

## **Sun Life Survey Reveals Growing Retirement Divide: 64% Malaysians Choose to Work Beyond Retirement Age**

- Two retirement paths are emerging in Asia: financially prepared individuals work longer by choice, while underprepared retirees delay retirement out of necessity.
- 64% of respondents expect to continue, or have continued, work beyond retirement age.
- 63% cite income needs as the reason to stay in work, while others stay in work for purpose and fulfilment (53%), mental stimulation (53%), and maintaining social connections (52%).
- 79% of respondents believe that retirement should be a personal choice.
- Use of generative AI tools as an information source has nearly doubled from 10% to 21%.

**Kuala Lumpur, 29 January 2026** – Retirement in Malaysia is increasingly shaped by choice for some and financial necessity for others, according to Sun Life's latest regional retirement survey, which reveals a growing divide in how older adults approach their golden years.

The survey, titled *Retirement Reimagined: Asia's Retirement Divide*, found that two thirds of respondents (64%) expect to continue working beyond retirement age, with most citing further income to support daily living and long-term financial security (63%), while others continue working for purpose, maintaining social connection, and mental stimulation. At the same time, 79% believe retirement should be a personal choice, highlighting a growing divide between those with financial flexibility and those without as Malaysia moves rapidly towards an ageing society.

**Ho Teck Seng, President and Country Head of Sun Life Malaysia**, said: "Our findings show that retirement in Malaysia is no longer a fixed milestone. We see a growing divide between those working for fulfillment and those working for financial necessity. This pressure is most visible in the sandwich generation, who are balancing the needs of multiple generations at once. At Sun Life Malaysia, we believe financial security should not be left to chance. Our goal is to help Malaysians build the financial resilience they need to ensure that working longer is always a choice, not a necessity."

### **A tale of two retirements – an option for some, an obligation for others**

The research shows two distinct retirement paths across Asia: 'Gold Star Planners' who are financially prepared and able to choose when and how they step back from work, and 'Stalled Starters' who delay retirement because they cannot afford to stop working.

For Gold Star Planners, continuing to work is an aspiration and a choice defined by purpose, identity, and wellbeing (68%), compared to Stalled Starters (46%). By contrast, 16% of Stalled Starters are unsure whether they will work beyond retirement, compared to 74% of Gold Star Planners who expect to, or continued to do so.

For Stalled Starters who planned to retire later than expected, or had already done so, financial necessity is the most common reason given. More than half (67%) say they postponed retirement because they needed to save more.

However, among Gold Star Planners, delayed retirement is more often a choice than a financial necessity. Many point to staying physically or mentally active as a motivating factor (44%), while the same percentage cite enjoying the social aspects of work (44%). Extended work among Gold Star Planners reflects agency and optionality; among Stalled Starters, it more often reflects financial pressure.

### **GenAI emerges as a risk factor in retirement planning**

As more people turn to generative AI for financial decisions, the research highlights a growing risk of self-directed retirement planning without professional guidance. Use of tools such as ChatGPT and Google Gemini has nearly doubled since last survey, rising from 10% to 21%.

Meanwhile, reliance on traditional advice has declined, with 29% consulting banks and 31% seeking independent financial advisors compared with 35% and 37% respectively in 2024. This shift signals digital convenience and curiosity, but it underscores an increasing financial literacy gap in the retirement space.

### **Financial security correlates with retirement optimism**

Having financial security is at the heart of optimism about retirement. Among non-retirees who say they are looking forward to their golden years, 47% cite financial security as a reason, followed by stability (40%) and greater freedom (39%). In contrast, a lack of security makes people pessimistic – among non-retirees who are not looking forward to retirement, financial insecurity is cited by more than half (56%), closely followed by the concern of not being able to provide financial support to family (47%).

Planning horizons remain notably short, with 30% not making any plans before retirement and a further 26% only drawing up plans within two years of leaving full time work. As little as 15% feel very confident in their retirement plans.

Many working people in Asia also face the additional financial strain of supporting elder relatives as well as young dependents — the so-called ‘sandwich generation’. Caring for older and younger family members has led many to downsize their lifestyle expectations (43%) or postpone retirement (35%).

Increasingly, people in Asia want agency over when they leave the workforce — 79% of respondents believe that retirement should be a personal choice rather than a mandatory age. This is reflected at a generational level, with Gen Z respondents (36%) agreeing strongly with this compared to 34% of Baby Boomers. Nearly three quarters (73%) are in favour of people working beyond their country’s retirement age.

### **Health equals wealth in retirement**

Current health status and future expectations shape people’s aspirations for retirement. Being healthy correlates with an optimistic outlook on later life.

Of those who say their views on retirement have changed in recent years, the most cited reason is better than expected physical health (49%) or mental health (45%). Poor health can also negatively impact retirement plans — of those who say they retired earlier than expected, poor health (27%) is a leading reason.

The key findings for Malaysia are available here: [\[Infographic\] SL Retirement Reimagined MY](#)

## About this survey

The findings in this survey were analysed and established through a total of 3,006 interviews conducted online across Malaysia, Hong Kong SAR, Indonesia, the Philippines, Singapore and Vietnam in November 2025. The research explores perspectives around what it means to age, confidence in achieving these aspirations, and the steps people are taking to make their vision of retirement a reality.

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Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under the ticker symbol SLF.

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