Financial resilience and longevity

United States 2024

INTENDED FOR PLAN SPONSOR AUDIENCE.

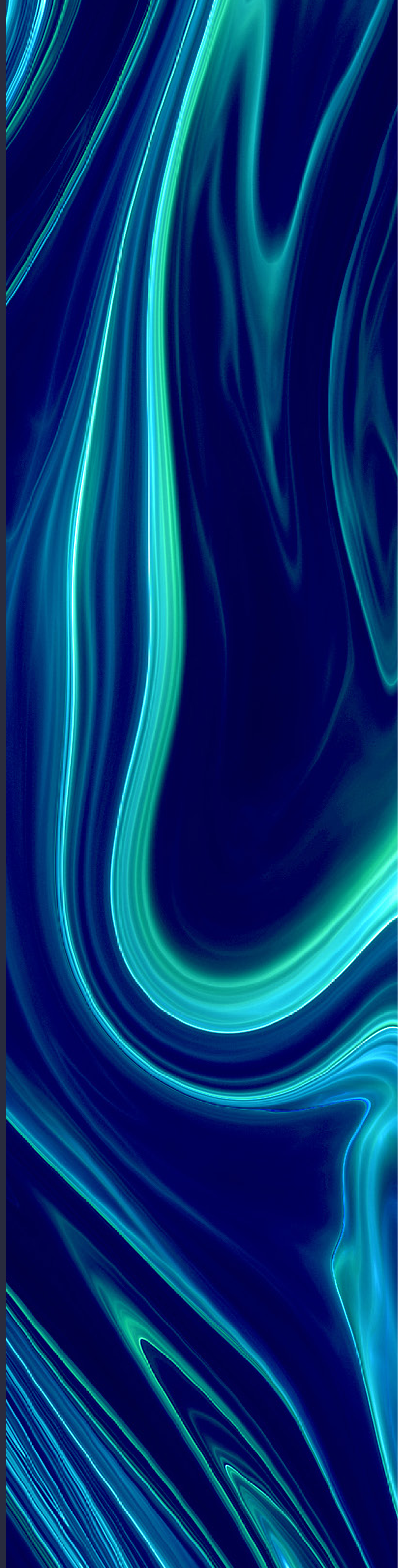
How to navigate

Use the menu on the left to explore the different sections in the document.

Use this icon to navigate through the document.

Look for this icon throughout our report for ideas on how you can help workers strengthen their financial resilience and plan for their longevity.

John Hancock's 10th annual financial resilience and longevity survey, John Hancock, Edelman Public Relations Worldwide Canada Inc. (Edelman), June 2024. This information is general in nature and is not intended to constitute legal or investment advice. Edelman and John Hancock are not affiliated, and neither is responsible for the liabilities of the other. This report presents the results of research conducted by Edelman on behalf of John Hancock. The objectives of this study were to (1) quantify the financial situation and level of financial stress of John Hancock plan participants and American retirees; (2) determine the key triggers of financial stress; (3) understand the extent to which actions, including actual financial behavior and planning activity, ameliorate stress; (4) assess longevity and retirement preparation and readiness; and (5) investigate custom insights around how retirees are faring in retirement. This was an online survey comprising of two participant samples: John Hancock plan participants and American retirees. The John Hancock plan participant sample comprised 2,623 John Hancock plan participants. The survey for this sample was conducted from 5/17/24 through 6/03/24, with an average survey length of approximately 18 minutes per respondent. Respondents were located from a list of eligible plan participants provided by John Hancock. The American retiree sample comprised of 525 retired Americans, sourced through Angus Reid's research panel. The survey for this sample was conducted from 5/13/24 through 5/28/24, with an average survey length of approximately 12 minutes per respondent. All statistical testing is done at 0.95 significance levels. Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.



Introduction

All over the world, people are living longer, healthier lives.[1] We used to count retirement in years, and many of us can look forward to counting it in decades.

But with the number of people globally who are over 60 years old expected to more than double between 2020 and 2050,[2] we all should think about retirement differently. Increased longevity can potentially mean a longer retirement, more working years, or both. It'll require new services, products, and technologies to support an aging population. And it calls on individuals to chart new territory and figure out how to save and invest for more decades than their grandparents had the chance to enjoy.

Governments and employers around the world are also considering longevity, by developing healthcare, housing, financial systems, and employee benefits that can support an aging population. Although some of the details change from country to country, the need appears universal: How do we help people prepare for more years in retirement?

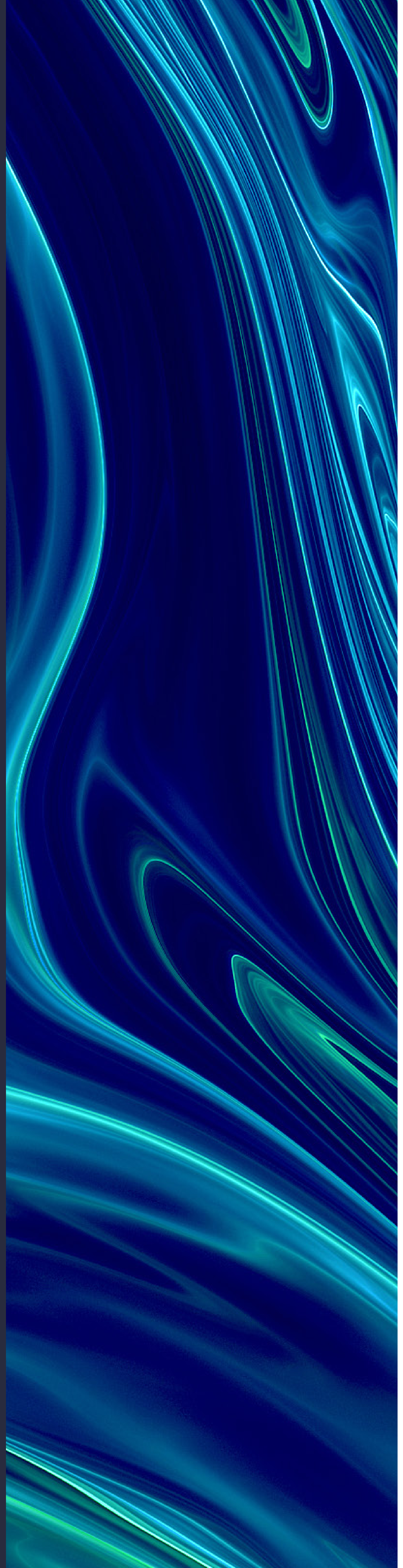
At Manulife, we can help people around the world save and invest for their retirement goals. And we help financial intermediaries and retirement plan sponsors offer plans that can help make it easier for people to save, stay invested, and transition into retirement. As a global organization, we have an understanding of how people are preparing and the programs available to help them prepare for this journey. With people trying to save enough for their extra years of longevity, the retirement plan industry can have a critical role to play.

We've surveyed workers in the United States to understand how they feel about their finances today and their ability to fund and enjoy their retirement. With this insight, retirement plan sponsors, financial intermediaries, and retirement plan providers can help people build financial resilience so they can thrive today and throughout their lives.

Aimee DeCamillo

Aimee DeCamillo
Head of Global Retirement
Manulife

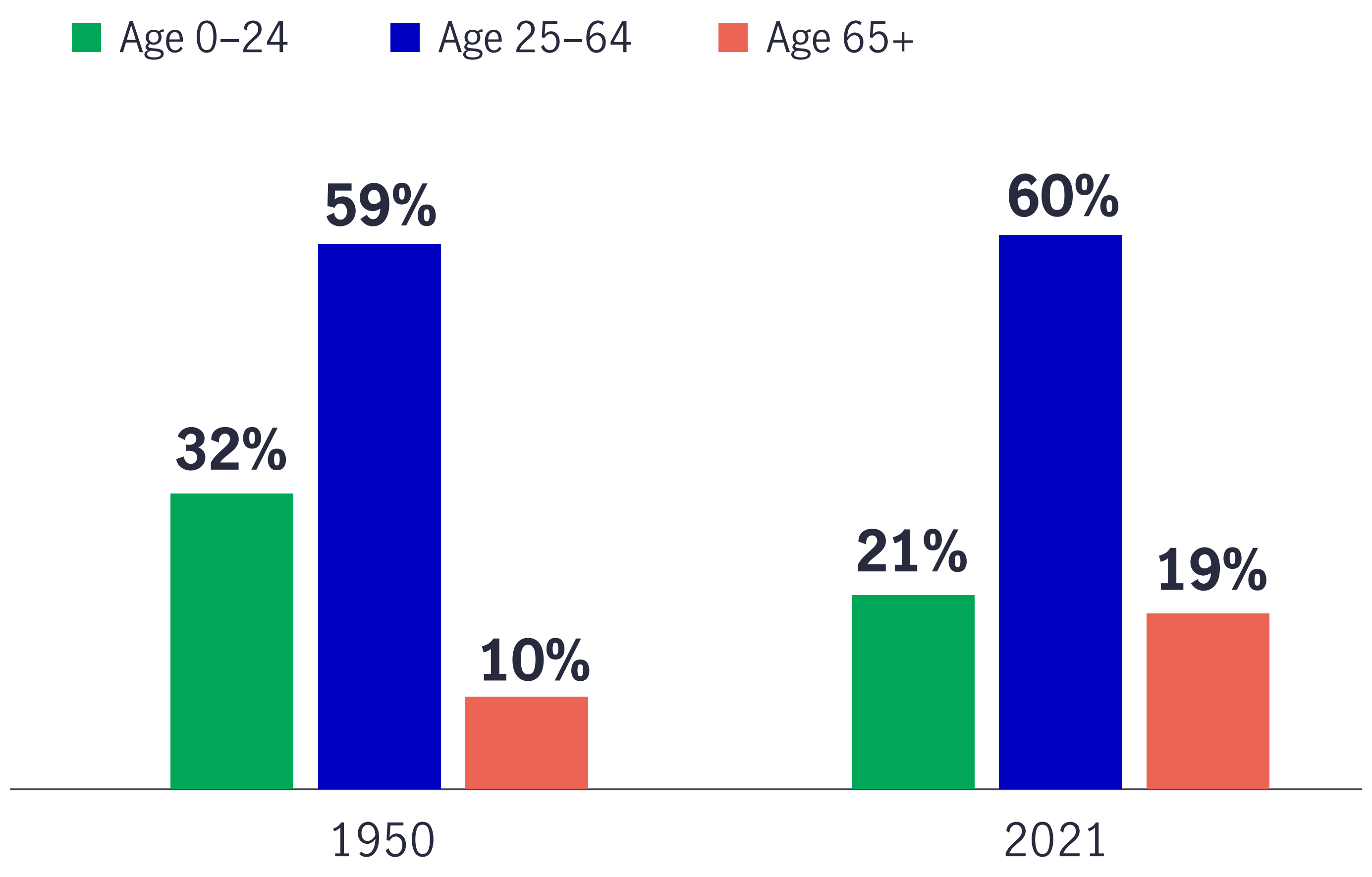
1 Data Commons, August 2024. **2** *Longevity Econo Principles: The Foundation for a Financially Resilient Future, Insight Report 2024, World Economic Forum, January 2024.*



Bridging the gap between retirement dreams and reality

In the United States, the portion of the population older than 65 nearly doubled between 1950 and 2021.[3] When life expectancy was 68 and the retirement age was 65, retirement planning only needed to account for a few years. Now, with life expectancy close to 80,[4] Americans must plan for how they'll live and fund a retirement that could span multiple decades. Sponsors have long played a key role in helping with this plan, by offering both workplace retirement plans and education.

How demographics have changed 1950–2021 in the U.S.



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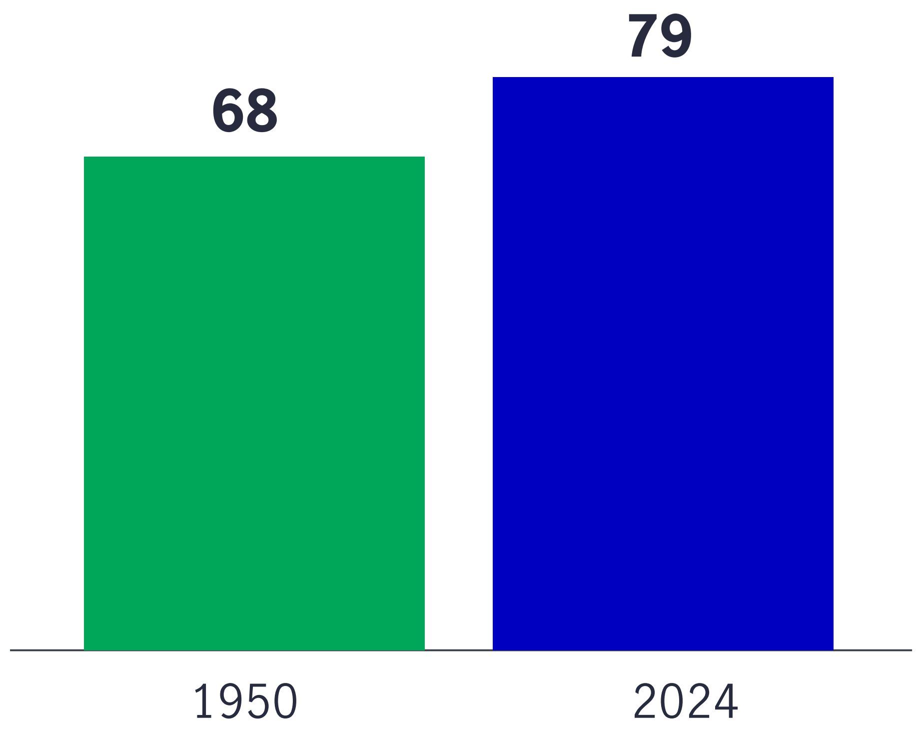
Source: Our World in Data, July 2024.

United States life expectancy 1950 vs. 2024



For illustrative purposes only.

Source: Macrotrends.net, July 2024

3 Our World in Data, July 2024. **4** Our World in Data, July 2024.

The age at which workers plan to retire (target retirement age) is a fundamental factor in managing longevity. That's because it affects both their savings timeline and how long their money may need to last. While workers often have an age in mind, many end up retiring earlier than planned. Our tenth annual survey of U.S. workers reveals that 62% of retirees left the workforce sooner than expected, shortening their savings period and extending their retirement years.

A person's target retirement age depends partly on the financial resilience they're able to build during their working years. What's financial resilience? It's the ability to navigate financial obstacles such as debt, college costs, healthcare expenses, and emergencies. Workers struggling to meet their current financial needs often struggle to build this resilience and tend to delay saving for retirement.

In 2024, we found that **41%** of workers are unhappy with their financial situation and **50%** believe their retirement savings are falling behind. Their financial stress is also costing employers an average of **$1,982** per person per year in lost productivity and absenteeism.[5] This data underscores the need to support workers in their efforts to become more financially resilient—for their own benefit and their employers'.

We've developed profiles for every generation, highlighting their barriers to financial resilience and their feelings about retirement. Each profile offers key takeaways for retirement plan providers, financial professionals, and employers to help workers thrive today while they prepare for a potential decades-long retirement.

5 This is a hypothetical illustration used for informational purposes only, based on data from John Hancock's 2024 financial resilience and longevity survey. It is intended to provide general information about how much financial stress can cost a company every year. The above calculation is based on missing 3.08 hours/year and 41.76 hours/year of lost productivity due to symptoms of financial stress with an assumed salary of $44.20 per hour. Note: Individual circumstances may vary and may not be reflective of your situation.

Generational snapshot

Comparing the generations at a glance shows some expected results, as well as a few revelations. Unsurprisingly, baby boomers are in a better financial position than their counterparts with less debt, fewer worries, and a greater likelihood of having their retirement savings on track. Still, the distinctions are relatively small in places. Approximately **40%** of each group expects to retire later than planned so they can pay down debt, and a third or more are in a fair to poor financial situation. There's significant opportunity for every age to improve their finances before they retire—and for plan sponsors to offer help along the way.

	Gen Z/ millennials	Gen X	Baby boomers
Financial resilience			
Financial situation is fair or poor	53%	47%	32%
Finances are causing stress	56%	51%	42%
Debt is a problem	59%	56%	40%
Concerned about emergency savings	57%	52%	36%
Worry about finances at work	87%	83%	67%
Investment attitudes			
Knowledgeable about investing	40%	38%	54%
Medium to high risk tolerance for retirement plans	66%	70%	66%
Medium to high risk tolerance for other investments	61%	62%	61%
Have a financial advisor	15%	23%	35%
Seek advisor guidance during financial difficulty	19%	18%	30%
Retirement preparedness			
Have a formal retirement plan for retirement	24%	25%	31%
Expect to retire later than planned to pay off debt	38%	41%	38%
Retirement savings are on track	27%	26%	36%
Saving for retirement is a priority	53%	52%	64%
Saving would be a priority if other financial priorities were managed	48%	46%	33%

Retirees,[2] on the other hand, differ quite significantly depending on when they retired. Because nearly two-thirds of Americans end up retiring sooner than expected, it's crucial for workers to consider maximizing their savings during their working years. Those who stopped working either when they'd planned or later feel better about their financial situation and are less likely to worry about emergency savings. Almost three-quarters **(72%)** of early retirees wish they'd saved more before retiring compared with **47%** of their counterparts. As the cost of living rises, these retirees are more likely to need a change in lifestyle and spending habits to manage the gap in their retirement income.

	Early retirees (retired sooner than expected)	Retirees (retired as planned or later)
Financial resilience		
Financial situation is fair or poor	55%	21%
Worried about cost of living/inflation	59%	45%
Debt is a problem	46%	28%
Concerned about emergency savings	54%	26%
Wished they'd saved more for retirement	72%	47%
Investment attitudes		
Knowledgeable about investing	55%	63%
Medium to high risk tolerance for a retirement plan	32%	46%
Medium to high risk tolerance for other investments	33%	45%
Have a financial advisor	26%	54%
Seek help during financial difficulty	24%	43%
Retirement lifestyle		
Had a formal plan before retiring	54%	80%
Have no other sources of income other than Social Security	33%	11%
Moved or plan to move to save money	45%	34%
Changed spending habits to help close financial gap	54%	27%
Worry about being in poor health due to the cost of healthcare	48%	32%

2 New group for 2024, and there is no trending data available.

Generation profiles

Gen Z/ millennials

53%
make saving for retirement a priority

Gen Z and millennials (ages 42 and younger)

Some workers in these generations are in the early stages of their careers and others are more established. But both are experiencing an elevated level of financial stress—likely hindering their ability to build financial resilience. Additionally, only **40%** are knowledgeable about investing, which can have a direct impact on planning for longevity. The good news is that, of all the generations, these workers generally have the most time to turn things around.

Six key observations

1

The economy is weighing on their minds—Gen Z and millennials are the groups most concerned about inflation and interest rates affecting their daily lives and financial goals.

2

They're not where they want to be financially—Other than early retirees, these groups are the most dissatisfied with their financial situation, with more than half rating it fair or poor.

3

They're struggling to build financial resilience—Many view their debt as a problem and worry about covering sudden and unexpected expenses.

4

Financial worries are affecting their job performance—Over half feel they'd accomplish more at work if they weren't worried about money.

5

They're more optimistic about their retirement savings than Gen X—While slightly more than half of Gen Z and millennials (53%) feel their savings are falling behind, that's less than the number of Gen Xers (59%). They're also a tad more likely to say their savings is ahead of schedule (11% versus 9%).

6

They're dreaming of early retirement but don't think it's likely to happen—Gen Z and millennials anticipate they'll work eight years longer than their ideal retirement age, either by choice or due to financial reasons.

See the generational snapshot for a side-by-side comparison.

Financial resilience

Top worries

Inflation/ cost of living	Economic conditions	Rising interest rates	Retirement savings
67%	49%	48%	46%

Financial situation

Poor/fair	Good	Very good/excellent
53%	32%	15%

Debt

59%
feel their level of debt is a problem

For illustrative purposes only.

Financial stress

56% are concerned about finances adding stress

87% worry about their finances at work

Emergencies

57% are worried about not having enough emergency savings

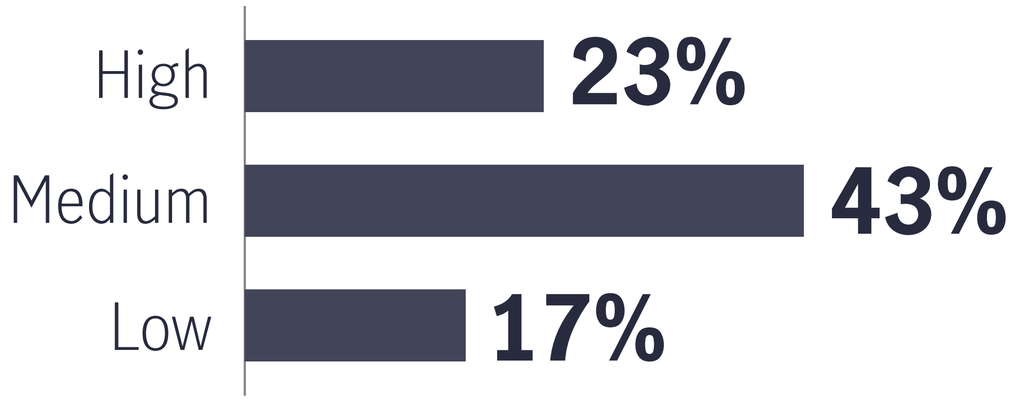
Education

36% are worried about saving for a family member's education

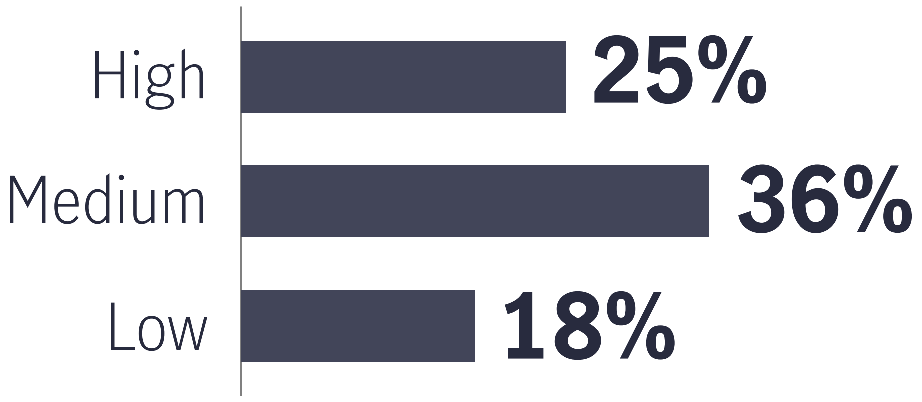
23% are concerned about repaying student loans

Investment attitudes

Risk tolerance: retirement plans

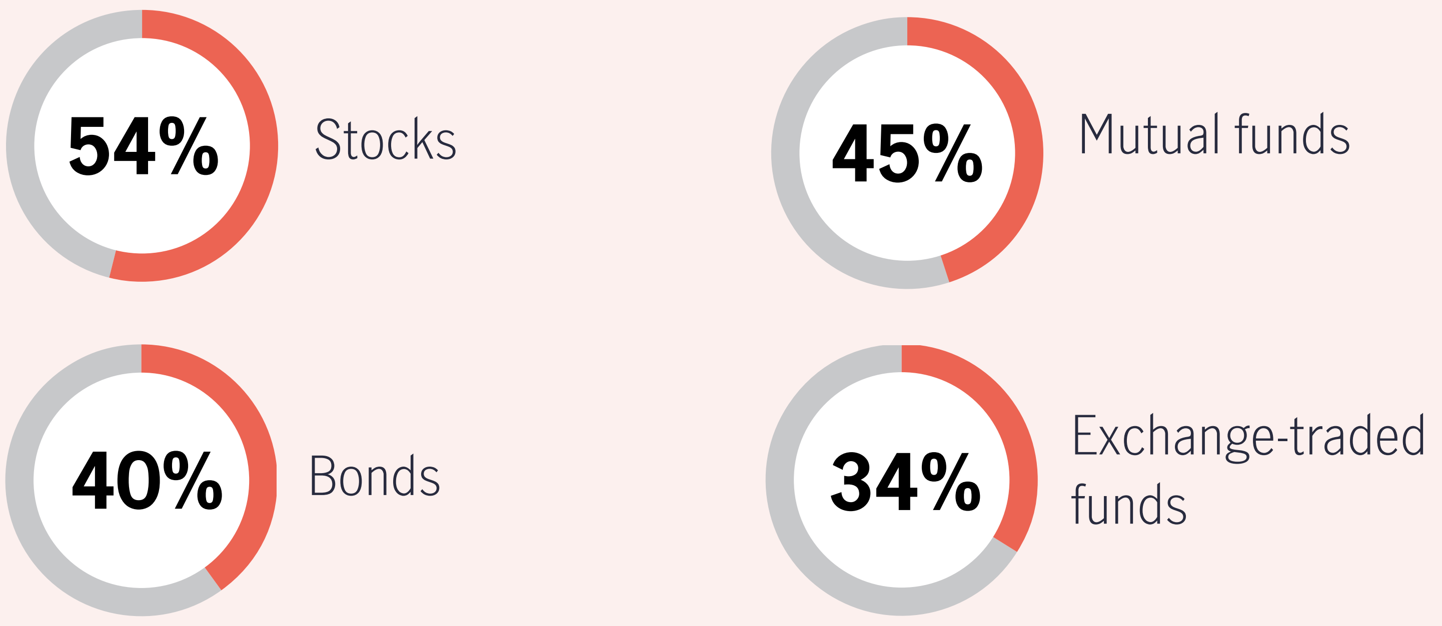


Risk tolerance: personal investments



The chart doesn't include people who responded not sure.
For illustrative purposes only.

Top investment interests



Professional support

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Retirement preparedness

Target retirement age

Dream age	Expected age
60	68

Top reasons for expecting to retire later than planned

Support dependents
40%

Pay off debt
38%

Increase retirement savings
37%

Want to have something productive to focus on
24%

For illustrative purposes only.

Status of retirement savings

11% Ahead

53% Behind

27% On track

The chart doesn't include people who responded not sure.

Saving attitudes

53% make saving for retirement a priority

48% would save more for retirement if they could manage their financial priorities

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Retirement concerns

49%
worry about affording the basics, such as food and housing

64%
are concerned about covering healthcare costs

Expected sources of income (other than Social Security)

401(k) or 403(b)
84%

Annuities
54%

IRAs
34%

Saving and checking accounts
29%

The chart reflects the primary sources participants mentioned.
For illustrative purposes only.

Key takeaways

Helping Gen Z and millennial workers build their financial resilience and create a plan for their longevity is crucial for their future financial independence. Support for this group could focus on developing fundamental skills and offering education on topics such as:

- **Setting and prioritizing financial goals**
- **Budgeting and debt management**
- **Building emergency savings**
- **Investing basics (types of investments, risk/return, diversification, benefits of investment advice)**
- **Harnessing the power of compounding and the benefits of starting early**
- **Determining how much money you may need in retirement**

Gen X

52%
make saving for retirement a priority

Gen X (ages 43 to 56)

Workers in this group also tend to fall into the sandwich generation, meaning they're trying to balance their own financial needs with caring for dependent children and elderly parents. They're not faring much better than Gen Z and millennials when it comes to financial stress and resilience—and they're less optimistic about their retirement savings.

Six key observations

1

Gen Xers are feeling the pinch in their wallets—Like Gen Z and millennials, the top concern for this group is rising prices and the potential impact on their daily expenses.

2

They're experiencing financial discomfort—Fewer Gen Xers report being unhappy with their financial situation compared with Gen Z and millennials. But this finding doesn't tell the whole story. Nearly half of this generation isn't in a good spot financially.

3

They're struggling to build financial resilience—More than half view their debt as a problem and worry about covering sudden and unexpected expenses. And while they've been out of school for a while, student loans remain a concern for some.

4

Personal finances are taking up time at work—Much like the younger generations, the majority aren't leaving their financial worries at home. On average, they're spending five hours a month dealing with money issues while on the job.

5

Savings levels are affecting retirement dates—More than a third (36%) expect to stop working later than planned—the highest percentage among all generations, including baby boomers.

6

They have an appetite for higher-risk investments—While only 38% feel knowledgeable about investing, they seem willing to take on more risk for the growth potential. This attitude may help them address their savings concerns.

See the generational snapshot for a side-by-side comparison.

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Financial resilience

Top worries

Inflation/ cost of living	U.S. election	Retirement savings	Economic conditions
58%	**48%**	**47%**	**43%**

Financial situation

Poor/fair	Good	Very good/excellent
47%	**35%**	**18%**

Debt

56%
feel their level of debt is a problem

For illustrative purposes only.

Financial stress

51% are concerned about finances adding stress

83% worry about their finances at work

Emergencies

52% are worried about not having enough emergency savings

Education

25% are worried about saving for a family member's education

15% are concerned about repaying student loans

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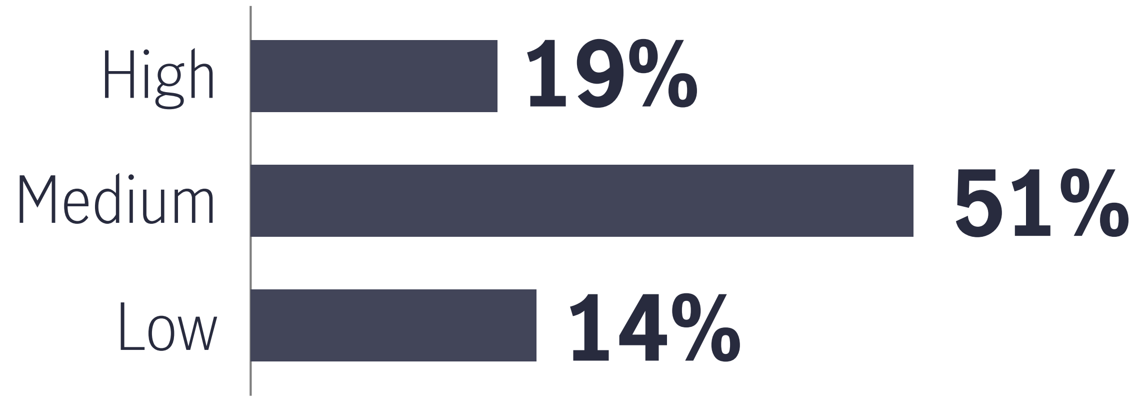
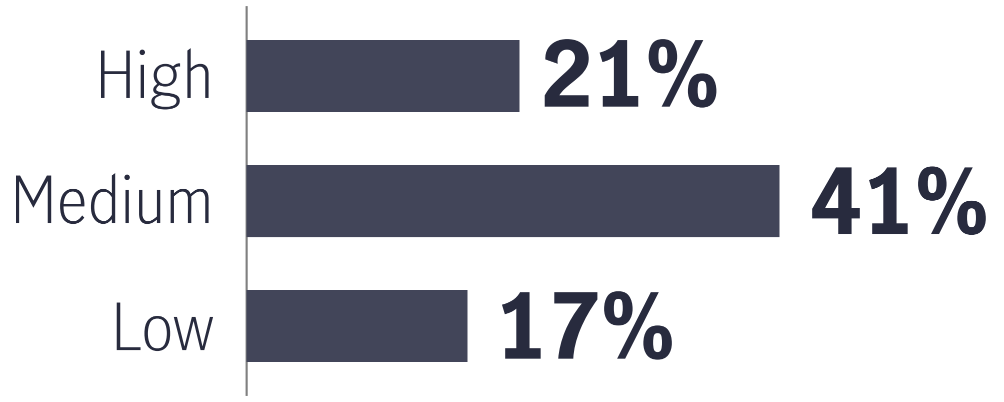
Investment attitudes

Risk tolerance: retirement plans



Risk tolerance: personal investments



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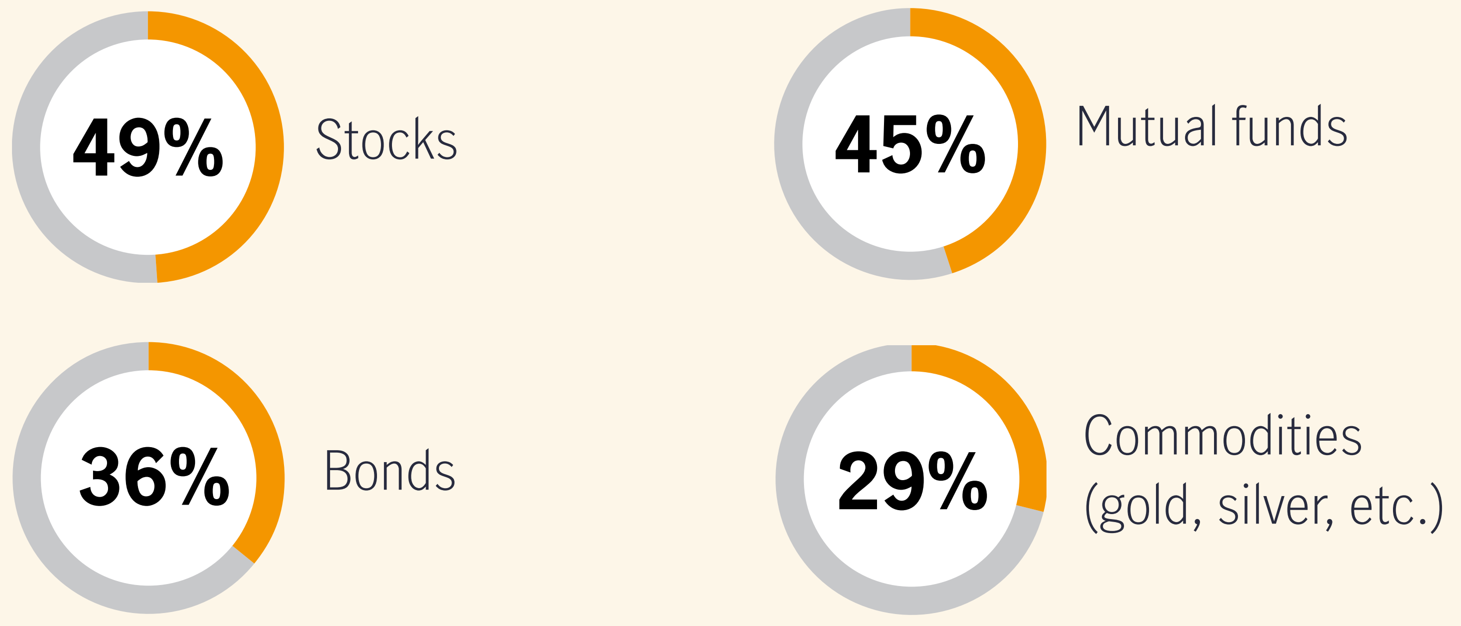
Top investment interests



Professional support

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Retirement preparedness

Target retirement age

Dream age	Expected age
63	68

Top reasons for expecting to retire later than planned

Increase retirement savings
46%

Pay off debt
41%

Support dependents
31%

Want to have something productive to focus on
23%

For illustrative purposes only.

Status of retirement savings

9% Ahead

59% Behind

26% On track

The chart doesn't include people who responded not sure.

Saving attitudes

52% make saving for retirement a priority

46% would save more for retirement if they could manage their financial priorities

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Retirement concerns

43%
worry about affording the basics, such as food and housing

63%
are concerned about covering healthcare costs

Expected sources of income (other than Social Security)

401(k) or 403(b)
84%

Annuities
46%

IRAs
36%

Saving and checking accounts
24%

The chart reflects the primary sources participants mentioned.
For illustrative purposes only.

Key takeaways

Gen Xers have significant concerns about their retirement savings, which directly affects their ability to plan for their longevity. They need support that centers around:

- **Small steps they can take today to help build their financial resilience**
- **Determining how much money they need to save**
- **Strategies for saving while paying down debt**
- **Creating an investment portfolio that aligns with their goals**
- **Understanding the importance of not counting on working longer to help close their savings gap**

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Baby boomers

64%

make saving for retirement a priority

Baby boomers (ages 57 and older)

With retirement approaching, these workers need to maximize their remaining saving years. They also need a plan for converting their savings into an income stream that can sustain them throughout their retirement. Overall, many appear ready for this new phase of their retirement journey. They're experiencing the lowest level of financial stress among all generations, and they're the most optimistic about their retirement savings.

Six key observations

1

Unlike other generations, inflation isn't their top worry—While this group is worried about rising prices, their primary concern is the 2024 U.S. election.

2

These workers seem to have built the most financial resilience—The majority of baby boomers have their debt under control and are comfortable with their emergency savings. At this stage of life, education expenses and student loans are no longer a concern.

3

They have more realistic expectations about their target retirement age—While other generations dream of retiring early but doubt it will happen, baby boomers aim to retire at age 67, with the expectation of working an additional year, primarily to help boost their savings.

4

Healthcare costs in retirement are a source of concern—Despite being generally satisfied with their retirement savings, 53% are worried about covering their future medical expenses.

5

They recognize the value of working with a financial professional—More than a third seek help with their retirement and financial planning needs—the most of any working generation.

6

Although they're nearing retirement, baby boomers aren't risk adverse—Approximately two-thirds are willing to take on medium to high risk with their retirement accounts. This attitude can help them create a portfolio that balances the need for growth with preserving what they've saved.

See the generational snapshot for a side-by-side comparison.

Financial resilience

Top worries

U.S. election
57%

Inflation/cost of living
47%

Economic conditions
39%

Retirement savings
32%

Financial situation

Poor/fair
32%

Good
41%

Very good/excellent
26%

Debt

40%
feel their level of debt is a problem

For illustrative purposes only.

Financial stress

42%
are concerned about finances adding stress

67%
worry about their finances at work

Emergencies

36%
are worried about not having enough emergency savings

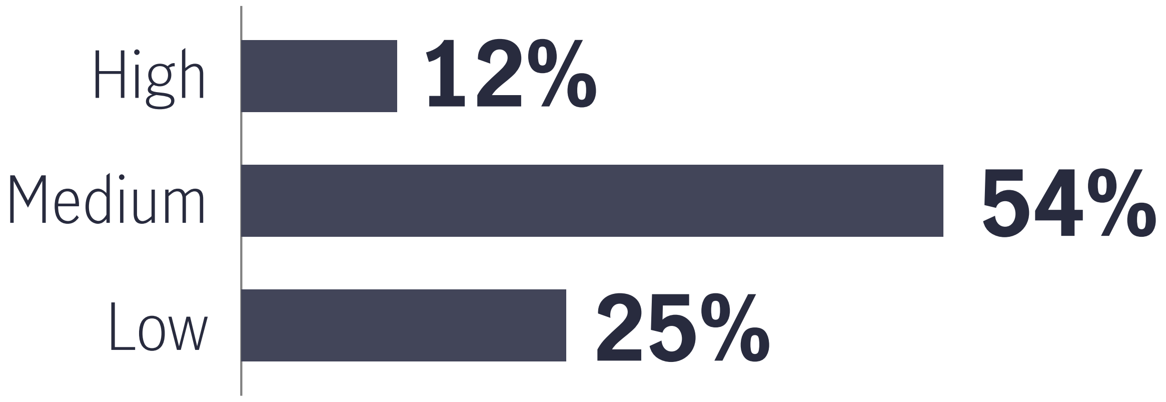
Education

6%
are worried about saving for a family member's education

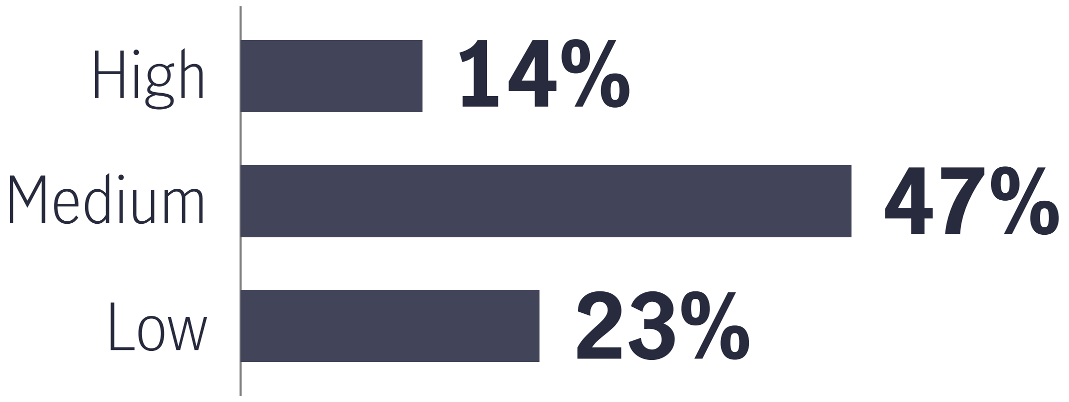
5%
are concerned about repaying student loans

Investment attitudes

Risk tolerance: retirement plans



Risk tolerance: personal investments



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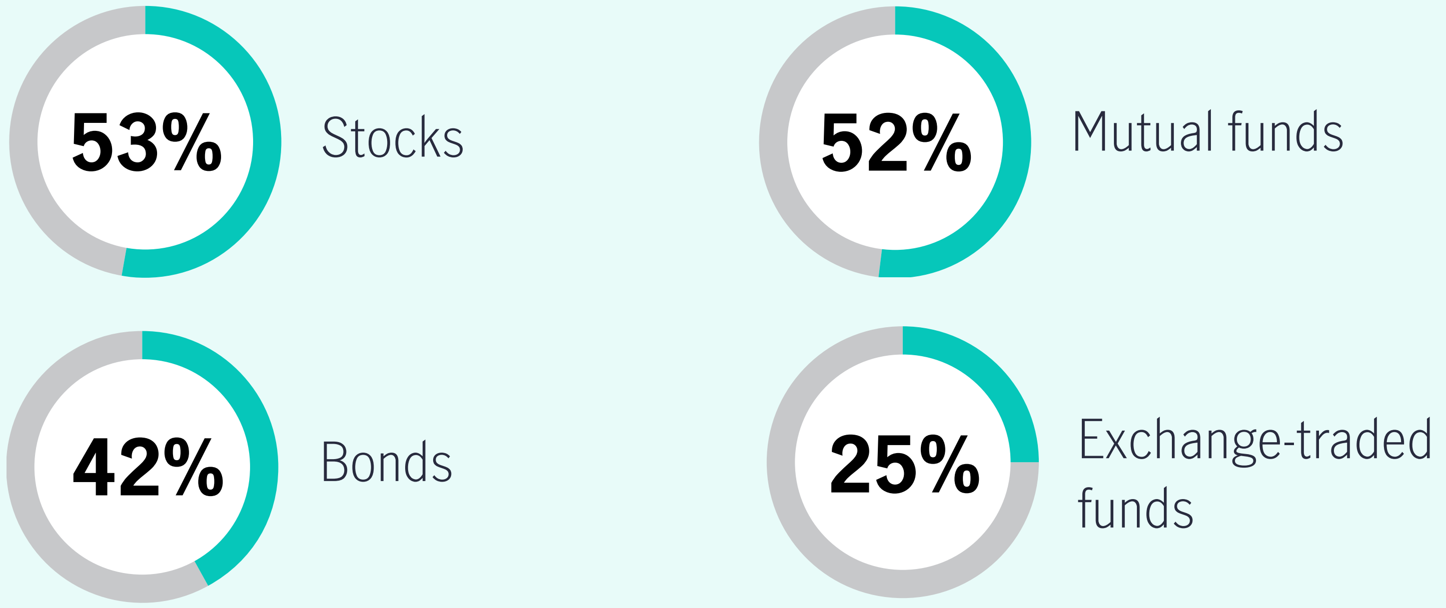
Top investment interests



Professional support

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Retirement preparedness

Target retirement age

Dream age	Expected age
67	68

Top reasons for expecting to retire later than planned

Increase retirement savings
55%

Pay off debt
38%

Want to have something productive to focus on
28%

Working makes me feel fulfilled
23%

For illustrative purposes only.

Status of retirement savings

15% Ahead

43% Behind

36% On track

The chart doesn't include people who responded not sure.

Saving attitudes

64% make saving for retirement a priority

33% would save more for retirement if they could manage their financial priorities

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Retirement concerns

31% worry about affording the basics, such as food and housing	**53%** are concerned about covering healthcare costs

Expected sources of income (other than Social Security)

401(k) or 403(b) **85%**	Annuities **51%**
IRAs **43%**	Saving and checking accounts **27%**

The chart reflects the primary sources participants mentioned.
For illustrative purposes only.

Key takeaways

Baby boomers are starting the transition from the workforce to retirement. While they're generally in a good place financially, they need help balancing living well today with planning for their future. Support for this group could focus on:

- **Tips for maximizing their savings (e.g., taking advantage of catch-up contributions)**
- **Creating a drawdown strategy to help make their money last**
- **Understanding the basics of Social Security and Medicare**
- **Making their investment portfolio retirement ready**
- **Staying active and socially engaged in retirement**

Early retirees

72%

wish they'd saved more for retirement

Early retirees (retired sooner than expected)

While early retirement sounds appealing, the reality for many early retirees is far from ideal. They're not only in a more precarious financial situation than those who retired as planned or later but also working baby boomers. As a result, they're likely having to make tough decisions about their lifestyle.

Six key observations

1

The disparity between their actual and expected retirement age is significant— On average, workers in this group retired seven years earlier than planned, either by choice or due to circumstances. What this likely tells us is that individuals shouldn't rely on working longer to make up any savings shortfall—they need a plan B.

2

Retirement is stressing them out financially—Nearly 40% of this group are more stressed now than when they were working, and over half are unhappy with their financial situation. These numbers are more than double those for retirees who retired as planned or later.

3

Like many American workers, early retirees are struggling with financial resilience—On top of wishing they'd saved more for retirement, this group is worried about having enough money to cover unexpected expenses. Additionally, many feel their level of debt is a problem.

4

This group depends more on Social Security—Early retirees are three times more likely to rely solely on Social Security as their source of income in retirement than those who retired as planned or later.

5

For those with other sources of income, annuities top the list—While most workers expect their 401(k) or 403(b) to be their primary source of income in retirement, that's not the case for early retirees. They depend more on annuities and pension plans, with 401(k)s and 403(b)s a distant third.

6

It's not all doom and gloom—Despite all their worries and financial challenges, nearly three-quarters of early retirees are enjoying their retirement.

See the generational snapshot for a side-by-side comparison.

Financial resilience

Top worries

U.S. election
66%

Inflation/cost of living
59%

Economic conditions
49%

Retirement savings
41%

Financial situation

Poor/fair
55%

Good
30%

Very good/excellent
16%

Debt

46%
feel their level of debt is a problem

For illustrative purposes only.

Financial stress

38%
are more financially stressed in retirement than before

Emergencies

54%
are worried about not having enough emergency savings

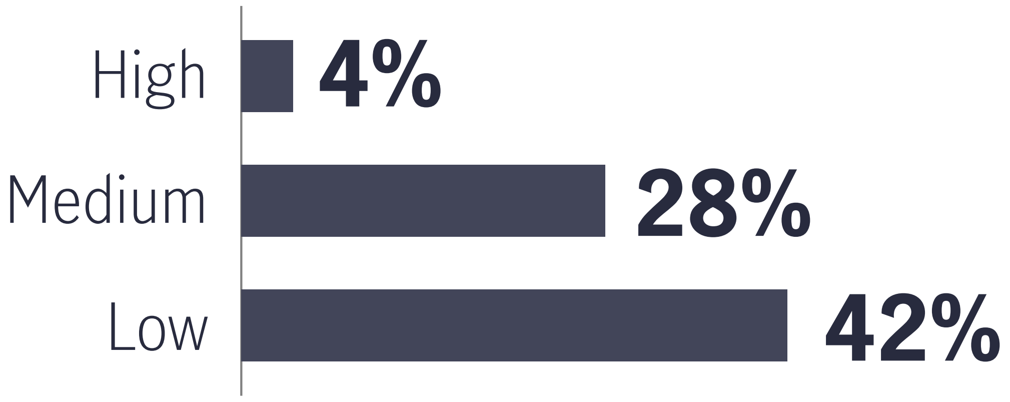
Savings

62%
need to fill a financial gap

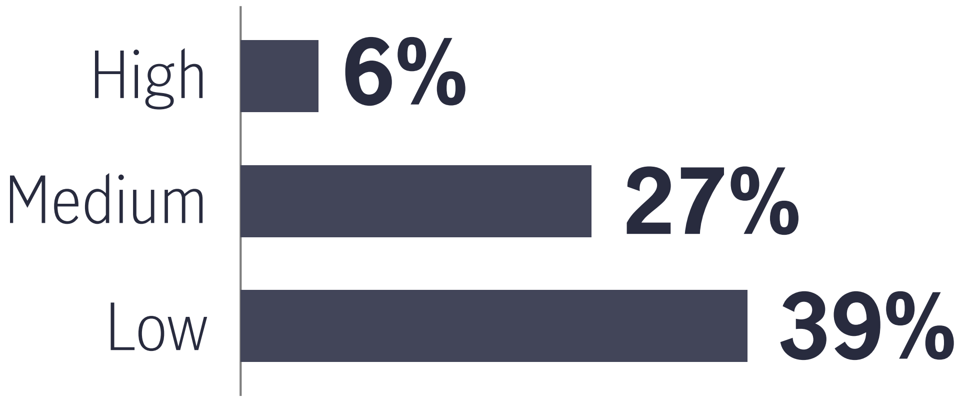
72%
wish they had saved more

Investment attitudes

Risk tolerance: retirement plans



Risk tolerance: personal investments



The chart doesn't include people who responded not sure.
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Top investment interests

- **40%** Stocks
- **40%** Mutual funds
- **34%** Bonds
- **23%** Commodities (gold, silver, etc.)

Professional support

- **26%** have a financial advisor
- **24%** seek guidance during financial difficulty

Retirement lifestyle

Target retirement age

Expected age	Actual
63	56

Sources of income (other than Social Security)

Annuities	Pension plans
36%	29%
401(k) or 403(b)	**IRAs**
19%	18%

Chart reflects primary sources retirees reported.
For illustrative purposes only.

Preparations

54% had a formal plan for retirement before retiring

Reliance on Social Security

33% have no additional sources of retirement income

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Lifestyle adjustments

54%
have changed their spending habits to help fill their financial gap

45%
have moved or plan to move to help reduce expenses

Overall experience

72%
are enjoying retirement

48%
worry about being in poor health due to the cost of healthcare

36%
worry that they retired too early

For illustrative purposes only.

Key takeaways

The findings for this group illustrate the need to encourage workers to plan and save throughout their working years. Consider weaving this insight into the support previously discussed for Gen Z and millennials as a cautionary tale. Additionally, early retirees need to know they're not alone and that help is available if they want it. To build this awareness, age-targeted, personalized communications could highlight:

- **The value of working with a financial professional**
- **Strategies for withdrawing income in retirement**
- **Tips for making the most of Social Security**
- **Ways to supplement their retirement income**
- **Tools and resources offered through their retirement plan or IRA**
- **Live and on-demand events addressing key retirement issues**

Retirees

47%
wish they'd saved more for retirement

Retirees (retired as planned or later)

American workers who retired as planned or later have a significantly more positive outlook on their financial situation and resilience than those who retired early. Their preparedness may be a key driver of this optimism. The majority had a formal plan in place before retiring, and more than half work with a financial professional.

Six key observations

1

They retired before reaching their full retirement age—Although these individuals retired as planned or later, they still, on average, retired at age 62, extending the time their savings may need to last.

2

Inflation isn't their top worry—Like baby boomers and early retirees, the 2024 U.S. election is their primary concern. This group is also the only one where climate change broke into the top four worries.

3

These retirees aren't feeling the same stress as other groups—Out of everyone we surveyed, workers who retired as planned or later are the happiest with their financial situation, with 78% rating it good to excellent.

4

They seem to have built the most financial resilience—Among all workers and retirees, this group is the most comfortable with their level of debt and emergency savings. And only 8% worry that they retired too soon.

5

The majority aren't relying on Social Security—Only 11% don't have other sources of retirement income besides Social Security.

6

Retirement has been a positive experience—Approximately 9 in 10 American retirees are enjoying their next chapter, with less than a third having to adjust their spending habits.

See the generational snapshot for a side-by-side comparison.

Financial resilience

Top worries

U.S. election	Inflation/cost of living	Economic conditions	Climate change
69%	45%	38%	29%

Financial situation

Poor/fair	Good	Very good/excellent
21%	42%	36%

Debt

28% feel their level of debt is a problem

For illustrative purposes only.

Financial stress

15% are more financially stressed in retirement than before

Emergencies

26% are worried about not having enough emergency savings

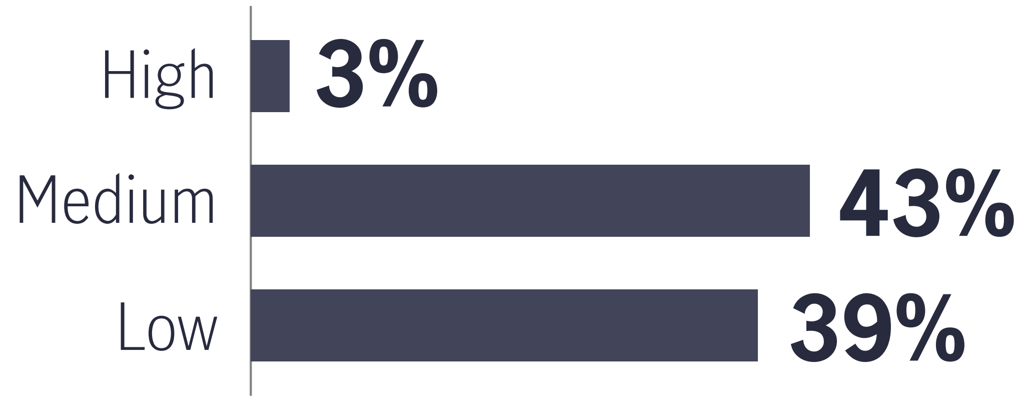
Savings

33% need to fill a financial gap

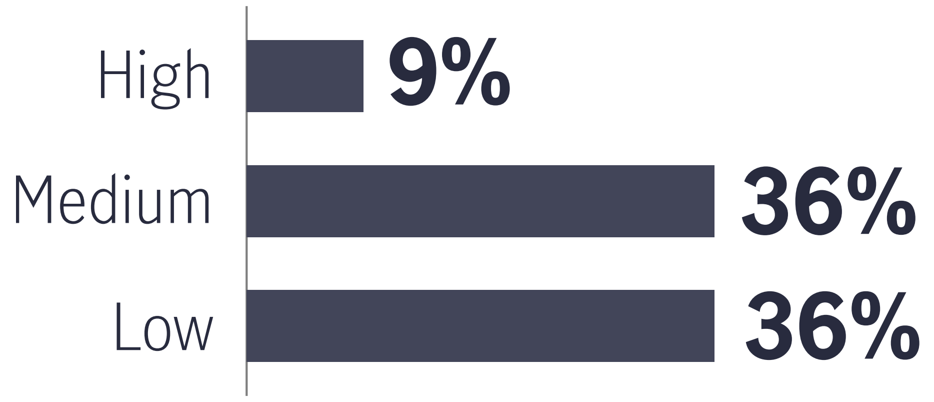
47% wish they had saved more

Investment attitudes

Risk tolerance: retirement plans

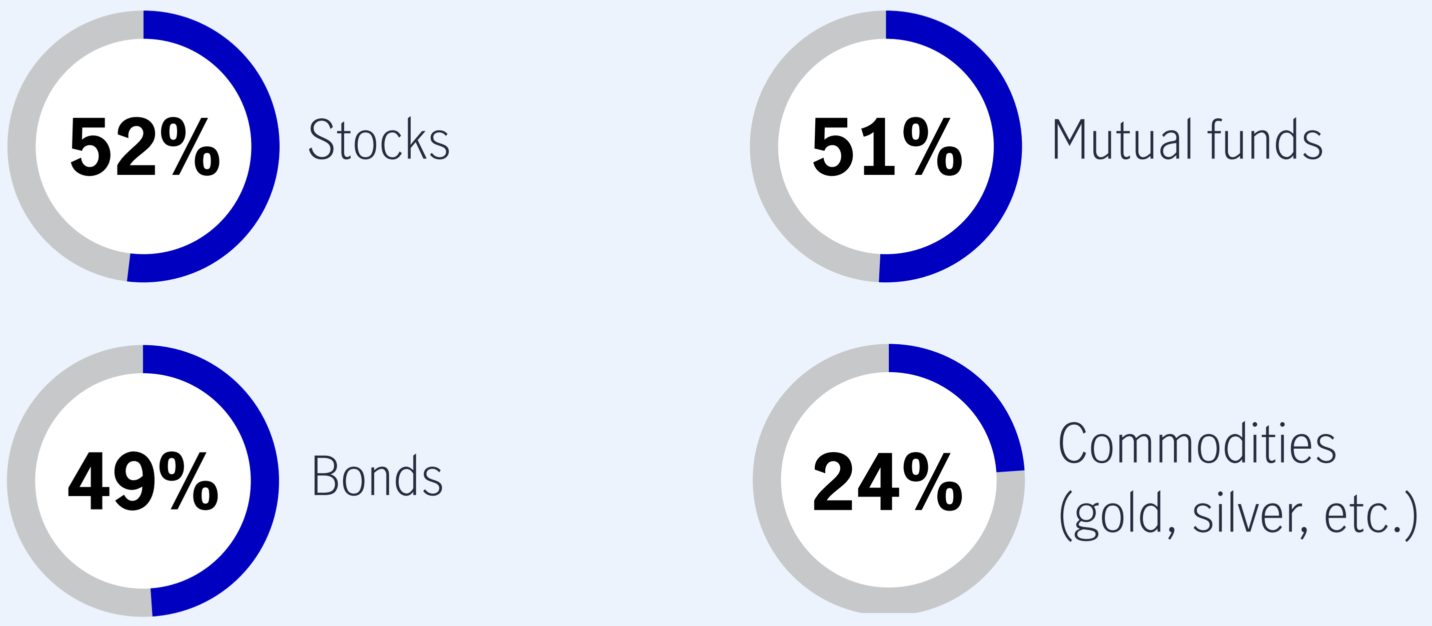


Risk tolerance: personal investments



The chart doesn't include people who responded not sure.
For illustrative purposes only.

Top investment interests



Professional support

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Retirement lifestyle

Target retirement age

Expected age	Actual
62	62

Sources of income (other than Social Security)

Pensions
52%

Annuities
51%

401(k) or 403(b)
37%

IRAs
28%

Chart reflects primary sources retirees reported.
For illustrative purposes only.

Preparations

80% had a formal plan for retirement before retiring

Reliance on Social Security

11% have no additional sources of retirement income

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Lifestyle adjustments

27%
have changed their spending habits to help fill their financial gap

34%
have moved or plan to move to help reduce expenses

Overall experience

88%
are enjoying retirement

32%
worry about being in poor health due to cost of healthcare

8%
worry that they retired too early

For illustrative purposes only.

Key takeaways

The overall financial picture of these individuals highlights the power of preparedness. We should seek opportunities to share their success stories and lessons learned with workers of all generations. Support for this group could focus on helping them stay on track with tips for:

- **Managing their retirement budget**
- **Maximizing their drawdown strategy**
- **Making the most of Social Security**
- **Creating or updating their estate plan**
- **Planning for future medical expenses and long-term care**

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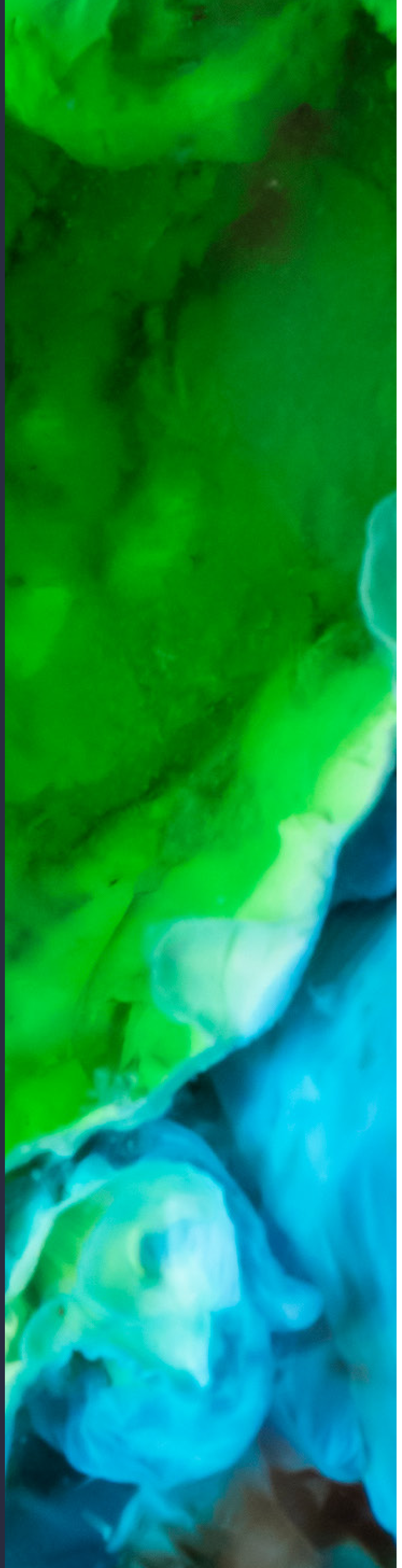
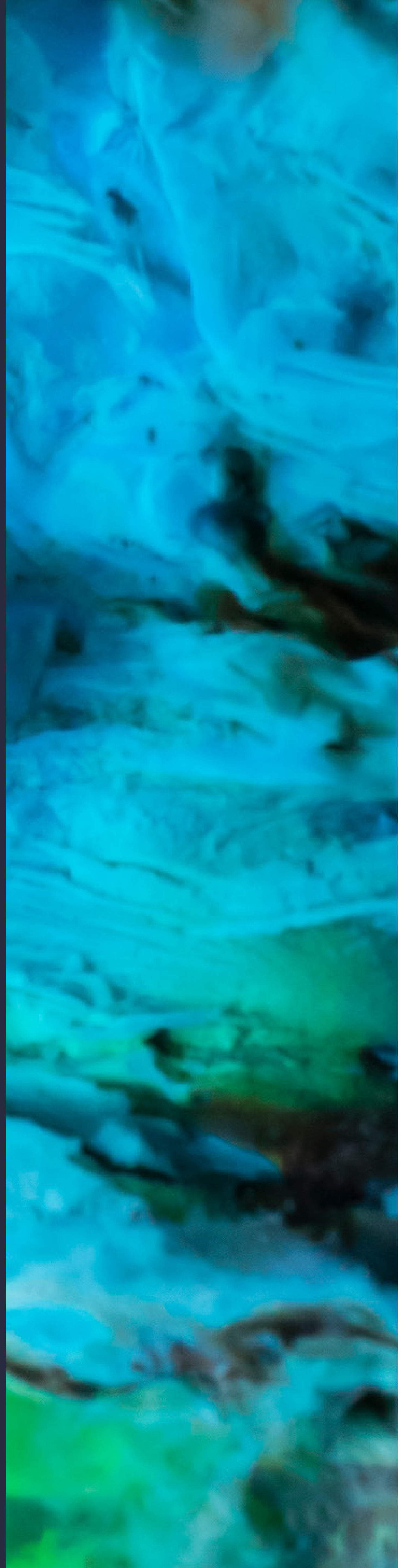


Next steps

Embrace the opportunity to enhance financial resilience and longevity planning across generations

Many American workers of all ages are finding it difficult to build financial resilience in the current economic environment. This challenge has elevated their financial stress and is affecting their ability to plan for a retirement that could last more than three decades.

These individuals need help taking control of their money and understanding how much they need to save, and they're looking to their employers for assistance. Providing this much-needed support benefits both workers and businesses. Higher financial resilience can help reduce financial stress and boost productivity.



Next steps:

Evaluate your current level of support

- Look for any potential gaps in the resources and services available to help workers build their financial resilience and plan for their longevity.
- Make the most of the financial wellness tools offered through your retirement plan partners.
- Identify opportunities to enhance your support based on the experiences of early retirees.

Assess your worker education and communication strategy

An occasional email isn't enough to encourage action and change saving behaviors. Make sure you're providing relevant information on a regular basis and using a variety of formats (personalized communications, online resources, educational meetings, webinars, etc.) to engage your multigenerational workforce. For example, Gen Z and millennials are more likely than older generations to be interested in financial blogs and influencers.

Review your plan's investment lineup

Many workers across generations lack the knowledge to confidently choose an investment strategy for their retirement accounts. Make sure your plan offers support to help make their decision easier. And determine what role annuities can play, if any, since both workers and retirees consider them a primary source of retirement income.

Evaluate your plan design

Your retirement plan design can encourage and help simplify saving for your workers. Key factors to consider include your eligibility and vesting requirements, automatic plan features, matching contribution formula, and qualified default investment alternative (QDIA).

Benchmark your offering

Use our findings to help set goals and measure the impact your support is having on financial stress, financial resilience, and longevity planning.

Each generation of workers and retirees is unique, and the support they receive should reflect that. Let's work together to help each group overcome their barriers to financial resilience so they can focus on planning for a decades-long retirement.

To learn more, please visit https://retirement.johnhancock.com/us/en/financial-stress-survey

There is no guarantee that any investment strategy will achieve its objectives.

John Hancock's 10th annual financial resilience and longevity survey, John Hancock, Edelman Public Relations Worldwide Canada Inc. (Edelman), June 2024. This information is general in nature and is not intended to constitute legal or investment advice. Edelman and John Hancock are not affiliated, and neither is responsible for the liabilities of the other. This report presents the results of research conducted by Edelman on behalf of John Hancock. The objectives of this study were to (1) quantify the financial situation and level of financial stress of John Hancock plan participants and American retirees; (2) determine the key triggers of financial stress; (3) understand the extent to which actions, including actual financial behavior and planning activity, ameliorate stress; (4) assess longevity and retirement preparation and readiness; and (5) investigate custom insights around how retirees are faring in retirement. This was an online survey comprising of two participant samples: John Hancock plan participants and American retirees. The John Hancock plan participant sample comprised 2,623 John Hancock plan participants. The survey for this sample was conducted from 5/17/24 through 6/03/24, with an average survey length of approximately 18 minutes per respondent. Respondents were located from a list of eligible plan participants provided by John Hancock. The American retiree sample comprised of 525 retired Americans, sourced through Angus Reid's research panel. The survey for this sample was conducted from 5/13/24 through 5/28/24, with an average survey length of approximately 12 minutes per respondent. All statistical testing is done at 0.95 significance levels. Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.

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