

Stress, Finances, and Well-Being Study

 **Manulife** Investment Management



Connecting the dots – work, wellness and wealth

Our second annual study shows the pervasiveness of stress—including concern about finances—among a large majority of Canadian workers.

Despite the bright spots in general improvements in Canadians' financial position, most demographic to report experiencing financial stress in some way.

Why is the study important



Our lives have changed over the past few years, and so have our stresses.

Understanding the drivers of stress lead us to solutions that support better wellness for Canadians.

Why is the study important



There are 5 major stressors in their lives, and 4 are directly related to their financial situations

1. The Knowledge Gap
2. Financial Stress at Work and Home
3. Retirement
4. Basic Needs

Stress 1: The Knowledge Gap

Canadians' financial position has improved but stress has worsened.



7/10 rate their current financial situation as good or better and 1/10 rate their financial situation as excellent.

But, twice as many report major general or financial stress during the pandemic, compared to before the pandemic

 The stress paradox

Stress 2: Financial Stress at Work and Home



Of those who worry about their finances, a large majority — almost 70% say they would be more productive at work if financial worries did not intrude.

68% of Canadians said they would be somewhat or much more productive at work if they weren't spending time worrying at work.

Stress 3: Retirement



There is growing gap in retirement readiness among Canadians.

Almost $\frac{1}{2}$ report they are on-track or ahead of schedule on their retirement saving, yet more than **a third** report they are behind or far behind.

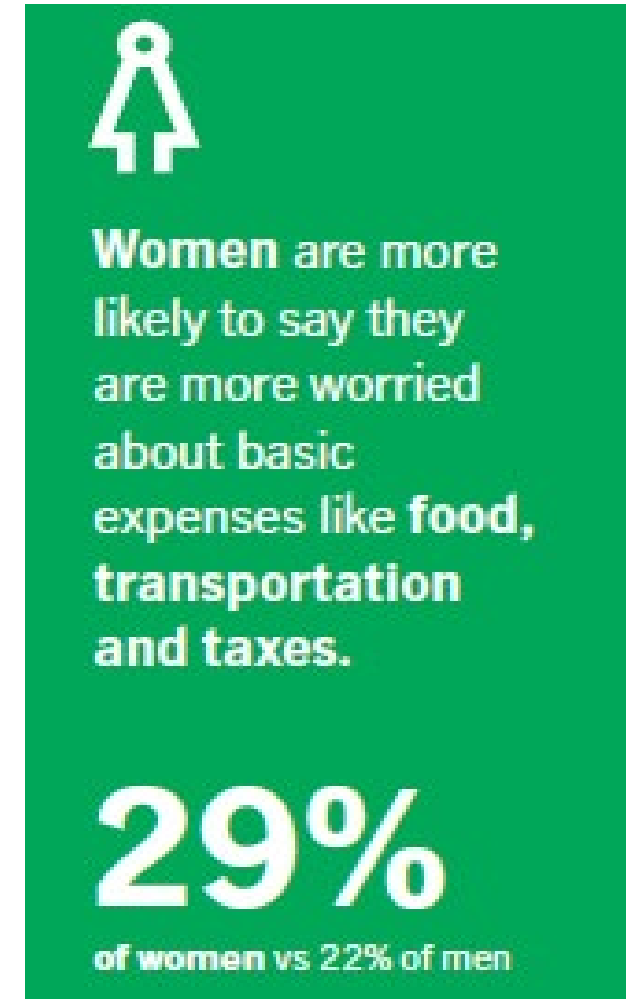
Stress 4: Basic Needs



Not just in retirement, but also today many Canadians are worried about basic needs, like health care and daily expenses.

The impact is not equal across all demographics.

Creating more programs that creates accessibility to all is desired.

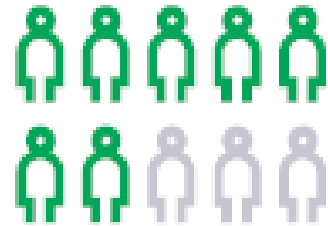


The Biggest Trends In The Study

1. The 'not knowing' Canadians are faced with
2. The growing divide
3. The dependance on employers for Financial Wellness

Trend 1: The Not Knowing

While Canadians mostly are in a better financial position than a year ago or even the past several years, they are more stressed about their finances than ever, and the “not knowing” is driving a lot of tension.



Most people are recognizing they have a greater need for financial knowledge and support to manage competing financial priorities such as reducing debt and saving for retirement.

Trend 2: The Growing Divide

Unfortunately, certain groups have been far more impacted, such as in the service industry and woman 36 and under.

These groups are looking for more support from their employers on how to manage their finances overall and succeed in both the short and long term.



Trend 3: Dependence on Employers



There is a growing desire for an employer who ‘cares and provides me benefits that support my financial wellness’.

Including support setting up an emergency fund, education savings tools, and managing a budget.

80 per cent saying a **retirement plan is a critical** company benefit.

Study Headline or Primary Take Away



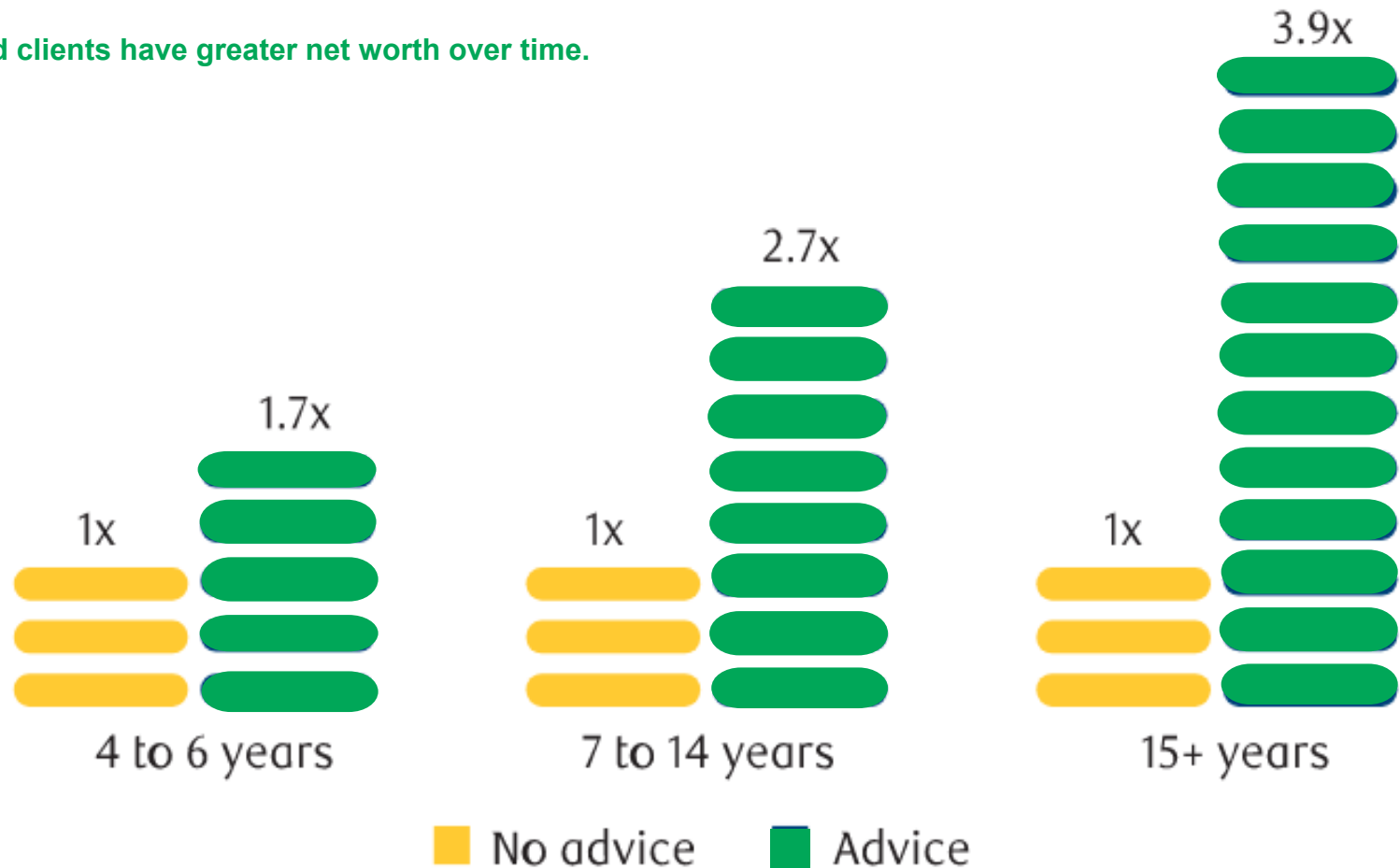
**Advice that connects
the dots – work,
wellness and wealth**

The concerns and stresses we have cut across all aspects of our lives and so should our solutions – **integrated advice and support** is essential to helping Canadians navigate and feel confident about their finances today and tomorrow.

Study Headline or Primary Take Away

Advice that connects the dots – work, wellness and wealth

Advised clients have greater net worth over time.



Source: The Gamma Factor and the value of Financial Advice, Claude Montmarquette, Natalie Viennot-Briot, 2016

Questions

<https://www.manulife.ca/retirementstudy-sponsors>

Methodology

- This year's survey was conducted with 1,002 Canadian plan members, using Lucid's online research panel. The survey was conducted from August 25th through September 4th, 2021 with an average survey length of approximately 19 minutes per respondent.
- Differences in trend data from the prior year are noted throughout the report, in addition to differences between Manulife plan members and non-Manulife plan members.
- The maximum margin of sampling error at the 95% confidence level is $\pm 4.4\%$.
- Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.

Manulife Investment Management is not affiliated with Greenwald & Associates and is not responsible for the liabilities of the other. The 2021 Financial Stress survey was commissioned by Manulife Investment Management and John Hancock Retirement and conducted by Greenwald & Associates. The online bilingual survey of 1,002 plan members drawn from a panel of everyday Canadians was conducted from August 25th through September 4th, 2021.

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Other Sources:

Source: Canadian Investors' Perceptions of Mutual Funds and the Mutual Fund Industry, Pollara 2019.

Source: The Gamma Factor and the value of Financial Advice, Claude Montmarquette, Natalie Viennot-Briot, 2016