Manulife Retirement | John Hancock

The 40-year retirement—balancing dreams and dollars

Retiree revelations, generational insight, and trends to help guide today's workforce

INTENDED FOR PLAN SPONSOR AUDIENCE.

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Manulife John Hancock Retirement's 11th annual Financial resilience and longevity survey, Manulife John Hancock Retirement, Edelman Public Relations Worldwide Canada Inc. (Edelman), June 2025. This is a commissioned study with the respected research firm Edelman Public Relations Worldwide Canada (Edelman). This information is general in nature and is not intended to constitute legal or investment advice. Edelman and Manulife John Hancock Retirement 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 Manulife John Hancock Retirement. 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 insight around how retirees are faring in retirement. This was an online survey comprising two participant samples: Manulife John Hancock Retirement plan participants and American retirees. The Manulife John Hancock Retirement plan participant sample comprised 2,534 Manulife John Hancock Retirement plan participants. The survey for this sample was conducted from 5/9/25 through 6/2/25, with an average survey length of approximately 19 minutes per respondent. Respondents were located from a list of eligible plan participants provided by Manulife John Hancock Retirement. The American retiree sample comprised 512 retired Americans, sourced through Angus Reid's research panel. The survey for this sample was conducted from 5/9/25 through 6/2/25, with an average survey length of approximately 19 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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Preparing workers to hit the big 100 and beyond

Retirement is a delicate balance of dreams and dollars—a sentiment that was echoed throughout our latest survey of American workers and retirees. As one respondent put it, "In retirement, I aspire to live comfortably, ensuring that I can cover my expenses while fully embracing the freedom from corporate life."

Achieving this balance, however, depends on a big unknown for which there's no definitive answer: How long does your money need to last? Although the average life expectancy in the United States is 79,[1] the number of people ages 100 and older is expected to quadruple over the next 30 years.[2] And 52% of our surveyed retirees stopped working sooner than they'd planned, at an average age of 56—further lengthening the duration of their retirement. Given this uncertainty, workers should plan as if their retirement could last 40 years or more. Planning today for a longer life can help workers feel more confident about their finances and worry less about running out of money.

Motivating workers with aha moments

So the question becomes: How do we—plan sponsors, financial professionals, and retirement plan providers—motivate today's multigenerational workforce to plan and save for a 40-year retirement when almost half (44%) are unhappy with their current financial situation? And these feelings are nothing new. They're virtually identical to 2014, the first year we did our survey.

To help move the needle, we've identified aha moments that can spark participants to take action, starting with lessons learned from current retirees. Many of the retirees in our survey were surprised by just how expensive retirement is and how fast they're going through their savings. By weaving their real life experiences, wisdom, and insight into our participant communications, we can help workers build the financial resilience needed for a rewarding retirement, whether it starts at age 55 or 75.

"Longevity is a blessing, but it also brings uncertainty—like whether my savings and investments will truly last the rest of my life."

—Millennial, age 29

1 Macrotrends.net, August 2025. 2 "U.S. centenarian population is projected to quadruple over the next 30 years," Pew Research Center, 1/9/24.

Start creating aha moments

Inside our report, you'll find:

- **Trends** in workers' financial concerns over the years
- An **eye-opening comparison** of early retirees versus those who retired as planned or later
- Wisdom and **insight from retirees** based on what surprised them the most
- **Generational profiles** highlighting their financial hurdles and investing style
- Key takeaways and **next steps** to help you enhance your participant communications

Dive in and start planning your strategy to **create aha moments** that help workers of all ages prepare for a potentially 40-year retirement, balancing their dreams and dollars with ease.

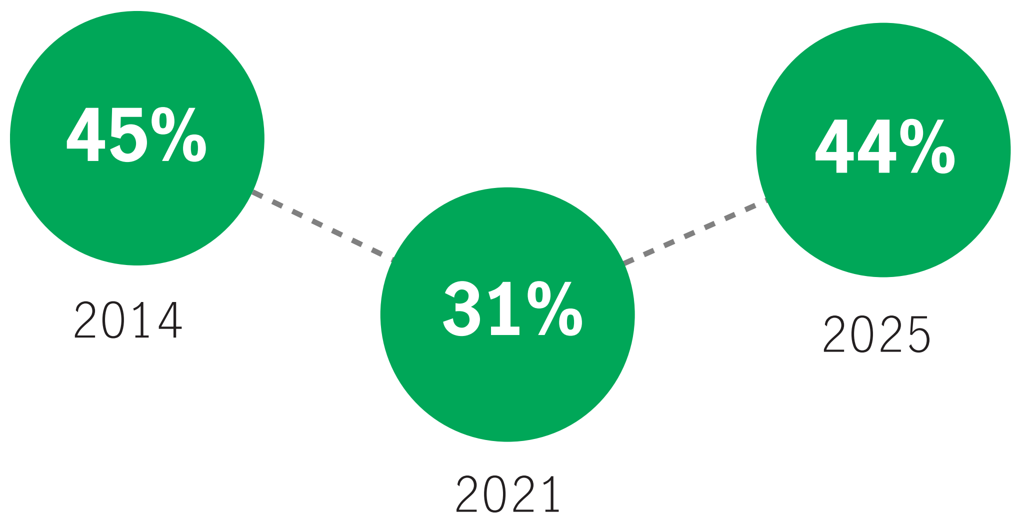
Trends 2014–2025

The financial improvements we saw after the pandemic have faded. Even so, American workers remain more optimistic about their retirement than in 2014, despite concerns about future healthcare costs and living expenses.

Shifting sentiments of U.S. workers

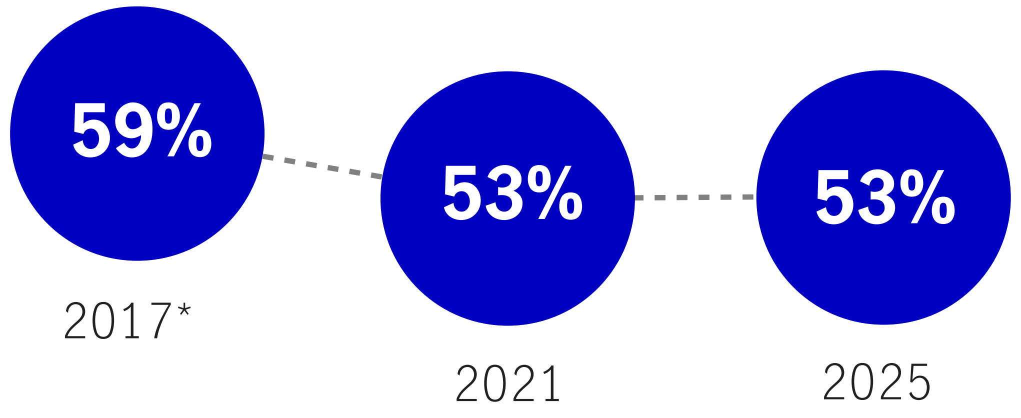
Growing concerns about money after a brief decline

Workers who feel their financial situation is fair or poor



Debt worries persist, affecting many respondents

Workers who feel their debt is a problem

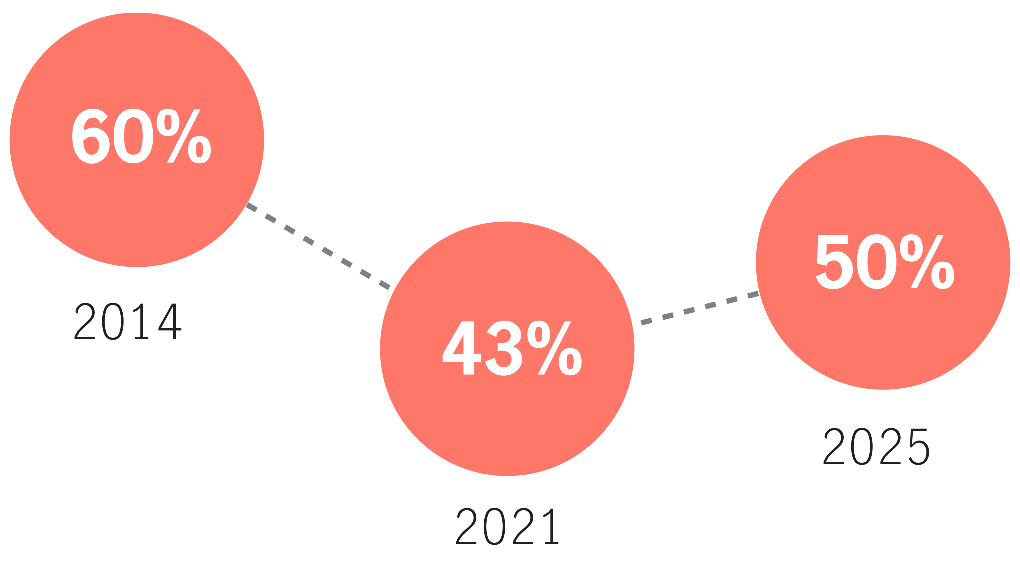


* First year the question was asked in the survey.

Shifting sentiments of U.S. workers

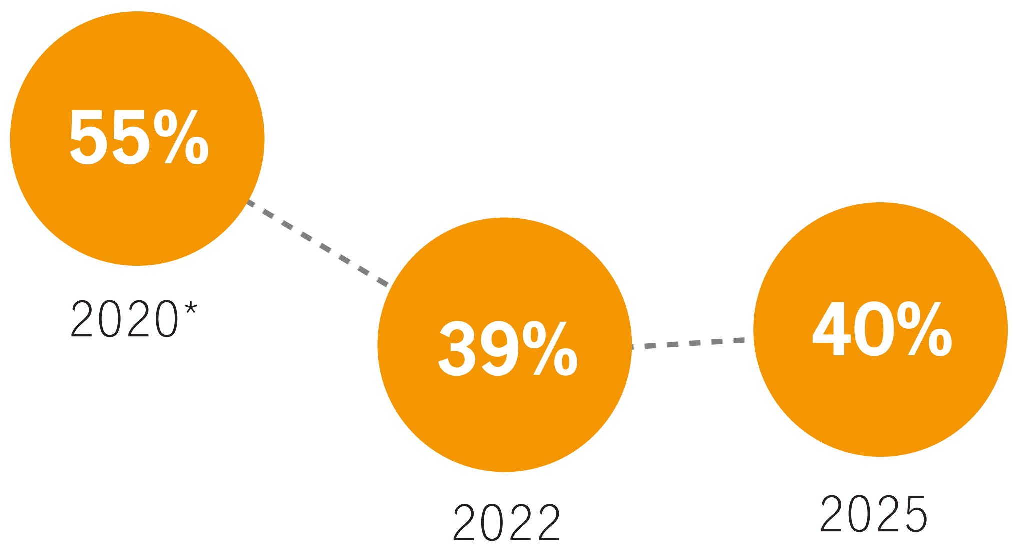
Retirement savings shortfall increasing, still down from a decade ago

Workers who say their retirement savings are behind schedule



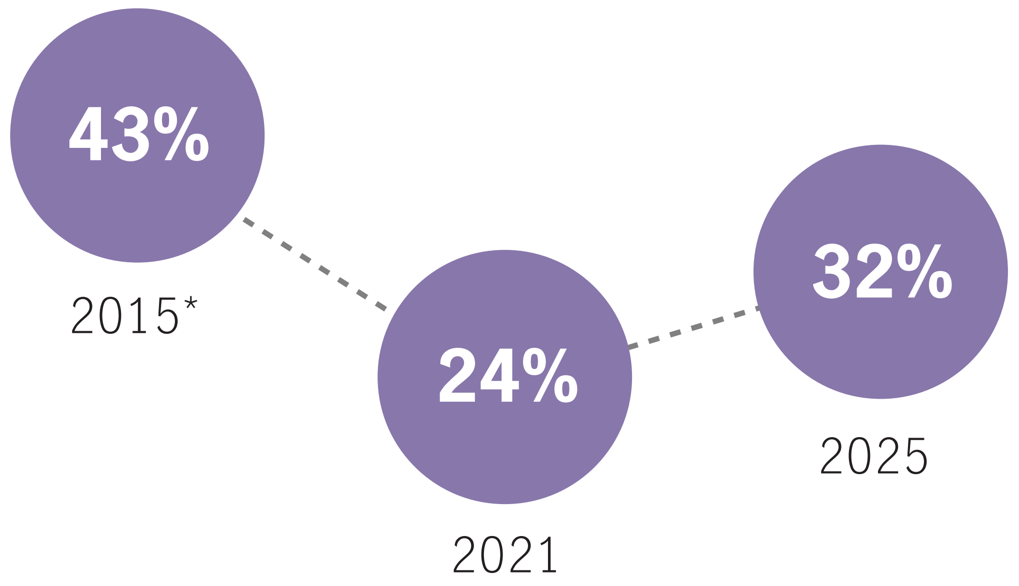
Concerns about healthcare costs holding steady postpandemic

Workers worried about healthcare costs in retirement



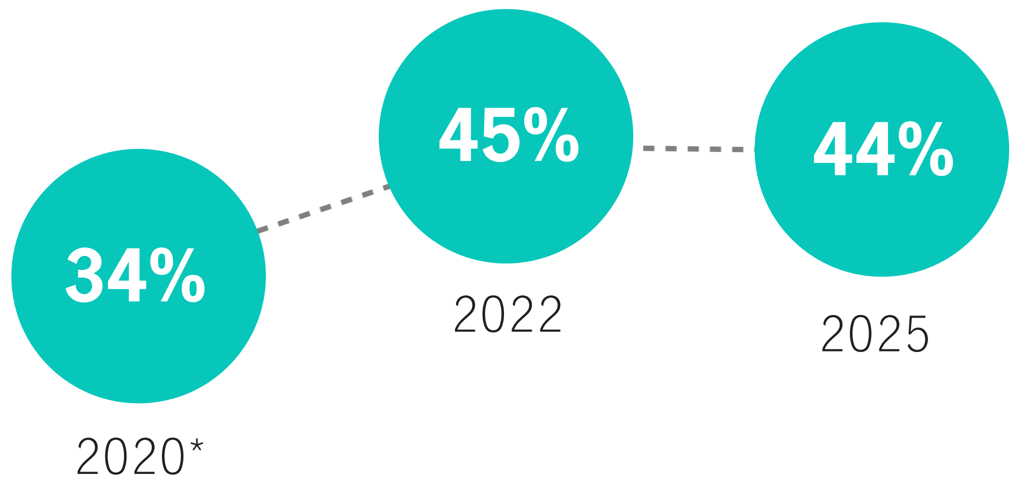
Expected retirement delays rise, yet better than 10 years ago

Workers who expect to retire later than planned



Anxiety over basic retirement expenses levels off after increasing

Workers worried about paying for food and other basic expenses in retirement



* First year the question was asked in the survey.

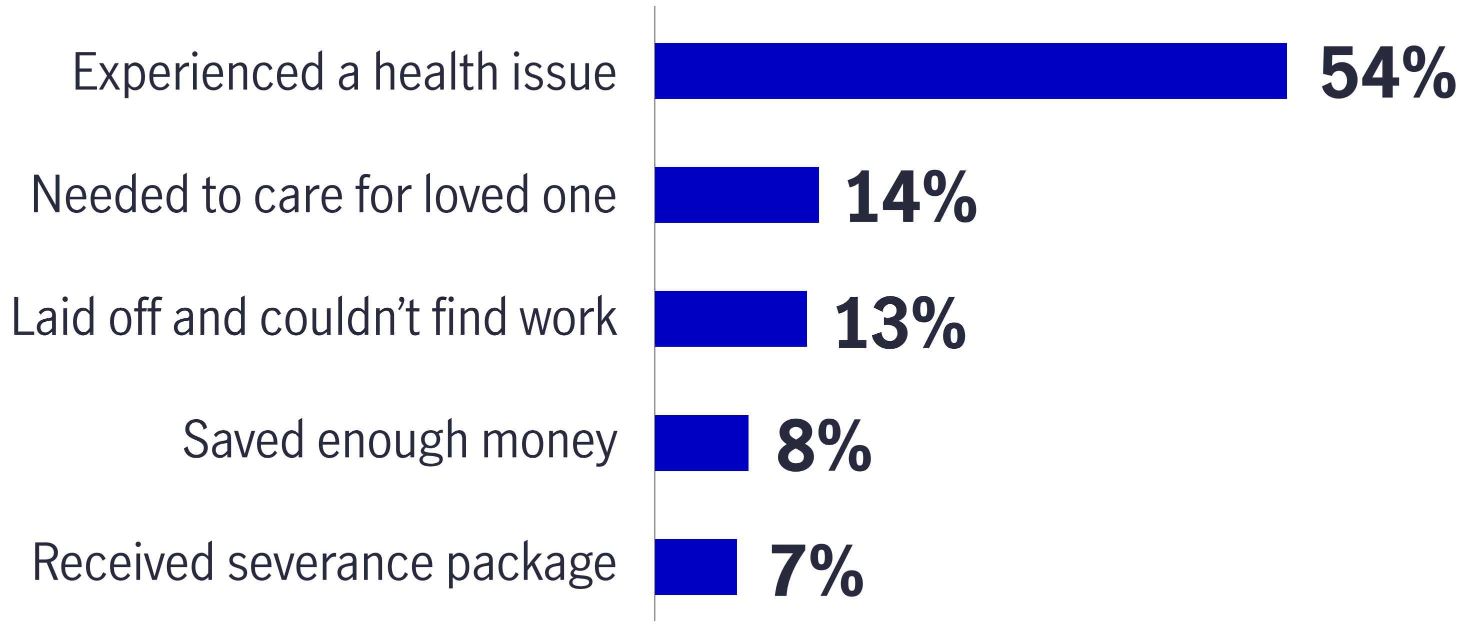
Retiree revelations

After all the saving, planning, and preparation, what's retirement really like? The answer depends on why someone's career ended. We discovered a clear distinction between Americans who stopped working when they wanted and those who were forced to retire ahead of schedule.

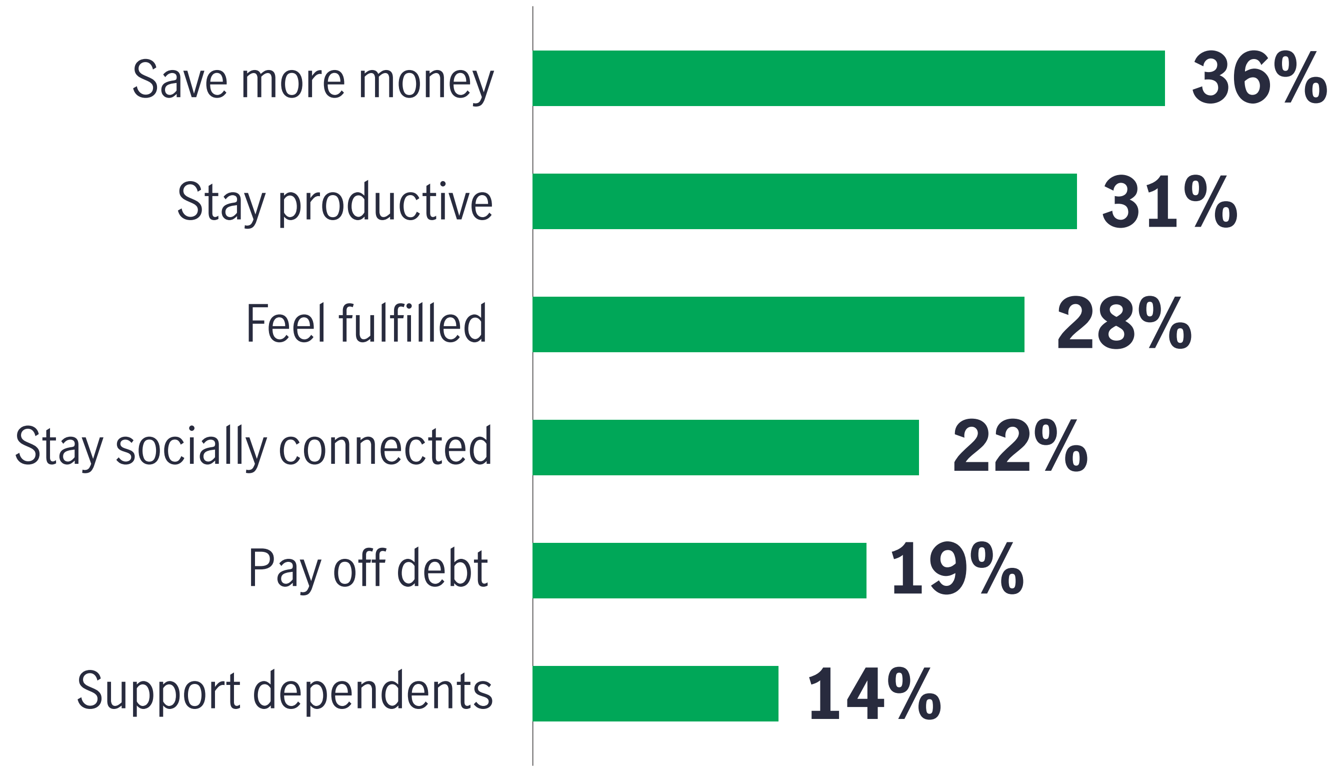
On average, early retirees in our survey exited the workforce at age 56 compared to their counterparts at 63. While there are obvious financial advantages to working longer, it's not always possible. Nearly 70% of those who retired early did so due to personal or family illness. And even for people with extended careers, money woes are present and there are real challenges for both groups.

Common drivers behind retirement

Reason for retiring sooner than planned



Reason for retiring later than planned



Timing is everything—the impact of early retirement

	Early retirees	Retired as planned or later
Expected vs. actual retirement age	64 vs. 56	63 vs. 63
Had a formal plan for retirement before retiring	46%	72%
Are more financially stressed in retirement than before	45%	23%
Wish they'd save more for retirement	75%	57%
Feel their financial situation is fair or poor	60%	30%
Need to fill a financial gap	65%	47%
Have made lifestyle adjustments to cut costs	72%	54%
Have no other sources of income than Social Security	39%	12%

Words of wisdom

Five key themes emerged when retirees shared their biggest surprises and lessons for those still working. These themes echo much of what we already weave into our participant education, but knowing the insight comes from firsthand experience may prompt more workers to take action.

1

Be prepared because retirement may come sooner than you think

“Be ready. I wasn’t ready, but health issues forced me. Plan like every day will be your last day on the job.”

Age 63

“I was forced to retire a year earlier than I had planned. Start planning early in your career for retirement.”

Age 73

2

Make saving for retirement a priority

“Even if you can’t do much at least do the bare minimum right now ... do not wait to start.”

Age 73

"Don’t live in the here and now. Put money into savings after you pay your bills. The sacrifices that you make now by not having the latest phone or not buying the most expensive car will make a difference in your future.”

Age 56

The testimonials provided may not be representative of the experience for all respondents.

3

Plan for future financial demands—retirement is expensive

“How quickly money disappears from my savings account. Had a couple of unexpected large expenses, car repairs, etc. hit me, and it took my savings level down below where I want to be.”

Age 71

“How inflation had a much worse impact than I'd imagined.”

Age 59

4

Work with a financial professional

“A financial advisor you trust is most important.”

Age 83

“My advice to new retirees is that you do your homework. You can start by contacting a financial advisor from your financial institution. I believe they're very knowledgeable and helpful ... ”

Age 72

5

Have a plan for how you'll spend your time

“After about two years, it hits you that you won't be working anymore, and you need to keep yourself active.”

Age 48

“You will miss the camaraderie of your fellow workers ... as a result, you need to find an activity or group that will provide social interaction and will keep you interested in life and all it has to offer.”

Age 74

The testimonials provided may not be representative of the experience for all respondents.

Generational insight

Workers of all ages share many financial concerns and goals, but what matters most to respondents changed slightly depending on their stage of life. For example, while our survey showed that saving for retirement is a top priority for everyone, it's lower on the list for Gen Z. That's to be expected as they're just starting out. Use the profiles on the following pages to see how each generation is feeling so you can meet where they are today.

Top five financial priorities across generations

	Gen Z		Millennials		Gen X		Baby boomers	
1	Day-to-day expenses and bills	**70%**	Saving for retirement	**70%**	Saving for retirement	**73%**	Saving for retirement	**69%**
2	Saving for emergencies	**68%**	Saving for emergencies	**66%**	Saving for emergencies	**54%**	Day-to-day expenses and bills	**47%**
3	Saving for retirement	**66%**	Day-to-day expenses and bills	**63%**	Day-to-day expenses and bills	**54%**	Saving for emergencies	**40%**
4	Saving for a house	**63%**	Becoming debt free	**54%**	Becoming debt free	**49%**	Becoming debt free	**40%**
5	Becoming debt free	**58%**	Managing debt	**45%**	Pay off mortgage before retirement	**40%**	Managing debt	**30%**

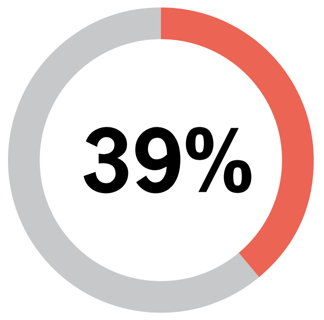
Gen Z (ages 18–28)

The youngest members of the workforce are feeling the financial pressures of adulthood. They're focused on making ends meet and worry their long-term goals may be out of reach. As one Gen Z'er put it, **"I have a great job and another one on the side, which allows me to cover housing, food, and transportation; however, anything beyond those essentials requires careful consideration due to the cost of maintaining them. I want to build savings, own a home, and travel, but right now, these aspirations feel like distant luxuries."**

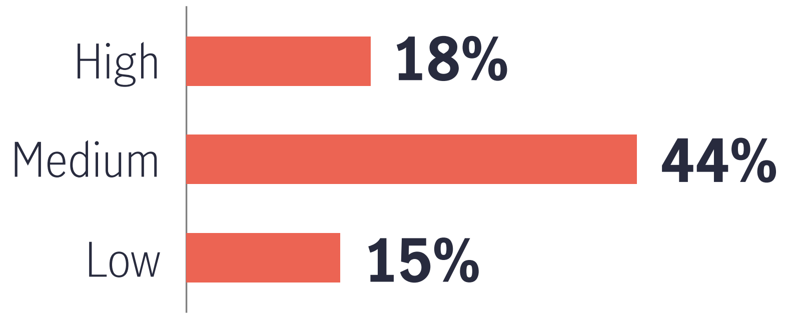
▶ Gen Z

Investment profile

Knowledgeable about investing



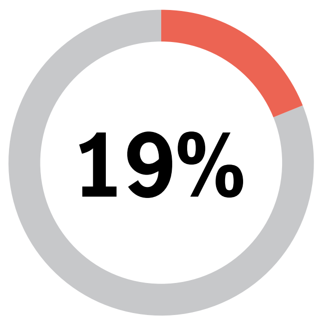
Risk tolerance for retirement plan investments



Top three investment interests

1 Stocks
2 Mutual funds
3 Bonds

Interested in cryptocurrency for retirement accounts



Financial journey

Retirement age

67 expected retirement age

59 ideal retirement age

Retirement readiness

42% feel their retirement savings are behind schedule

29% have a formal plan for retirement

Financial resilience

52% feel their finances are fair or poor

58% consider their debt a problem

57% worry about inflation and cost of living

For illustrative purposes only.

Millennials (ages 29–43)

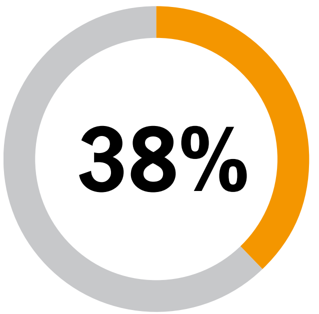
Millennials are the largest group in the workforce today,[3] so employers may want to focus on their concerns, goals, and fears. Less than half rate their money situation highly, and despite more working years, they're further behind on their retirement savings than Gen Z. **"Frankly, I'm concerned about my longevity and whether or not I can ever save enough to cover retirement in the traditional sense. Deciding when to retire is something I'll have to tackle, but 65 seems young nowadays to retire,"** said one millennial.

3 "Changes in the U.S. Labor Supply," *Trendlines*, U.S. Department of Labor Employment and Training Administration, August 2024.

Millennials

Investment profile

Knowledgeable about investing



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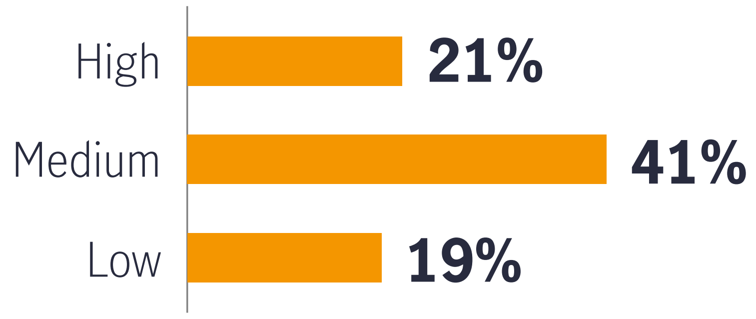
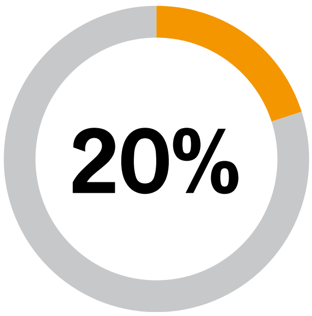


Top three investment interests

1. Stocks
2. Mutual funds
3. Exchange-traded funds

Interested in cryptocurrency for retirement accounts



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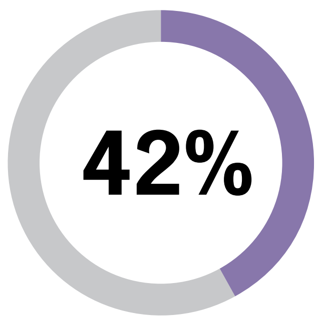
Gen X (ages 44–57)

Gen X is known as the sandwich generation, tasked with caring for both their children and elderly parents. Our data reinforces this status, with Gen X workers reporting the highest rate of dual care. As one Gen Xer expressed, **“I’m most concerned about my children not being able to live on their own.”** This situation may be contributing to their low level of retirement savings—48% have put away less than $50,000. And time may be running out faster than they think. The oldest of this group is 57, a year past the average retirement age for early retirees in our survey.

▸ Gen X

Investment profile

Knowledgeable about investing



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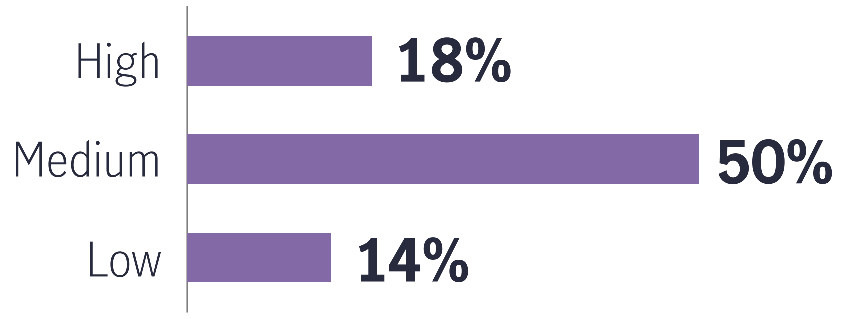

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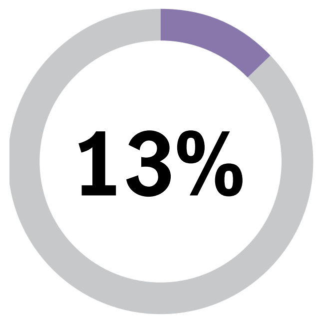

Financial journey

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Financial resilience

49%
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59%
consider their debt a problem

51%
worry about inflation and cost of living

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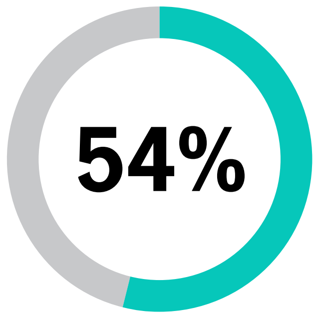
Baby boomers (ages 58+)

Baby boomers are likely thinking of retirement, if not actively planning for their next chapter. Just like last year, the majority are feeling good about their financial situation, and they're the most optimistic of all generations. These workers are highly engaged with their money, which may be driving their positive outlook. Over half (56%) have opened six or more of our emails in the past year, filled with financial and retirement planning tips. They may also be driven by a desire to avoid becoming a burden. As one baby boomer put it, **"I worry that I may live too long and run out of money. Don't want to be a burden on my family."**

Baby boomers

Investment profile

Knowledgeable about investing



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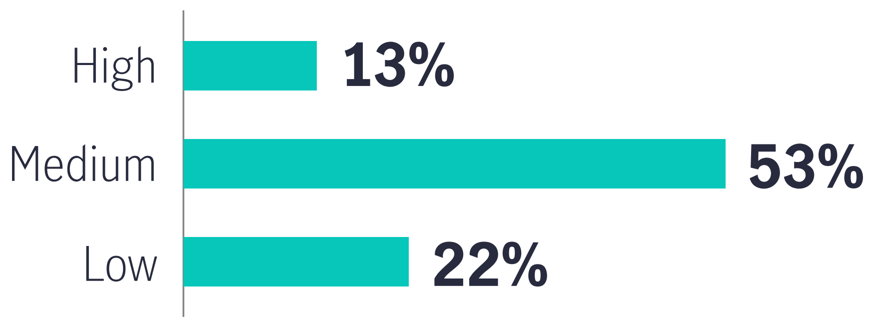

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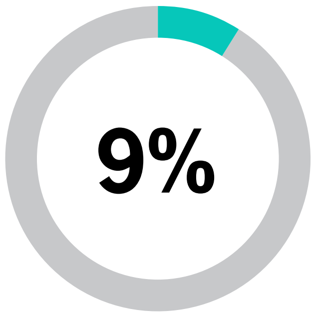

Financial journey

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44% feel their retirement savings are behind schedule

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Financial resilience

34% feel their finances are fair or poor

42% consider their debt a problem

39% worry about inflation and cost of living

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Key takeaways and next steps

Financial stress—a workplace disruptor

The financial concerns we've highlighted are taking a toll on job performance. On average, people are spending nearly five hours a month on their finances at work—a level we haven't seen since 2021. There's also been a 4% uptick in people taking time off due to financial stress. These actions can cost employers an average of $2,726 per employee each year in lost productivity and absenteeism.[4] Helping to reverse these upward trends starts by offering the support workers value.

Personal finances and job performance

4.6 hours
is the average time spent on finances each month at work

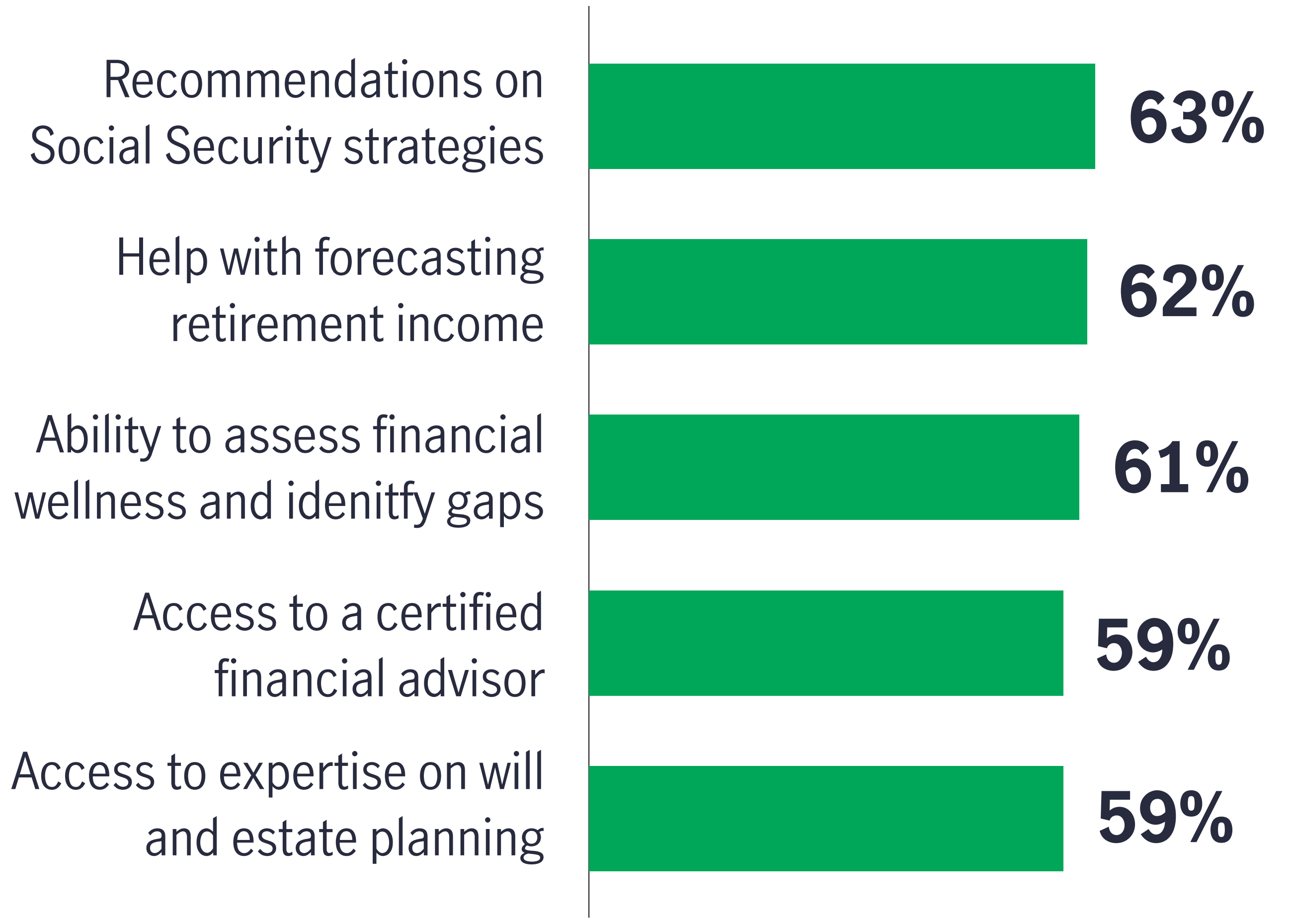
16%
have missed at least one day of work in the past six months due to financial stress

33%
say they'd be more productive without their current financial worries

The vital role of employers

48%
of workers say their employer has some influence on their financial decision-making

Top five areas of interest for employer support



4 This is a hypothetical illustration used for informational purposes only based on data from Manulife John Hancock's 2025 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 5.32 hours/year and 55.44 hours/year of lost productivity due to symptoms of financial stress with an assumed salary of $44.86 per hour. Note: Individual circumstances may vary and may not be reflective of your situation.

Tying it all together—five key takeaways

We need to meet workers where they are today, sparking aha moments that help motivate them to boost their financial resilience and plan for their longevity.

Gen Z	More than any other generation, Gen Z aspires to retire well before the traditional age, making a 40-year retirement a real possibility. Yet, many see retirement as a distant event and struggle to focus on it now. Consider exploring innovative ways to help them connect with their future today.
Millennials	This generation is struggling the most with managing their current finances and saving for retirement. Many also feel lost when it comes to investing. By going back to basics, we can offer the financial education needed to help them balance their current dollars and future dreams.
Gen X	While they're doing a bit better than millennials, Gen X still faces significant financial pressure. A key factor may be that 62% aren't only managing their own households but also providing financial support for their parents and children. Key financial education topics for this group might include college planning, caregiving, and other topics relevant to the sandwich generation.
Baby boomers	This group feels the most confident about their finances and retirement savings. They're also the least concerned about inflation and the cost of living. Consider focusing on maintaining their momentum—helping them make the most of their remaining work years and turning their savings into lifetime income.
Retirees	Their experiences highlight the impact of good planning and how much the timing of retirement can matter. Just as we encourage workers to plan for unexpected expenses, we should be talking to them about the importance of preparing for an unexpected retirement.

Ideas for creating aha moments

How can you inspire those aha moments in participants? Here are some suggestions to get your wheels turning.

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Interactive activities

Gen Z and millennials have grown up in a digital world. Making retirement planning a game can help them visualize the outcome and the impact their choices can have.

Video testimonials

Personal stories are a powerful way to build connections as they make topics more relatable. Consider starting your education meetings with a short video of someone discussing the challenges they faced and the steps they took to overcome them.

Guest speakers

Take it up a notch by inviting retirees or others to share their stories in person or virtually. This gives workers the chance to ask questions from those who have firsthand experience.

Personas

Bring financial and retirement topics to life with age-specific personas that resonate with your audience. For example, “Meet Mary, 24. She's just started her career and is setting up her first home.”

Age-specific education meetings

Rather than holding general sessions on saving for retirement or managing debt, consider hosting meetings tailored to each generation. People often feel more comfortable asking questions in smaller groups with their peers, and they're likely to engage more with content that speaks directly to their situation. You could even have someone from their age group lead the discussion for added relatability.

By partnering together, we can help today’s multigenerational workforce prepare for and enjoy a potentially 40-year retirement, balancing their dreams and dollars.

To learn more, visit retirement.johnhancock.com/financialstress.

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

Manulife John Hancock Retirement's 11th annual Financial resilience and longevity survey, Manulife John Hancock Retirement, Edelman Public Relations Worldwide Canada Inc. (Edelman), June 2025. This is a commissioned study with the respected research firm Edelman Public Relations Worldwide Canada (Edelman). This information is general in nature and is not intended to constitute legal or investment advice. Edelman and Manulife John Hancock Retirement 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 Manulife John Hancock Retirement. The objectives of this study were to (1) quantify the financial situation and level of financial stress of Manulife 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 insight around how retirees are faring in retirement. This was an online survey comprising of two participant samples: Manulife John Hancock Retirement plan participants and American retirees. The Manulife John Hancock Retirement plan participant sample comprised 2,534 Manulife John Hancock Retirement plan participants. The survey for this sample was conducted from 5/9/25 through 6/2/25 with an average survey length of approximately 19 minutes per respondent. Respondents were located from a list of eligible plan participants provided by Manulife John Hancock Retirement. The American retiree sample comprised 512 retired Americans, sourced through Angus Reid's research panel. The survey for this sample was conducted from 5/9/25 through 6/2/25, with an average survey length of approximately 19 minutes per respondent. All statistical testing is done at 0.95 significance levels. Percentages in the tables and charts may not total 100 due to rounding and/or missing categories.

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The testimonials provided throughout this report may not be representative of the experience for all respondents.

All examples, stats and charts are for illustrative purposes only.

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