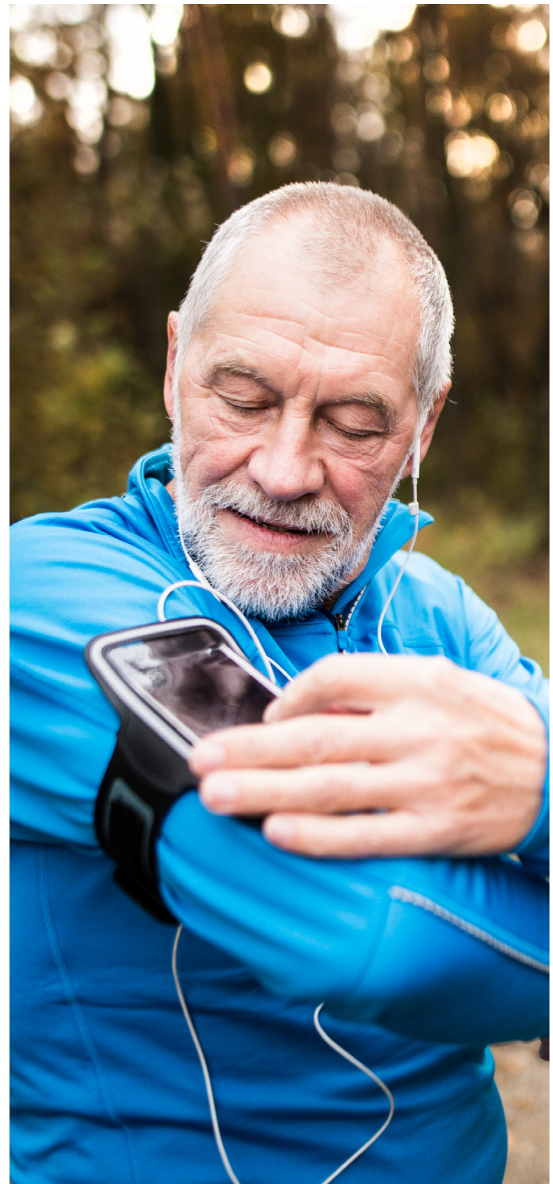
Manulife Retirement | John Hancock



Are Roth 401(k) contributions *right* for you?

When you make Roth 401(k) contributions, you pay the tax now, so you don't have to later.[1]

Why consider making Roth 401(k) contributions

- If you expect your tax rate to be higher when you retire than it is now
- If you'd like to diversify the tax treatment of your money in retirement
- Unlike a Roth IRA, there are no income restrictions to participate

Similar to pretax contributions, with Roth 401(k) contributions, you can

- Contribute up to $24,500 in 2026 (combined limit for pretax, Roth, or a mix of both)[2]
- Save an additional $8,000 in 2026 in catch-up contributions, if you're age 50 or older by the end of the year[2]
- Make an increased catch-up contribution of $11,250 in 2026, instead of the regular limit of $8,000, if you're age 60, 61, 62, or 63 by the end of the year[2]

Some catch-up contributions can only be made in a Roth 401(k)

Beginning in 2026, if you're 50 or older and earned more than $150,000 in FICA wages from your employer in 2025, any catch-up contributions you make in 2026 must be Roth 401(k) contributions.[2]

Access your retirement plan at **myplan.johnhancock.com** or on our mobile app.

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Your retirement plan contributions: how they differ

Annual contribution limits and income restrictions are based on 2026 retirement plan amounts, adjusted for inflation, and are subject to change.

	401(k) pretax	Roth 401(k)[3]	Roth IRA	401(k) after tax[3]
Contribution type	Pretax	After tax	After tax	After tax
Employer match?	Yes	Yes[4]	Not applicable	Yes
Contribution limits	$24,500[5] $32,500 for individuals age 50+ (includes $8,000 in catch-up contributions)[5] $35,750 for individuals who attain age 60, 61, 62, or 63 in 2026 (includes $11,250)[5] Individuals age 50+ with 2025 FICA wages exceeding $150,000 from their employer must make any catch-up contributions as Roth 401(k) contributions. If a plan doesn't offer a Roth option, these individuals may not make catch-up contributions.	$24,500[5] $32,500 for individuals age 50+ (includes $8,000 in catch-up contributions)[5] $35,750 for individuals who attain age 60, 61, 62, or 63 in 2026 (includes $11,250)[5] Individuals age 50+ with 2025 FICA wages exceeding $150,000 from their employer must make any catch-up contributions as Roth 401(k) contributions	$7,500; $8,600 for age 50+	Up to $72,000, plus any applicable catch-up contributions[6]
Income restrictions	Not applicable	Not applicable	Based on modified adjusted gross income and filing status Single filers: $153,000–$168,000 Married filing jointly: $242,000–$252,000[7]	Not applicable
Investment earnings	Tax-deferred earnings	Tax-free earnings[8]	Tax-free earnings[8]	Tax-deferred earnings
Taxes	Pay taxes on contributions and earnings at time of distribution; reduces current tax liability	Pay taxes on contributions prior to deposit; earnings distributed tax free for qualified distributions[9]	Pay taxes on contributions prior to deposit; earnings distributed tax free for qualified distributions[10]	Pay taxes on contributions prior to deposit; pay taxes on earnings at time of distribution
Access to money during employment	Loans and in-service withdrawals may be available[3]	Loans and in-service withdrawals may be available[3]	Special withdrawal rules apply to Roth IRAs	Loans and in-service withdrawals may be available[3]
Required minimum distributions (RMDs)	In general, annually starting with the year you reach age 73,[9] or if later, the year in which you retire—unless a 5% owner	In general, annually starting with the year you reach age 73,[11] or if later, the year in which you retire—unless a 5% owner. Starting with 2024 RMDs, Roth 401(k) accounts are excluded from RMDs during a participant's life	Not applicable, except for distributions made following death of the Roth IRA account holder	In general, annually starting with the year you reach age 73,[11] or if later, the year in which you retire—unless a 5% owner
Rollovers	Can be rolled over into another qualified retirement plan, in-plan Roth rollover,[3] or a traditional IRA or Roth IRA[12]	Can be rolled over to another Roth 401(k) account[3, 13] or a Roth IRA	Can only be rolled over to another Roth IRA[14]	Can be rolled over into another qualified retirement plan, in-plan Roth rollover,[3] or a traditional IRA or Roth IRA[10]
Distributions	Contributions and earnings are taxed at distribution; federal, state, and local income tax may apply; penalty of 10% for distributions prior to age 59½ may apply	Tax free, if qualified distribution A qualified distribution must meet two conditions: **1** Made after attainment of age 59½, death, or becoming totally disabled **and 2** Roth 401(k) account must be in existence for five years beginning with first taxable year a Roth 401(k) contribution was made[9]	Tax free, if qualified distribution A qualified distribution must meet two conditions: **1** Made after attainment of age 59½, death, becoming totally disabled, or being first time home buyer ($10,000 lifetime limit) **and** **2** Roth IRA account must be in existence for five years beginning with first taxable year a Roth IRA contribution was made[10]	Distribution of contributions is tax free; earnings are taxed at distribution; federal, state, and local income tax may apply; penalty of 10% may apply to distribution of earnings prior to age 59½

1 In this document, all tax disclosures regarding Roth 401(k) contributions are limited to the federal income-tax code, and, in particular, all references to tax-free treatment of qualified distributions are intended to refer to the treatment of such distributions at the federal level only. **2** For 2026, you can save an annual total of $24,500 (or $32,500, if you are age 50 or older, or $35,750 if you attain age 60, 61, 62, or 63 in 2026) through pretax 401(k) contributions, Roth 401(k) contributions, or a combination of both. Beginning in 2026, individuals age 50 or older who had FICA wages exceeding $150,000 in 2025 must make any catch-up contributions in 2026 to a Roth 401(k) account. If a Roth option is not available, these individuals will not be eligible to make catch-up contributions. Annual contribution rates are based on the IRS 2026 retirement plan limitations and are subject to change. **3** If the plan allows. **4** Employer match of a Roth 401(k) contribution is made on a pretax basis, so you will owe taxes on those contributions and earnings when distributed from the plan. They will be held separately from your Roth 401(k) contributions. **5** Total annual contribution through traditional pretax contributions, Roth 401(k) contributions, or a combination of both. **6** Defined contribution annual addition limit includes elective deferrals, employee contributions, and employer matching, discretionary, and forfeiture account contributions. **7** You are allowed a prorated contribution if your income falls within the phase-out range shown. If your income exceeds the income range, you will not be eligible to make a Roth IRA contribution. **8** Based on qualified distribution rules. **9** A qualified distribution from a designated Roth account in the plan is a payment made after the participant attains age 59½ (or after death or disability) and after the designated Roth account in the plan has been established for at least five years. In general, in applying the five-year rule, count from January 1 of the year the first contribution was made to the designated Roth account. Participants should contact their plan consultant or financial or tax professional for specific details on the five-year rule and whether any special rule may apply. **10** A qualified distribution from a Roth IRA is a payment after the individual attains age 59½ (or after death or disability, or becoming first time home buyer ($10,000 lifetime limit)) and after the Roth IRA has been established for at least five years. In general, in applying the five-year rule, count from January 1 of the year the first contribution was made to the Roth IRA. Individuals should contact their financial or tax professional for specific details on the five-year rule and whether any special rule may apply. **11** Effective for distributions required to be made after 12/31/22, with respect to employees who attain age 72 after 12/31/22. Subsequently increased to age 75 for employees born after 12/31/59. **12** Must be included in income. **13** Any nontaxable amounts require direct rollover. **14** Only one rollover in any 12-month period. **15** Taxable amount must be included in income.

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