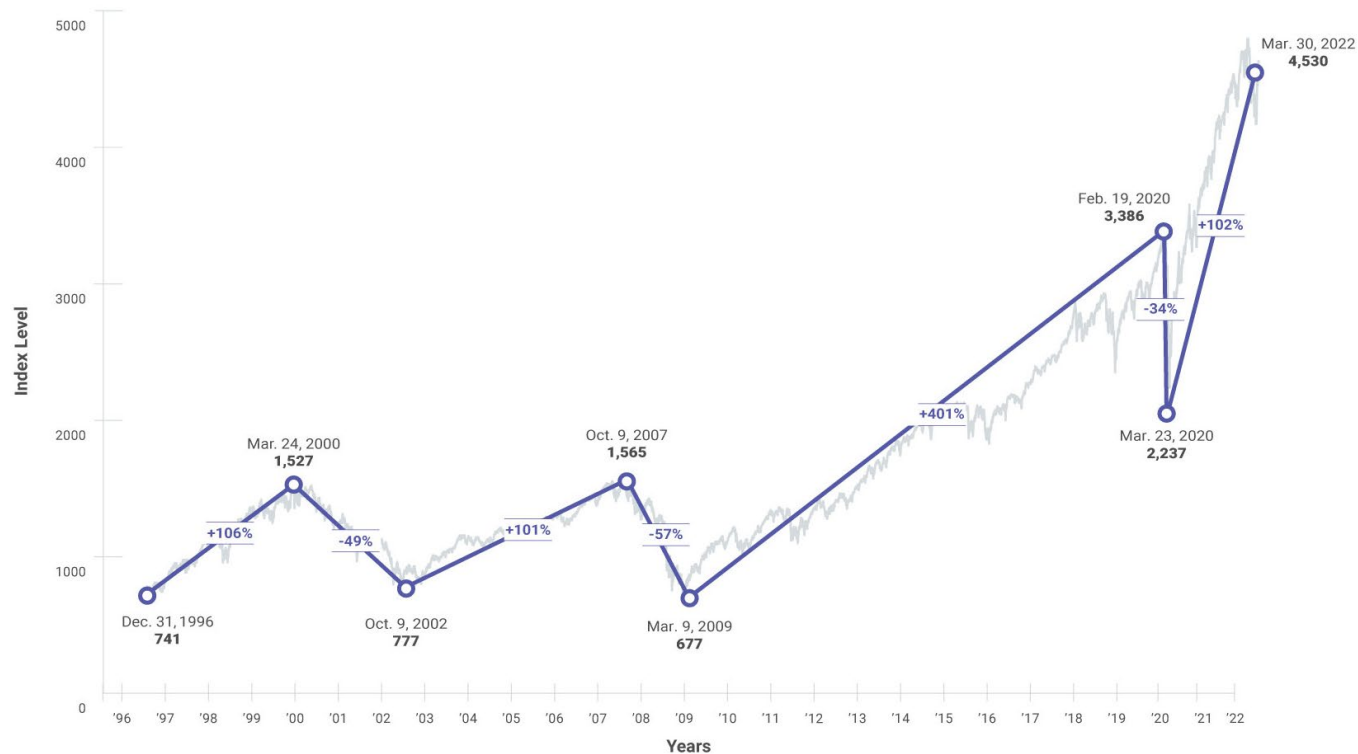
¹ [67 percent of private industry workers had access to retirement plans in 2020](#). U.S. Bureau Of Labor Statistics, March 1, 2021.

² [How Rising Interest Rates Can Impact Your Pension](#). Forbes, November 14, 2022.

Planning for Market Volatility in Retirement

When retirement begins, the market's impact on a retirement portfolio takes on even greater importance

S&P 500® Index Historical Performance



Source: [Guide to the Markets](#). J.P. Morgan Asset Management, March 31, 2022.

Returns are cumulative, based on S&P 500 Index price movement only, and do not include the reinvestment of dividends.

Past performance is not indicative of future returns. Data as of March 31, 2022.

Planning for Market Volatility in Retirement

Earning a 7% return in the stock market is not unheard of – but earning it every year is unrealistic. One is more likely to earn an average of 7% while experiencing ups and downs.



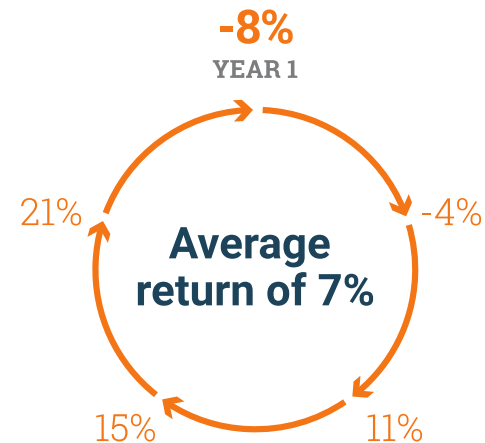
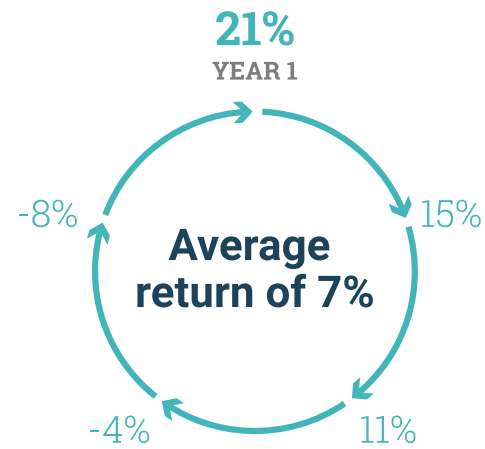


Planning for Market Volatility in Retirement

If a portfolio earned 21%, 15%, 11%, -4%, and -8%, and repeated these rates every five years, the average return would be 7%.

However, when withdrawals are being taken, the order (or sequence) of the returns will affect how long the money lasts.

Hypothetical example for illustrative purposes only.



Planning for Market Volatility in Retirement

Let's look at a graphed version of the examples from the previous pages to see how long the money lasts.

This is a \$250,000 portfolio, showing a 6% (\$15K) annual withdrawal, adjusted 3% each year for inflation.

The green line represents a 7% return every year.

The blue line represents positive returns early.

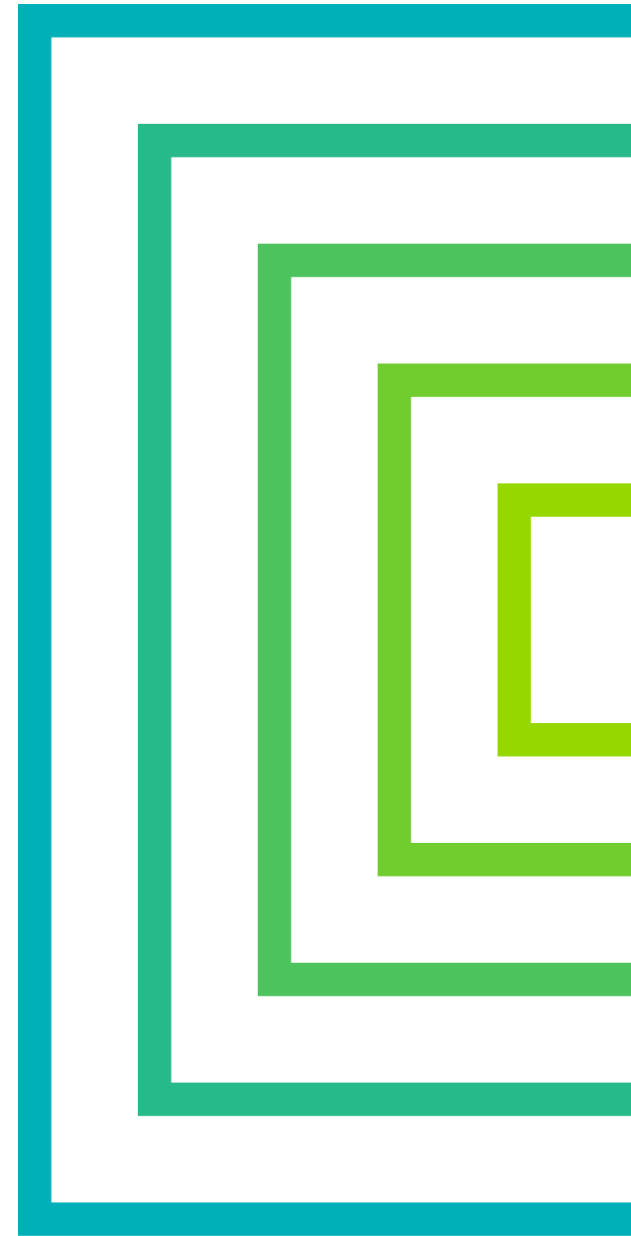
The orange line represents negative returns early.

Hypothetical example for illustrative purposes only.



The returns and dollar amounts shown in this illustration are not guaranteed and are not a projection of future performance results.

Why Old Strategies May Not Cut It





Why Old Strategies May Not Cut It

The 4% rule speculates that 4% is the maximum annual withdrawal retirees could afford to withdraw from their nest eggs (with annual increases for inflation) and still be 90% certain they would not outlive their savings over 30 years in retirement.¹



The 4% Rule

The 4% withdrawal rule has been around since 1994, but over two decades and several major market corrections later, is the 4% rule still valid?

¹ [Beyond the 4% Rule: How Much Can You Spend in Retirement?](#) Charles Schwab, March 7, 2022.



Why Old Strategies May Not Cut It

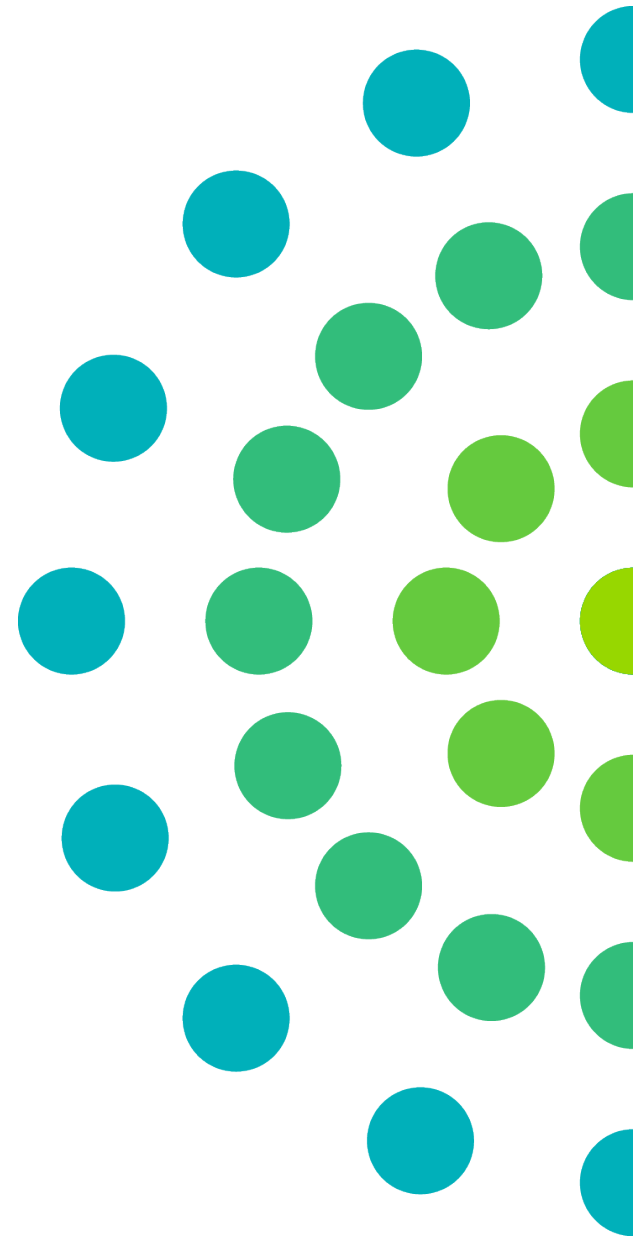


The 4% rule may no longer be the right approach

- The rule assumed a certain portion of the portfolio was allocated to fixed income instruments; the rates these instruments earn are much lower today than in 1994
- People are living longer than ever before;¹ when the rule was created, a 30-year retirement was not nearly as likely as it is today

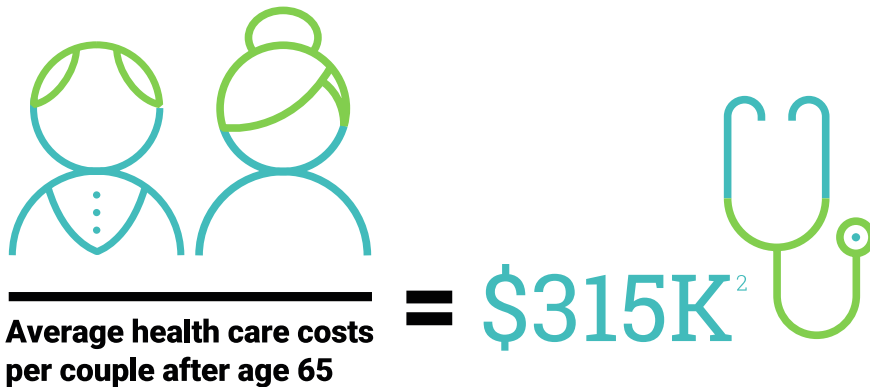
¹ Annuity 2000 Mortality Table. Society of Actuaries.

Preparing for the Unexpected



Preparing for the Unexpected: Health care

33% of retirees who stop working earlier than planned did so due to health issues.¹

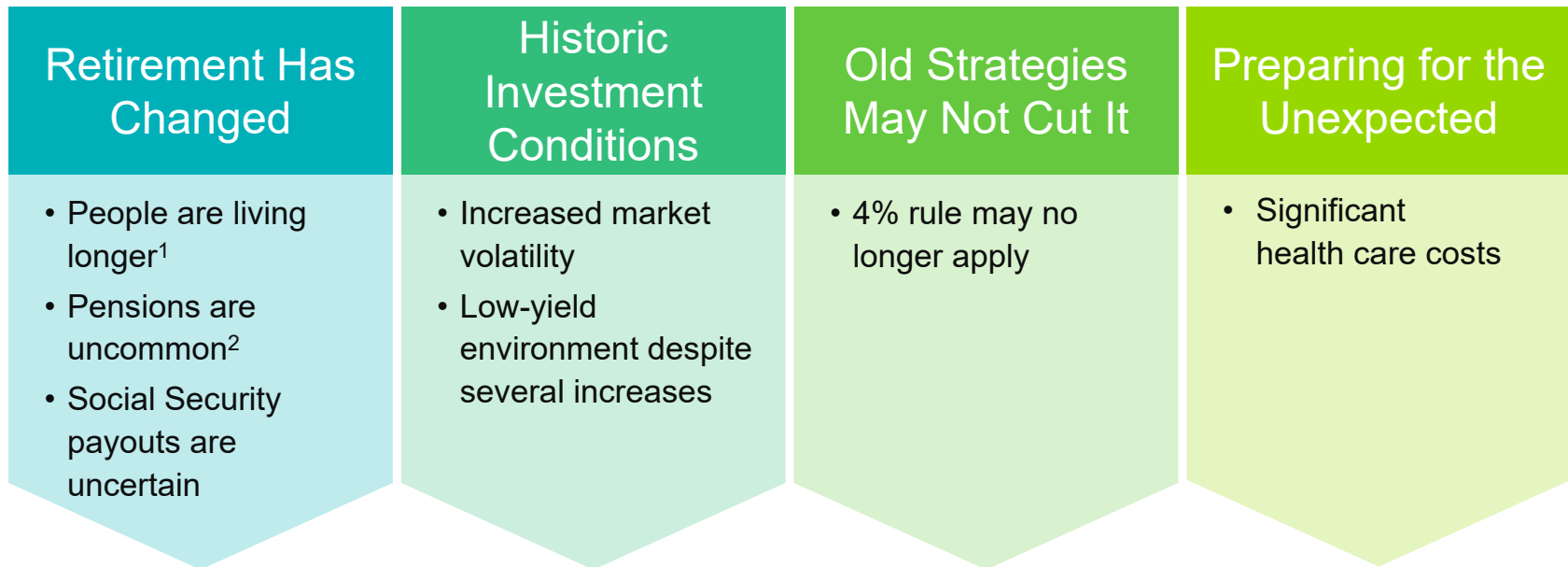


Retirees may need to hope for the best but prepare for the worst.

¹ [2022 Retirement Confidence Survey](#). Employee Benefit Research Institute, 2022.

² [How to plan for rising health care costs](#). Fidelity Investments, May 25, 2022.

The New Retirement Landscape



Today's retirees may benefit from the guaranteed lifetime income of annuities as a portion of their overall plan.

¹ Annuity 2000 Mortality Table, Society of Actuaries.

² [Retirement offerings in the Fortune 500: 1998 – 2019](#). Willis Towers Watson, June 25, 2020.



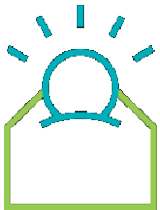
The Missing Piece





The Missing Piece

While programs such as 401(k) plans and IRAs offer tax-deferred savings, annuities may offer additional benefits that are not often available elsewhere.



For example, many of today's variable annuities offer some protection for income streams against unfavorable investment returns.¹

¹ [Variable Annuity](#). Annuity.org, March 25, 2022.

Lifetime Income With Fewer Compromises





Lifetime Income With Fewer Compromises

A Brighthouse Financial[®] variable annuity with the optional FlexChoice Access living benefit rider lets you turn a portion of your savings into guaranteed income that lasts for life.¹



Guaranteed Income

A variable annuity is one of the only financial tools that can guarantee income for life, no matter how long you live.



Diversified Investment Options

Invest in asset allocation portfolios or build a customized portfolio from the individual investment options available.



Income Ever After

It's important to know that your spouse can continue to receive the income they need in retirement.

¹ FlexChoice Access is referred to as the Guaranteed Lifetime Withdrawal Benefit (GLWB) in the prospectus and is available for an additional annual charge.



What Is a Variable Annuity?

A variable annuity (VA) is a financial tool that turns a portion of your savings into a **reliable income source** for retirement. It's one of the only types of financial tools that **guarantees** income for life, no matter how long you live. The money is invested in investment options that have the potential for tax-deferred growth (meaning you don't pay taxes on earnings until they're withdrawn).¹ Variable annuities are long-term investments designed for retirement purposes.



That's where the "variable" part comes in: the account value can vary depending on how those investment options perform.

The impacts of income or penalty taxes are not considered in this material.

¹ Buying an annuity to fund a qualified retirement plan or IRA should be done for the annuity's features and benefits other than tax deferral. Tax deferral is generally a feature of a qualified retirement plan or IRA, so an annuity would not provide an additional tax deferral benefit. References throughout this material to tax advantages, such as tax deferral and tax-free transfers, are subject to this consideration. The product described in this material is not made available to employer-sponsored qualified retirement plans. For non-qualified annuities, tax deferral is not available to corporations and certain other entities.



What Is a Rider?

Riders are optional add-ons that can be purchased with a VA and provide extra benefits. Living benefit riders commonly help **during retirement** with things such as providing income and ensuring it lasts for life.



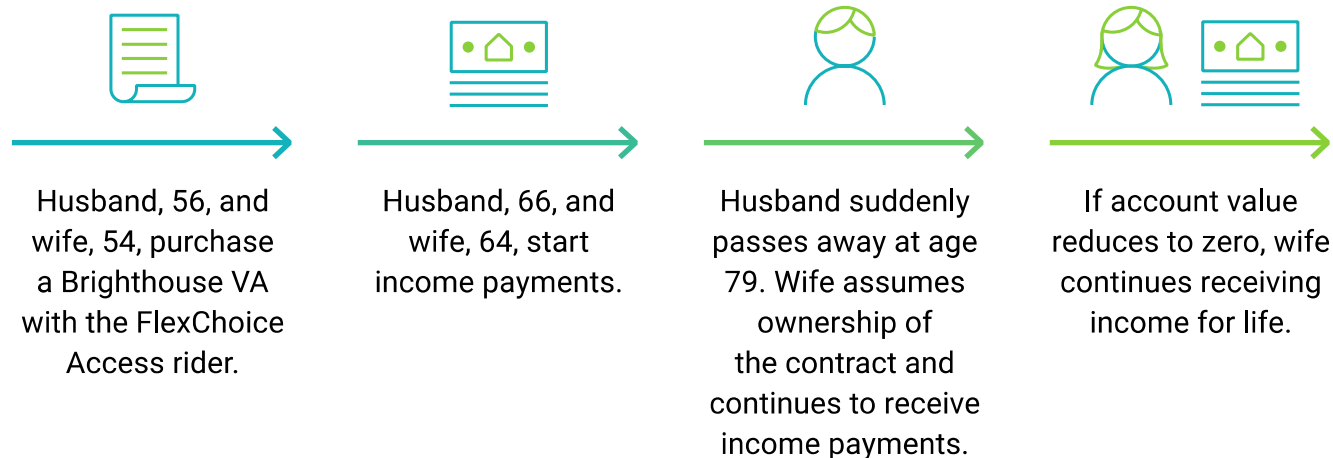
FlexChoice Access is an optional living benefit rider available on Brighthouse Financial variable annuities.

All guarantees, including any optional benefits, are subject to the claims-paying ability and financial strength of the issuing insurance company. Each issuing insurance company is solely responsible for its own financial condition and contractual obligations.

Income Ever After

If something unexpected happens, it's important to know that your spouse can continue to receive income in retirement.

With FlexChoice Access, the surviving spouse continues to receive income with no interruption – even if the account value reduces to zero.



Hypothetical example for illustrative purposes only.



Personalized Investment Strategy

FlexChoice Access offers the opportunity for you to design an investment strategy that works for you by selecting from the available **asset allocation and risk managed global multi-asset portfolios**, or choosing to build a more customized portfolio from the **individual investment options** available.



Asset Allocation Portfolios

Designed to furnish a professionally managed asset allocation that provides automatic diversification.



Individual Investment Options

Flexibility to choose investment options aligned to your individual goals.



Your financial professional can help you determine which strategy is right for you.

There is no guarantee that any of the variable investment options in this product will meet their stated goals or objectives. The account value is subject to market fluctuations and investment risk so that, when withdrawn, it may be worth more or less than its original value, even when an optional protection benefit rider is elected.

While diversification through an asset allocation strategy is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified.

Thank you.

Questions?



Investment performance is not guaranteed.

Withdrawals of taxable amounts are subject to ordinary income tax. Withdrawals made before age 59½ may be subject to a 10% federal income tax penalty. Distributions of taxable amounts from a non-qualified annuity may also be subject to the 3.8% Net Investment Income Tax that is generally imposed on interest, dividends, and annuity income if the modified adjusted gross income exceeds the applicable threshold amount. Withdrawals will reduce the living and death benefits and account value. Withdrawals may be subject to withdrawal charges.

Any discussion of taxes is for general informational purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax, or accounting advice. Clients should confer with their qualified legal, tax, and accounting professionals as appropriate.

All guarantees, including any optional benefits, are subject to the claims-paying ability and financial strength of the issuing insurance company. Each issuing insurance company is solely responsible for its own financial condition and contractual obligations.

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Brighthouse Life Insurance Company
11225 North Community House Road
Charlotte, NC 28277
brighthousefinancial.com

Brighthouse Life Insurance Company of NY
285 Madison Avenue
New York, NY 10017

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