

BENCHMARK SURVEY 2015

A future
worth
saving...



Pensioners Databook



Insurance

Financial Planning

Retirement

Investments

Wealth

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foreword



A future worth saving for

I was intrigued to learn, while pouring through some of our research data, that the oldest fund in our survey this year came into being well before the Pension Funds Act itself was promulgated in 1956. One stand-alone fund has been in existence since 1937 and a union fund since 1952! This signifies the lengthy endurance of retirement fund provisions historically, and accentuates the crucial role employers play as a credible institution in our industry. This insight further reinforces this year's research theme "A future worth saving for".



Dawie de Villiers
Chief Executive Officer:
Sanlam Employee Benefits

Our main objective for the Sanlam Benchmark Survey is to provide insights which stimulate conversation and create meaningful opportunities for further engagement with industry stakeholders. Against the backdrop of our theme this year, we unpacked the consumer space to highlight the all-pervasive issue of debt. We investigated the extent to which debt has had an impact on the financial and emotional well-being of employees. And through our qualitative survey, we were able to explore the extent to which indebtedness encourages the tendency for members to withdraw from their employer sponsored funds to access retirement benefits prematurely.

Sample structure change

This year we made some changes to the sample structure of stand-alone retirement funds, by increasing the number of participants with assets under management in excess of R1 billion. We compiled the sample structure on this basis to enable a more granular level of analysis. It allows us to test whether there are any behavioural similarities between funds of different sizes.

It is essential for me to acknowledge that this survey would not have been possible without the willingness of the numerous principal officers, trustees and employer representatives who actively participated. It has further been brought to my attention that an increasing number of consultants are also assisting principal officers to ensure that we can provide the industry with a more accurate assessment of costs and benefit structures.

I am indeed very grateful for this continued commitment to the survey, implied by the active year-on-year participation. Furthermore, in the current study, 62% of the participating employers and 67% of the stand-alone retirement funds' respondents actually participated in the interviews last year. I am also conscious of the considerable time constraints faced by funds' principal officers, 13 of whom also sit on their medical aid boards.

We are constantly on the look out to improve the quality of our research. If you would like to participate anonymously in the survey on behalf of your fund or employer, please feel free to make contact with Linda Findlay from BDRC.

Research analysis

I am proud to present the analysis from the Sanlam Employee Benefits team on some of the main findings of the 2015 research in this report. We are not able to unpack all the findings within this report but more detailed analysis, can be accessed on www.sanlambenchmark.co.za. In addition we will be sharing research insights through our extensive communication channels across the various media platforms.

I trust that this edition of the Sanlam BENCHMARK Insights Summary Report is as insightful and valuable as it has been in the past.

My sincerity and gratitude is extended to all who made this work possible.



Research Methodology



The size and the scope of the 2015 pensioner survey have remained largely consistent with the 2014 study. Participation was based on individuals' already in retirement and currently in receipt of a monthly annuity income via an employer sponsored retirement fund or a retirement annuity fund.



by

Danie van Zyl

Head, Guaranteed Investments:
Sanlam Employee Benefits

and

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Sanlam Investments:
Business Intelligence

The average age of the pensioner respondents in this year's survey is 68.7 years. Pensioners who are only in receipt of a pension from the Government Social Assistance Pension have not been included in this survey. However 8% of respondents in this sample have indicated that their retirement income is supplemented with an "old age pension" from Government.



Respondents were selected at random and it may be possible that some respondents are currently retirees of retirement funds which have in the past been administered by Sanlam or are currently in receipt of an annuity paid by Sanlam. As it is not a requirement of the study we did not select respondents on the basis of their current retirement annuity provider. The entire fieldwork process is outsourced to BDRC. This is done to ensure that the confidentiality of all respondents are maintained at all times.

Interview technique

- Personal face-to-face interviews were conducted in English and Afrikaans with each being approximately 20 minutes in length.
- Field work was conducted between February and March this year.

Sampling method and size

For the purposes of this survey the sampling frame has been defined as all retirees currently in receipt of a retirement annuity income.

Respondents were selected at random with a specific quota control to ensure that the sample is statistically and demographically representative of the pensioner universe.

This year we have retained the sample size of 252 interviews. One of the questions we often receive is whether the sample size is sufficient and robust enough to make statistical inferences on the retired population. The simple answer is that a sample size of 252 nationwide produces a likely margin of sampling error within the 4% to 7% range with 95% confidence level.

We are thus satisfied that the sample size for this study meets the statistical analysis requirements.

Data tables and graphs

The tables and graphs in this report are based on 252 responses. In some instances the sample responses are \neq 252: Where

- the number of responses is less than 252 the question was not applicable to all respondents
- the number of responses is greater than 252 the question allowed for multiple responses

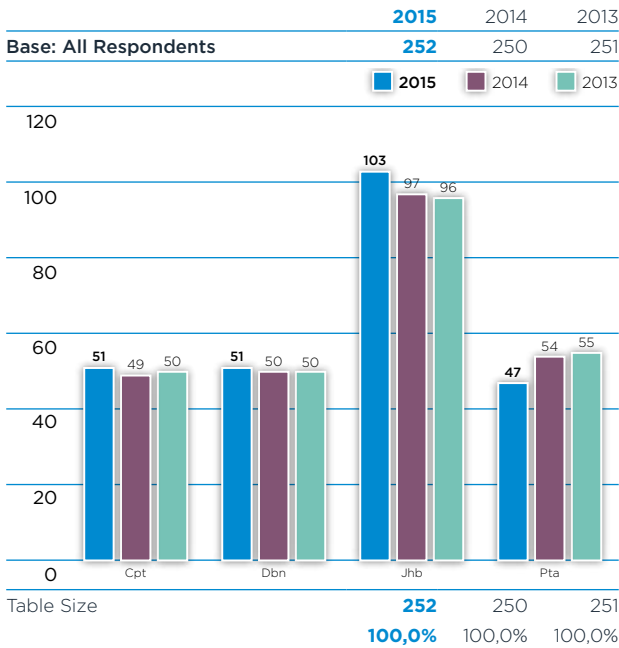
Caution: Data should be used with care, particularly where the number of responses is <30 , as this is considered statistically insufficient to draw any meaningful industry conclusions.

Should you require any further details or assistance in using the contents of this report, please feel free to contact any of the BENCHMARK team members, whose details are listed at the end of this report.

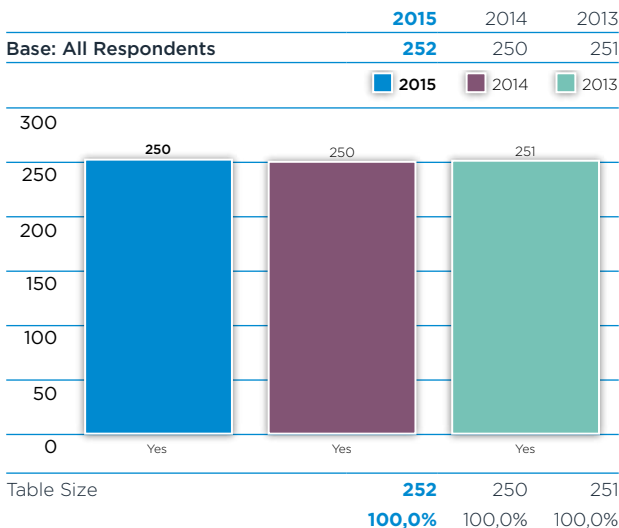
Section A

Demographics

QA.0 City



QA.1 Are you retired?



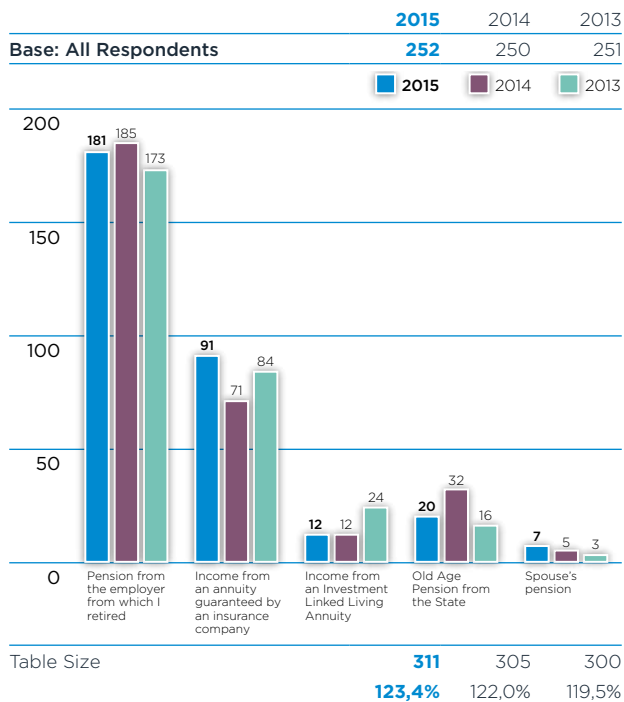
QA.2 How did you earn an income before retirement?

	2015	2014	2013
Base: All Respondents	252	250	251
Employed full time	197	195	195
	78,2%	78,0%	77,7%
Employed part time	1	1	0
	0,4%	0,4%	0,0%
Self employed (registered business)	51	48	54
	20,2%	19,2%	21,5%
Working as an independent consultant/ freelancer (not a registered business)	3	6	2
	1,2%	2,4%	0,8%
Summary			
Any employed	198	196	195
	78,6%	78,4%	77,7%
Any self employed	54	54	56
	21,4%	21,6%	22,3%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QA.3 Which of the following retirement funds or products did you contribute to during your working years before retirement?

	2015	2014	2013
Base: All Respondents	252	250	251
Employer sponsored PENSION fund	170	183	168
	67,5%	73,2%	66,9%
Employer sponsored PROVIDENT fund	23	13	35
	9,1%	5,2%	13,9%
Union fund	3	0	4
	1,2%	0,0%	1,6%
Retirement Annuity (RA)	84	66	83
	33,3%	26,4%	33,1%
Other	2	1	0
	0,8%	0,4%	0,0%
Summary			
Any employer sponsored fund	193	196	197
	76,6%	78,4%	78,5%
Table Size	282	263	290
	111,9%	105,2%	115,5%

QA.4 Which of the following types of retirement income do you currently receive?



QA.5 To your knowledge, has your fund ever been through a Defined Benefit to Defined Contribution conversion?

	2015
Base: All Respondents	252
Yes, it has	58
	23,0%
No, it has not	63
	25,0%
Don't Know / Not Sure	131
	52,0%
Table Size	252
	100,0%

QA.6 From which source do you receive most of your retirement income?

	2015	2014	2013
Base: All who have multiple retirement income sources	27	37	19
Pension from the employer from which I retired	22	22	13
	81,5%	59,5%	68,4%
Income from an annuity guaranteed by an insurance company	5	14	6
	18,5%	37,8%	31,6%
Income from an Investment Linked Living Annuity	0	1	0
	0,0%	2,7%	0,0%
Table Size	27	37	19
	100,0%	100,0%	100,0%

QA.8 What sources of income do you have in retirement apart from your pension / retirement annuity?

	2015	2014	2013
Base: All Respondents	252	250	251
Savings	112	85	93
	44,4%	34,0%	37,1%
Investments	94	88	98
	37,3%	35,2%	39,0%
Inheritance capital	10	3	7
	4,0%	1,2%	2,8%
Property investments	22	14	18
	8,7%	5,6%	7,2%
Other	12	7	8
	4,8%	2,8%	3,2%
None	72	79	78
	28,6%	31,6%	31,1%
Don't know	1	1	0
	0,4%	0,4%	0,0%
Table Size	323	328	302
	128,2%	131,2%	120,3%

QA.9 Gender

	2015	2014	2013
Base: All Respondents	252	250	251
Male	176	180	166
	69,8%	72,0%	66,1%
Female	76	70	85
	30,2%	28,0%	33,9%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QA.10 Ethnicity

	2015	2014	2013
Base: All Respondents	252	250	251
Black	83	81	80
	32,9%	32,4%	31,9%
Coloured	20	20	23
	7,9%	8,0%	9,2%
Indian	22	20	17
	8,7%	8,0%	6,8%
White	127	129	131
	50,4%	51,6%	52,2%
Table Size	252	250	251
	100,0%	100,0%	100,0%

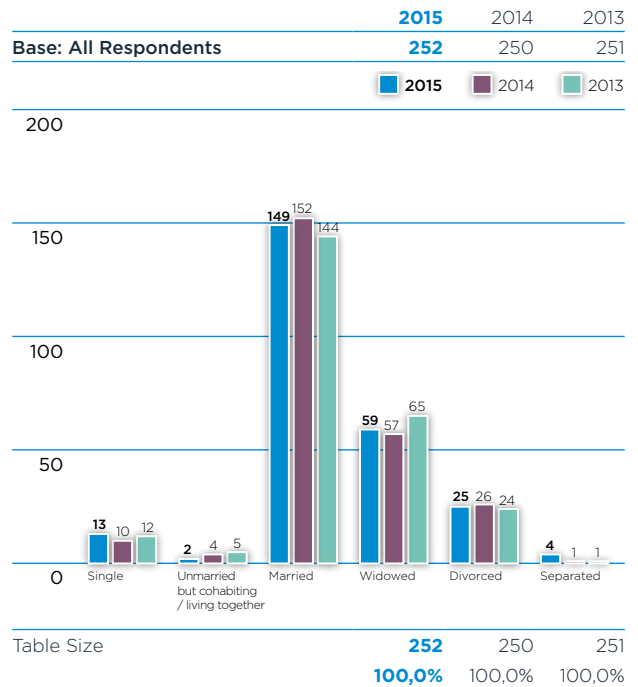
QA.11 Which of the following best describes your age category?

	2015	2014	2013
Base: All Respondents	252	250	251
46 - 50	0 0,0%	1 0,4%	4 1,6%
51 - 55	1 0,4%	2 0,8%	8 3,2%
56 - 60	21 8,3%	24 9,6%	30 12,0%
61 - 65	31 12,3%	55 22,0%	84 33,5%
66 - 70	126 50,0%	94 37,6%	63 25,1%
71 - 75	44 17,5%	44 17,6%	28 11,2%
76 - 80	20 7,9%	15 6,0%	19 7,6%
81 - 85	8 3,2%	13 5,2%	12 4,8%
86 - 90	1 0,4%	2 0,8%	2 0,8%
91 - 95	0 0,0%	0 0,0%	1 0,4%
Mean	68,71	68,16	66,63
Table Size	252 100,0%	250 100,0%	251 100,0%

QA.12 Which of the following best describes your monthly retirement income before taxes?

	2015	2014	2013
Base: All Respondents	252	250	251
R1,000 - R2,999	11 4,4%	32 12,8%	24 9,6%
R3,000 - R5,999	89 35,3%	91 36,4%	78 31,1%
R6,000 - R9,999	63 25,0%	69 27,6%	68 27,1%
R10,000 - R19,999	67 26,6%	42 16,8%	38 15,1%
R20,000 - R24,999	8 3,2%	11 4,4%	7 2,8%
R25,000 - R39,999	2 0,8%	1 0,4%	7 2,8%
R40,000+	0 0,0%	4 1,6%	1 0,4%
Refused	12 4,8%	0 0,0%	28 11,2%
Mean	R9 069	R8 462	R8 870
Table Size	252 100,0%	250 100,0%	251 100,0%

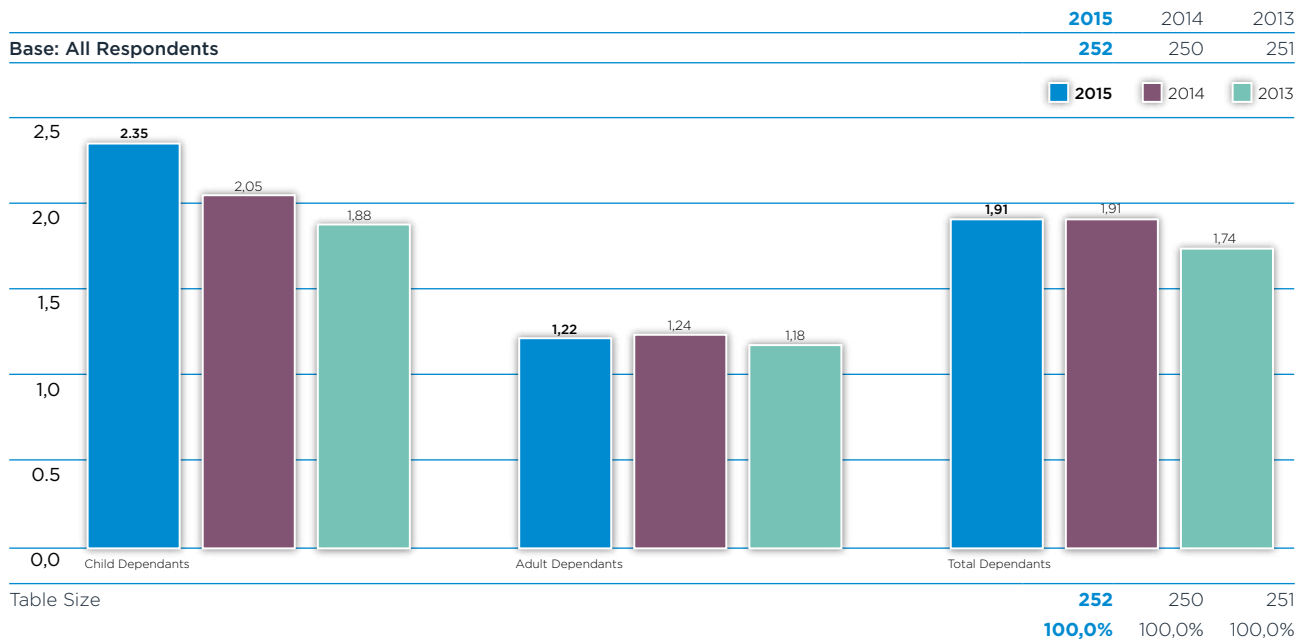
QA.13 What is your marital status?



QA.14A Do you still have other persons, e.g. a spouse or children, that are financially dependant on you?

	2015	2014	2013
Base: All Respondents	252	250	251
Yes, a spouse / spouses	135 53,6%	114 45,6%	132 52,6%
Yes, a child / children	60 23,8%	54 21,6%	56 22,3%
Yes, other dependants	15 6,0%	31 12,4%	10 4,0%
No	85 33,7%	101 40,4%	92 36,7%
Summary			
Any yes	167 66,3%	149 59,6%	159 63,3%
Table Size	252 100,0%	250 100,0%	251 100,0%

QA.14B How many dependants do you have including your spouse(s) (if applicable), child(ren) and any others who are financially dependant on you?



QA.14C How many of your adult dependants are parents?

	2015
Base: All who have adult dependants	146
1	7
	4,8%
2	2
	1,4%
None	137
	93,8%
Mean	1,22
Table Size	146
	100,0%

Section B

Retirement

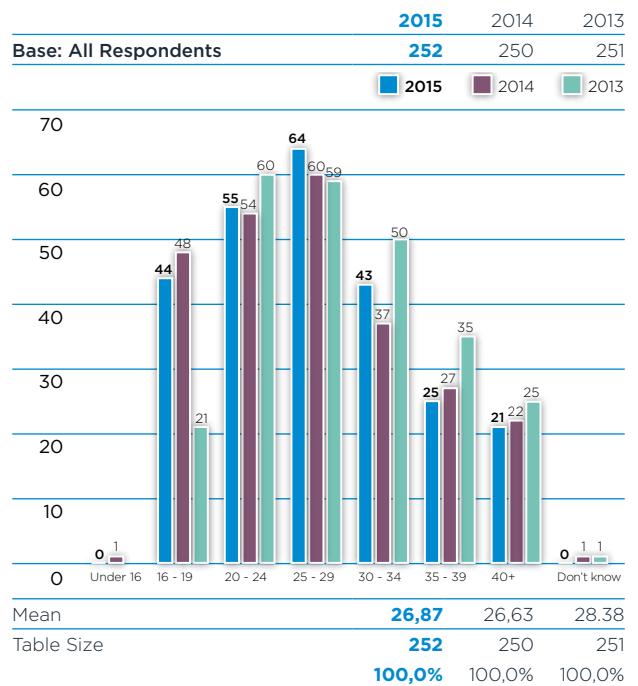
QB.1 At what age did you retire from formal employment / running your own business?

	2015	2014	2013
Base: All Respondents	252	250	251
Under 55	22 8,7%	20 8,0%	38 15,1%
56 - 60	139 55,2%	114 45,6%	121 48,2%
61 - 63	24 9,5%	29 11,6%	24 9,6%
64 - 65	56 22,2%	69 27,6%	51 20,3%
66 - 68	4 1,6%	10 4,0%	8 3,2%
69 - 70	3 1,2%	6 2,4%	7 2,8%
71-72	0 0,0%	2 0,8%	1 0,4%
73-74	3 1,2%	-	-
75+	1 0,4%	-	-
Mean	60,23	60,36	59,22
Table Size	252 100,0%	250 100,0%	251 100,0%

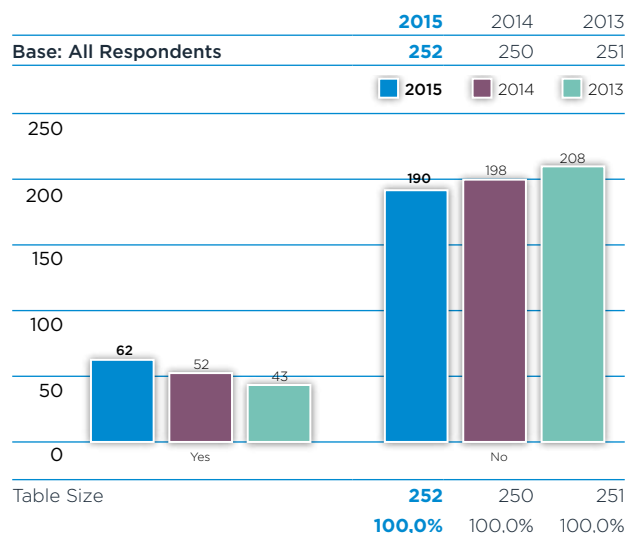
QB.2A At what age did you first start formal employment, i.e. working full time?

	2015	2014
Base: All Respondents	252	250
Under 16	2 0,8%	7 2,8%
16-19	103 40,9%	93 37,2%
20-24	62 24,6%	75 30,0%
25-29	55 21,8%	46 18,4%
30-34	20 7,9%	15 6,0%
35-39	7 2,8%	12 4,8%
40+	3 1,2%	2 0,8%
Mean	22,24	22,17
Table Size	252 100,0%	250 100,0%

QB.2B And, at what age did you first start contributing towards a retirement fund or RA?



QB.3A During your working life, did you ever withdraw from a retirement fund through resignation or retrenchment from a previous employer?



QB.3B What did you do with your retirement benefit at the time?

	2015	2014	2013
Base: All who withdrew from a retirement fund	62	52	43
I withdrew the full benefit in cash	28	33	21
	45,2%	63,5%	48,8%
Preserved part of the benefit and took the rest in cash	18	9	13
	29,0%	17,3%	30,2%
Moved the entire benefit to another employer's fund	3	3	2
	4,8%	5,8%	4,7%
Moved the entire benefit to a preservation fund	1	1	0
	1,6%	1,9%	0,0%
Purchased an annuity with the benefit	10	6	5
	16,1%	11,5%	11,6%
Purchased unit trusts with the benefit	3	0	1
	4,8%	0,0%	2,3%
Other	2	1	2
	3,2%	1,9%	4,7%
Table Size	65	53	44
	104,8%	101,9%	102,3%

QB.3C At the time of the withdrawal did you realise the level of tax you would be expected to pay on the withdrawal benefit?

	2015
Base: All who withdrew at least some of the benefit in cash	46
Yes	17
	37,0%
No	29
	63,0%
Table Size	46
	100,0%

QB.3D Did you realise the effect the withdrawal would have on your overall retirement outcome?

	2015
Base: All who withdrew at least some of the benefit in cash	46
Yes	18
	39,1%
No	28
	60,9%
Table Size	46
	100,0%

QB.3E Have you ever regretted the decision to withdraw the cash benefit, bearing in mind the level of tax you had to pay?

	2015
Base: All who withdrew at least some of the benefit in cash	46
Yes	25
	54,3%
No	21
	45,7%
Table Size	46
	100,0%

QB.3F What did you spend the cash on?

	2015	2014	2013
Base: All who withdrew at least some of the benefit in cash	46	42	34
Settled or reduced mortgage bond	9	13	12
	19,6%	31,0%	35,3%
Made home improvements	15	10	10
	32,6%	23,8%	29,4%
Education	4	3	1
	8,7%	7,1%	2,9%
Travel	1	2	2
	2,2%	4,8%	5,9%
Reduced short term debt (e.g. car, credit cards, loans etc.)	20	12	9
	43,5%	28,6%	26,5%
Started own business	10	5	2
	21,7%	11,9%	5,9%
Invested in other 'non-retirement' savings or investment products	4	9	7
	8,7%	21,4%	20,6%
Living expenses	18	22	10
	39,1%	52,4%	29,4%
Other	2	1	3
	4,4%	2,4%	8,8%
Summary			
Any invested	17	19	16
	37,0%	45,2%	47,1%
Any reduced debt	26	21	20
	56,5%	50,0%	58,8%
Table Size	83	77	56
	180,4%	183,3%	164,7%

QB.3G Could you have considered an alternative option to taking (some of) the benefit in cash?

	2015
Base: All who withdrew at least some of the benefit in cash	46
Yes	19
	41,3%
No	27
	58,7%
Table Size	46
	100,0%

Section C

Retirement Advice

QC.1A Were you part of a retirement fund where you had investment choices?

	2015	2014	2013
Base: All Respondents	252	250	251
Yes	74	93	97
	29,4%	37,2%	38,6%
No	162	141	138
	64,3%	56,4%	55,0%
Can't remember	16	16	16
	6,3%	6,4%	6,4%
Table size	252	250	251
	100,0%	100,0%	100,0%

QC.1B Did you receive investment advice or guidance on your investment portfolio in relation to your retirement savings?

	2015	2014	2013
Base: All who had MIC	74	93	97
Yes	68	76	81
	91,9%	81,7%	83,5%
No	6	13	16
	8,1%	14,0%	16,5%
Can't remember	0	4	0
	0,0%	4,3%	0,0%
Table size	74	93	97
	100,0%	100,0%	100,0%

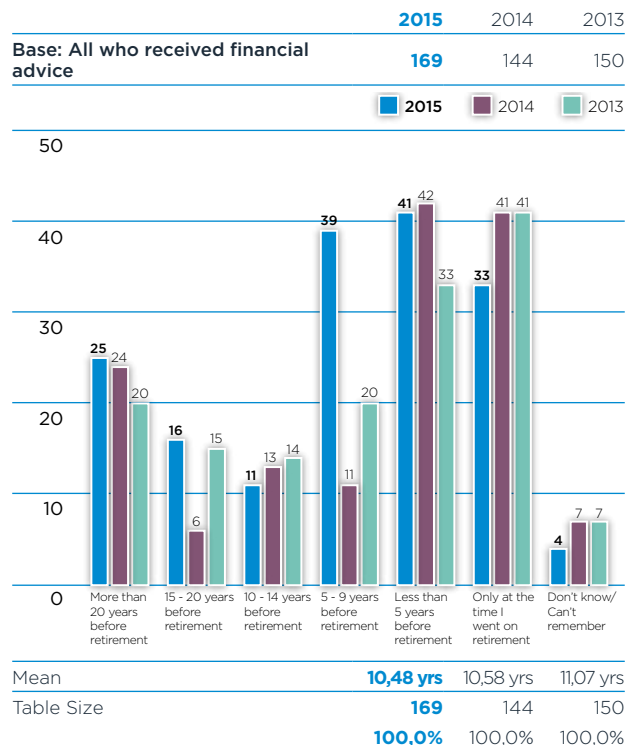
QC.2 At retirement were you advised to consider converting your risk benefits from a group life policy to an individual life policy where you pay the premium and not your employer?

	2015
Base: All Respondents	252
Yes	60
	23,8%
No	156
	61,9%
Can't remember	36
	14,3%
Table size	252
	100,0%

QC.3A Did you receive financial advice about your retirement options prior to your retirement?

	2015	2014	2013
Base: All Respondents	252	250	251
Yes	169	144	150
	67,1%	57,6%	59,8%
No	79	97	96
	31,3%	38,8%	38,2%
Can't remember	4	9	5
	1,6%	3,6%	2,0%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QC.3B How many years before retirement did you first receive financial advice regarding retirement?



QC.3C Thereafter, how often did you receive financial advice about retirement?

	2015	2014	2013
Base: All who received financial advice prior to retirement	136	103	109
Every year	42	47	49
	30,9%	45,6%	45,0%
Every 2 years	18	10	16
	13,2%	9,7%	14,7%
Every 3 - 4 years	11	4	8
	8,1%	3,9%	7,3%
Every 5 years	8	5	11
	5,9%	4,9%	10,1%
Less often	28	20	12
	20,6%	19,4%	11,0%
Didn't receive financial advice again	23	13	10
	16,9%	12,6%	9,2%
Other	1	0	0
	0,7%	0,0%	0,0%
Don't know/Can't remember	5	4	3
	3,7%	3,9%	2,8%
Mean	2.71	2.48	2.34
	years	years	years
Table Size	136	103	109
	100,0%	100,0%	100,0%

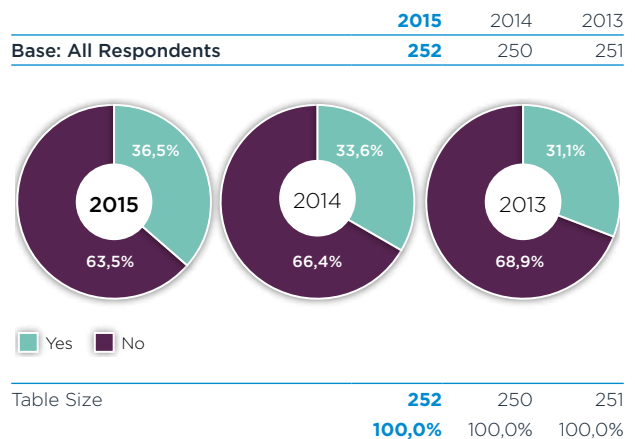
QC.4 Who provided the financial advice?

	2015	2014	2013
Base: All who received financial advice	169	144	150
Trustees of the Fund	17	10	-
	10,1%	6,9%	
Employer / Human Resources officer	70	55	68
	41,4%	38,2%	45,3%
Personal financial advisor/broker	74	56	55
	43,8%	38,9%	36,7%
Advisor at a bank	24	18	16
	14,2%	12,5%	10,7%
Advisor from a life office / insurance company	39	30	37
	23,1%	20,8%	24,7%
Advisor provided by the retirement fund	14	15	-
	8,3%	10,4%	
Other	0	3	0
	0,0%	2,1%	0,0%
Table Size	238	187	176
	140,8%	129,9%	117,3%

QC.5 When exactly did you discover what retirement benefits you had in place?

	2015
Base: All Respondents	252
At retirement	55
	21,8%
Less than 6 months before retirement	38
	15,1%
6-12 months before retirement	26
	10,3%
1-2 years before retirement	19
	7,5%
2-3 years before retirement	14
	5,6%
3-5 years before retirement	28
	11,1%
More than 5 years before retirement	63
	25,0%
Only after retirement	2
	0,8%
Can't remember	7
	2,8%
Mean	2.66
	years
Table Size	252
	100,0%

QC.6 Now that you are retired, do you (still) seek advice from a personal financial advisor / broker to assist you in financial planning?



Section D

Retirement Lifestyle

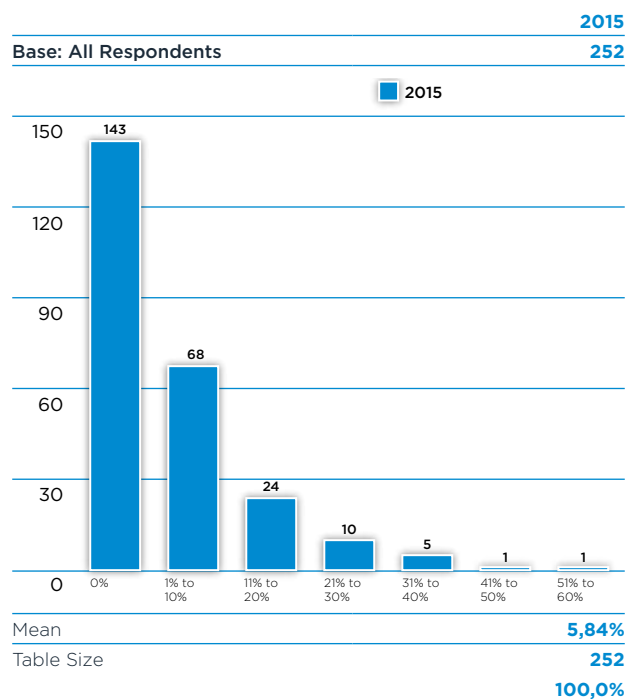
QD.1 Which of the following statements best describes your primary residence?

	2015	2014	2013
Base: All Respondents	252	250	251
I own my home and it is fully paid	196 77,8%	189 75,6%	193 76,9%
I own my home but I still have a mortgage / bond	10 4,0%	10 4,0%	11 4,4%
I live in a rented property	23 9,1%	14 5,6%	18 7,2%
I live with relatives	11 4,4%	14 5,6%	12 4,8%
I live in a retirement community / retirement home	11 4,4%	23 9,2%	17 6,8%
Other	1 0,4%	0 0,0%	0 0,0%
Table Size	252 100,0%	250 100,0%	251 100,0%

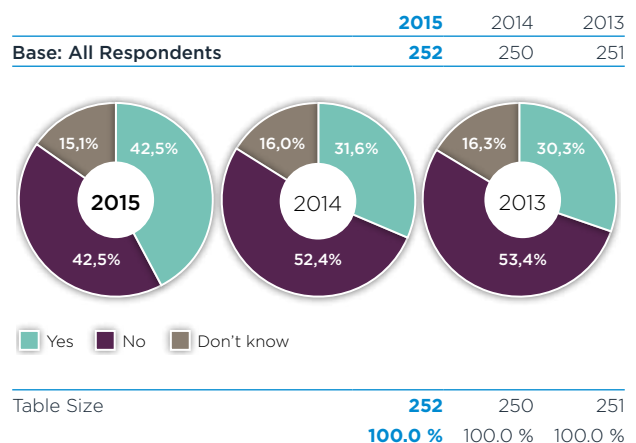
QD.2 Which of the following forms of debt / credit, if any, are you still paying?

	2015	2014	2013
Base: All Respondents	252	250	251
Mortgage/ bond	9 3,6%	10 4,0%	12 4,8%
Credit cards	34 13,5%	21 8,4%	31 15,1%
Store accounts (e.g. Edgars, Truworths)	45 17,9%	40 16,0%	38 15,1%
Personal loans	12 4,8%	10 4,0%	9 3,6%
Vehicle / other movable asset finance	24 9,5%	20 8,0%	15 6,0%
Education for children / grandchildren	25 9,9%	-	-
Other	1 0,4%	2 0,8%	0 0,0%
None	143 56,7%	171 68,4%	169 67,3%
Don't know	0 0,0%	1 0,4%	0 0,0%
Table Size	252 116,3%	275 110,0%	274 109,2%

QD.3 What percentage of your monthly income do you estimate is going towards paying off debt?



QD.4 Do you believe that you have saved enough capital to last for the rest of your life?



QD.5 Now that you are retired, have you been able to maintain the standard of living from your retirement income that you enjoyed before you retired

	2015
Base: All Respondents	252
Yes	141
	56,0%
No	107
	42,5%
Don't know	4
	1,6%
Table Size	252
	100,0 %

QD.6 In your opinion, what multiple of final annual salary do you need to retire?

	2015	2014
Base: All Respondents	252	250
1	0	1
	0,0%	0,4%
2	5	20
	2,0%	8,0%
3	16	25
	6,3%	10,0%
4	9	25
	3,6%	10,0%
5	11	27
	4,4%	10,8%
6 to 9	35	20
	13,9%	8,0%
10	65	50
	25,8%	20,0%
11 to 14	32	15
	12,7%	6,0%
15	40	21
	15,9%	8,4%
16 to 19	4	0
	1,6%	0,0%
20	19	21
	7,5%	8,4%
21	0	2
	0,0%	0,8%
25	11	6
	4,4%	2,4%
30	3	9
	1,2%	3,6%
More than 30	0	4
	0,0%	1,6%
Don't know	2	4
	0,8%	1,6%
Mean	11.42	10.35
	times	times
	annual	annual
	salary	salary
Table Size	252	250
	100,0 %	100,0 %

QD.7 Which of the following best describes your final personal monthly salary before taxes at the point of retirement?

	2015	2014	2013
Base: All Respondents	252	250	251
R1 000-R2 999	6	10	11
	2,4%	4,0%	4,4%
R3 000-R5 999	35	43	43
	13,9%	17,2%	17,1%
R6 000- R9 999	76	69	43
	30,2%	27,6%	17,1%
R10 000-R19 999	77	65	59
	30,6%	26,0%	23,5%
R20 000-R24 999	19	24	32
	7,5%	9,6%	12,7%
R25 000-R39 999	20	26	11
	7,9%	10,4%	4,4%
R40 000 +	10	8	9
	4,0%	3,2%	3,6%
Refused	9	5	43
	3,6%	2,0%	17,1%
Mean	R 14 239	R 14 227	R 14 072
Table Size	252	250	251
	100,0%	100,0%	100,0%

QD.8 When you retired, did you want the certainty of having a guaranteed income or were you willing to accept some risk and have an equal chance of a 5% lower or 5% higher income?

	2015	2014	2013
Base: All Respondents	252	250	251
Wanted the certainty of a guaranteed income	202	228	205
	80,2%	91,2%	81,7%
Willing to accept some risk and have an equal chance of a 5% lower or 5% higher income	50	22	45
	19,8%	8,8%	18,3%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QD.9A At the point of retirement, did your personal monthly income reduce, increase or stay the same?

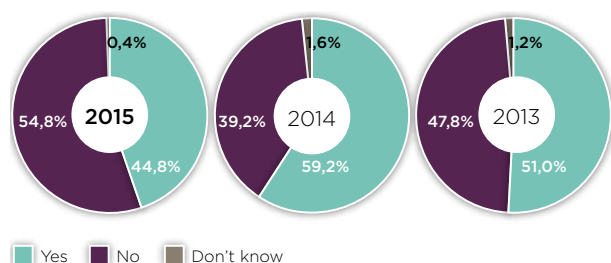
	2015	2014	2013
Base: All Respondents	252	250	251
Reduced	156	159	127
	61,9%	63,6%	50,6%
Increased	26	21	21
	10,3%	8,4%	8,4%
Stayed the same	66	56	82
	26,2%	22,4%	32,7%
Don't know/can't remember	4	14	21
	1,6%	5,6%	8,4%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QD.9B Why did your personal monthly income reduce at retirement?

	2015
Base: All whose monthly income reduced at retirement	156
Market downturn	35
	22,4%
Spent the lump sum	30
	19,2%
Took too many withdrawal benefits in cash each time I resigned from an employer during my working life	5
	3,2%
Providing financial support for children or parents	20
	12,8%
Retirement income is not keeping up with inflation	94
	60,3%
I still have pre-retirement debt that I have to settle	30
	19,2%
Other	2
	1,2%
None / Don't know	11
	7,1%
Table Size	227
	145,5%

QD.10A Is there a shortfall between your current monthly retirement income and your monthly living expenses?

	2015	2014	2013
Base: All Respondents	252	250	251



	2015	2014	2013
Table Size	252	250	251
	100,0%	100,0%	100,0%

QD.10B How do you deal with this shortfall?

	2015	2014	2013
Base: All who have a shortfall	113	148	128
Cut back on non-essential expenses	83	105	85
	73,5%	70,9%	66,4%
Have to dig into my other savings / investments	25	16	27
	22,1%	10,8%	21,1%
Ask friends or relatives for financial assistance	19	24	21
	16,8%	16,2%	16,4%
Cancelled my private medical aid and rely on the State for healthcare	9	17	6
	8,0%	11,5%	4,7%
Work to supplement my income	18	39	36
	15,9%	26,4%	28,1%
Sell / pawn personal possessions such as jewellery or appliances	0	2	5
	0,0%	1,4%	3,9%
Sold my home / property	8	4	5
	7,1%	2,7%	3,9%
Sold my car and now rely on public transport	0	1	-
	0,0%	0,7%	
I live frugally and go hungry at times	0	1	3
	0,0%	0,7%	2,3%
Other	1	3	0
	0,9%	2,0%	0,0%
Table Size	163	212	188
	144,2%	143,2%	146,9%

QD.11A Considering your current monthly retirement income, do you still manage to save any money each month?

	2015	2014	2013
Base: All Respondents	252	250	251
Yes, I save every month	52	44	51
	20,6%	17,6%	20,3%
Yes, but only from time to time, not monthly	83	60	48
	32,9%	24,0%	19,1%
No	117	145	152
	46,4%	58,0%	60,6%
Don't know	0	1	0
	0,0%	0,4%	0,0%
Summary			
Any Yes	135	104	99
	53,6%	41,6%	39,4%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QD.11B How do you invest your savings?

Base: All who are able to save 2015 2014 2013
135 104 99

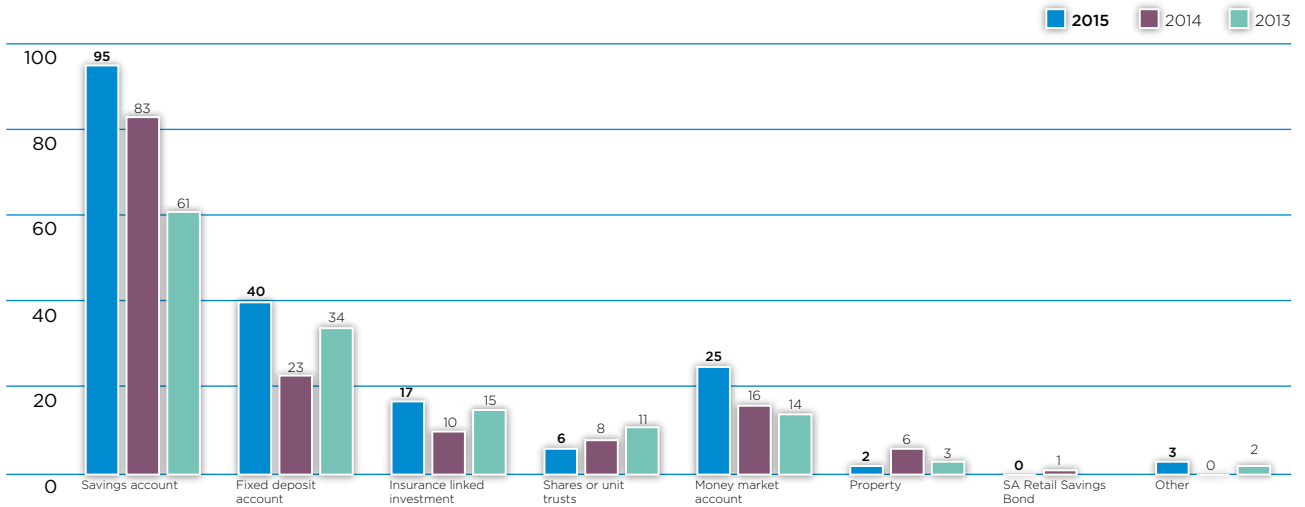


Table Size 188 147 140
139,3% 141,3% 141,4%

QD.12 What are the top three expenses for pensioners?

Base: All Respondents 2015
252

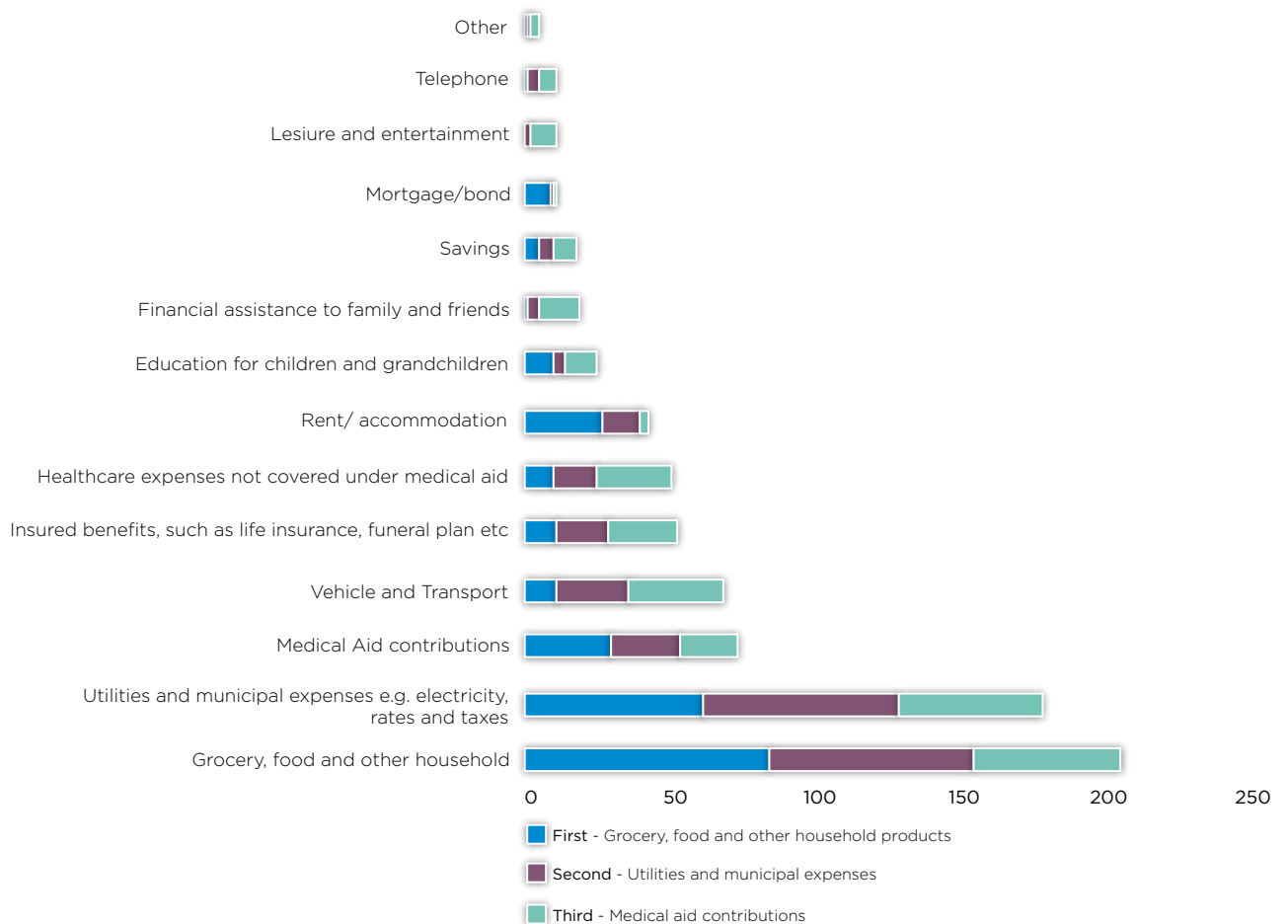


Table Size 756
300,0%

Section E

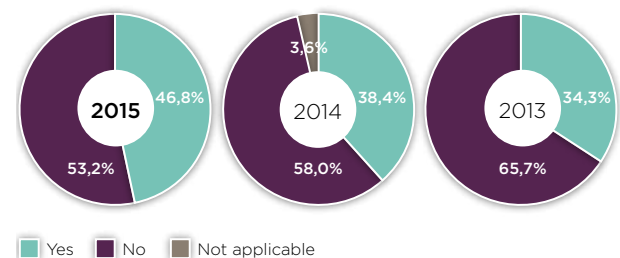
Lump Sum Benefits and Annuities

QE.1 At retirement you would have received a lump sum. This would have been either one third of the total value of your pension fund or the full value of your provident fund. What have you done with the lump sum value you received?

	2015	2014	2013
Base: All Respondents	252	250	251
Bought property	5	3	0
	2,0%	1,2%	0,0%
Settled or reduced mortgage bond	98	71	100
	38,9%	28,4%	39,8%
Made home improvements	96	74	97
	38,1%	29,6%	38,6%
Gave a lump sum to dependants / family	31	28	24
	12,3%	11,2%	9,6%
Travel	17	19	12
	6,7%	7,6%	4,8%
Reduced short term debt (e.g. car, credit cards, loans etc.)	88	71	59
	34,9%	28,4%	23,5%
Started own business	16	10	5
	6,3%	4,0%	2,0%
Invested in other 'non-retirement' savings or investment products	57	66	91
	22,6%	26,4%	36,3%
Spent it on living expenses	86	88	75
	34,1%	35,2%	29,9%
Did not take 1/3 lump sum, used full amount to buy an annuity	18	28	17
	7,1%	11,2%	6,8%
Other	4	1	4
	1,6%	0,4%	1,6%
Don't know	3	3	1
	1,2%	1,2%	0,4%
Summary			
Any invested	155	151	182
	61,5%	60,4%	72,5%
Any reduced debt	151	123	137
	59,9%	49,2%	54,6%
Table Size	519	462	485
	206,0%	184,8%	193,2%

QE.2A Have you depleted your lump sum yet?

	2015	2014	2013
Base: All Respondents	252	250	251

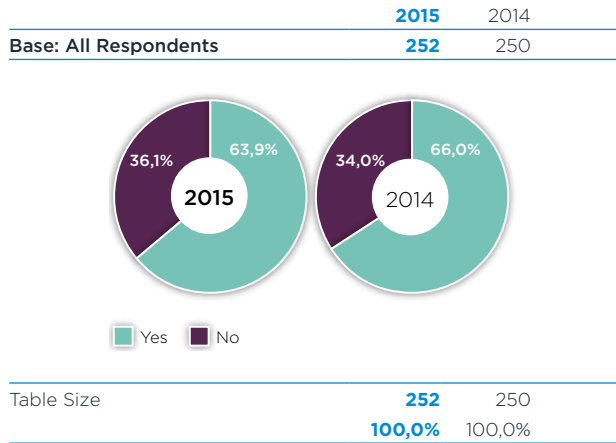


	2015	2014	2013
Table Size	252	250	251
	100,0%	100,0%	100,0%

QE.2B How long did it take after retirement to deplete your lump sum?

	2015	2014	2013
Base: All who depleted their lump sum	118	96	86
Less than 6 months	25	7	6
	21,2%	7,3%	7,0%
6 - 12 months	15	18	16
	12,7%	18,8%	18,6%
1 - 2 years	35	25	23
	29,7%	26,0%	26,7%
3 - 5 years	33	29	20
	28,0%	30,2%	23,3%
6 - 10 years	5	4	4
	4,2%	4,2%	4,7%
11 - 15 years	0	0	2
	0,0%	0,0%	2,3%
16 - 20 years	0	0	1
	0,0%	0,0%	1,2%
More than 20 years	0	0	1
	0,0%	0,0%	1,2%
Don't know	5	13	13
	4,2%	13,5%	15,1%
Mean	2.14 yrs	2.42 yrs	3.11 yrs
Table Size	118	96	86
	100,0%	100,0%	100,0%

QE.3 When you were going on retirement did you understand the various options available to you in terms of the different types of annuity (pension) that you could choose?



QE.4A What type of annuity (pension) did you choose when you went on retirement?

	2014	2013
Base: All Respondents	250	251
Level annuity	51	60
	20,4%	23,9%
Guaranteed escalation annuity, (e.g. 3-5% escalation)	73	48
	29,2%	19,1%
Inflation linked annuity	41	60
	16,4%	23,9%
With-profit annuity	10	6
	4,0%	2,4%
Investment Linked Living Annuity (ILLA)	11	20
	4,4%	8,0%
Combination of the above	2	-
	0,8%	
Don't know	62	62
	24,8%	24,7%
Table Size	250	256
	100,0%	102,0%

Note: Wording of precodes changed in 2015

QE.4A What type of annuity (pension) did you choose when you went on retirement?

	2015
Base: All Respondents	252
Level annuity, one that does not increase every year	35
	13,9%
Guaranteed escalation annuity, where you receive a fixed increase every year, say 5%	95
	37,7%
Inflation linked annuity, where your increase is guaranteed to equal inflation (or a fraction of it)	59
	23,4%
With-profit annuity, where your increase is determined by an insurer depending on investment returns	12
	4,8%
Investment Linked Living Annuity (ILLA), where you can withdraw between 2.5% and 17.5% of your capital annually	13
	5,2%
Combination of the above	3
	1,2%
Don't know	35
	13,9%
Table Size	252
	100,0%

QE.4B Why did you choose an Investment Linked Living Annuity?

	2015	2014	2013
Base: All who chose an ILLA	13	13	20
The living annuity was the only option the advisor presented to me	2	-	-
	15,4%		
Chose living annuity because of high drawdown rates	3	-	-
	23,1%		
Not fair that the insurer gets all the money in the event of my death / wanted the bulk of my money to go to my beneficiaries	1	1	7
	7,7%	7,7%	35,0%
Advised to do so	3	5	10
	23,1%	38,5%	50,0%
Wanted flexibility in terms of investment choices and income	0	8	6
	0,0%	61,5%	30,0%
Growth potential better	0	0	1
	0,0%	0,0%	5,0%
I needed a higher withdrawal rate to maintain my standard of living	5	0	0
	38,5%	0,0%	0,0%
Don't know	1	0	0
	7,7%	0,0%	0,0%
Table Size	15	14	24
	115,4%	107,7%	120,0%

QE.4C What steps are you taking to ensure that your Investment Linked Living Annuity lasts throughout your lifetime?

	2015	2014
Base: All who chose an ILLA	13	13
Drawdown the minimum amount	3 23,1%	1 7,7%
Use other income/investment sources for certain expenses	1 7,7%	4 30,8%
I have chosen an investment strategy that gives returns that outperform inflation	2 15,4%	2 15,4%
I follow advice from my advisor	7 53,8%	4 30,8%
Not taking any specific measures, just hoping for the best	0 0,0%	2 15,4%
Table Size	13 100,0%	13 100,0%

QE.4D What is your drawdown rate?

	2015	2014
Base: All who chose an ILLA	13	13
1%	0 0,0%	1 7,7%
2%	0 0,0%	2 15,4%
3%	0 0,0%	1 7,7%
4%	0 0,0%	1 7,7%
5%	7 53,8%	4 30,8%
6%	1 7,7%	0 0,0%
8%	0 0,0%	1 7,7%
10%	2 15,4%	2 15,4%
13%	0 0,0%	1 7,7%
15%	1 7,7%	0 0,0%
Don't know	2 15,4%	0 0,0%
Mean	6,91	5,62
Table Size	13 100,0%	13 100,0%

QE.4E How do you establish the drawdown rate?

2015
Base: All who chose an ILLA 13

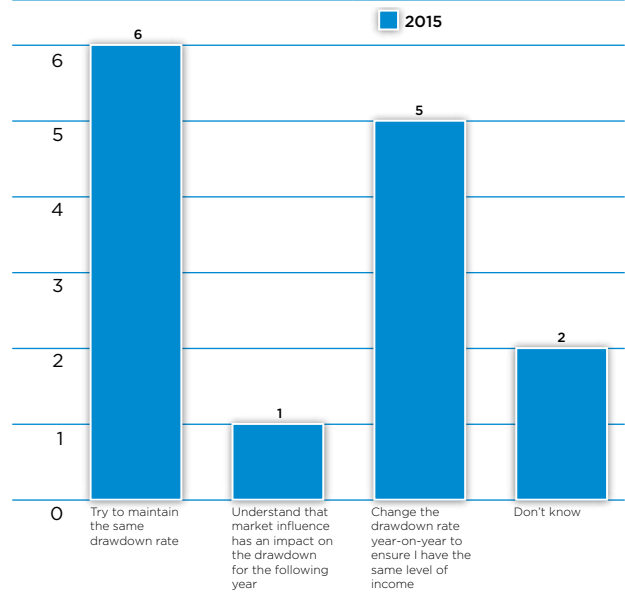


Table Size 14
107,7%

QE.5A What was the total amount that you invested in your annuity (pension)?

	2015	2014	2013
Base: All Respondents	252	250	251
Less than R100,000	13 5,2%	19 7,6%	40 15,9%
Between R100,000 and R250,000	23 9,1%	38 15,2%	35 13,9%
Between R250,001 and R500,000	54 21,4%	56 22,4%	42 16,7%
Between R500,001 and R750,000	33 13,1%	35 14,0%	29 11,6%
Between R750,001 and R1,000,000	37 14,7%	32 12,8%	20 8,0%
Between R1,000,001 and R5,000,000	45 17,9%	27 10,8%	15 6,0%
Greater than R5,000,000	8 3,2%	6 2,4%	4 1,6%
Don't know	37 14,7%	36 14,4%	66 26,3%
Refused	2 0,8%	1 0,4%	0 0,0%
Mean	R 1 281 338	R 959 977	R 727 027
Table Size	252 100,0%	250 100,0%	251 100,0%

QE.5B Were you happy with the monthly income you received from the annuity, given the capital amount which you invested?

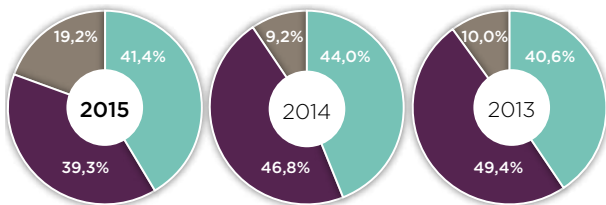
	2015	2014
Base: All Respondents	252	250
Yes	166	168
	65,9%	67,2%
No	86	82
	34,1%	32,8%
Table Size	252	250
	100,0%	100,0%

QE.6 What percentage increase do you expect to receive annually on your pension / annuity payouts?

	2015
Base: All Respondents	252
Half the inflation %	25
	9,9%
Inflation %	53
	21,0%
Inflation plus 1%	28
	11,1%
Inflation plus 2%	49
	19,4%
Don't know	97
	38,5%
Table Size	252
	100,0%

QE.7A Does your pension / chosen annuity product provide a spouse's pension in the event of your death?

	2015	2014	2013
Base 2015: All those who do not have an ILLA	239	250	251
Base 2014: All respondents			



Yes No Don't know

Table Size	239	250	251
	100,0%	100,0%	100,0%

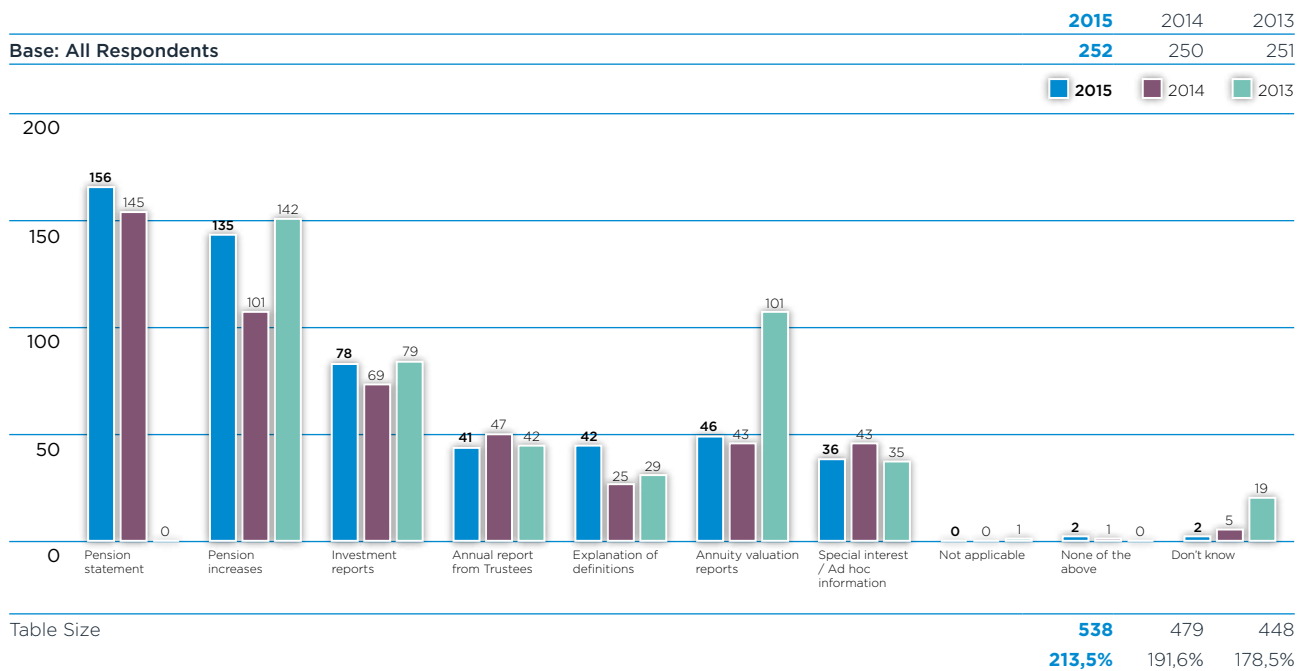
QE.7B What proportion of your pension / annuity income would your spouse receive?

	2015	2014	2013
Base: All whose annuity product provides a spouse's pension	99	110	102
00.01 - 24.99 %	2	3	11
	2,0%	2,7%	10,8%
25%	2	0	2
	2,0%	0,0%	2,0%
25.01 - 49.99 %	6	6	6
	6,1%	5,5%	5,9%
50%	34	27	20
	34,3%	24,5%	19,6%
50.01 - 74.99 %	5	13	7
	5,1%	11,8%	6,9%
75%	1	11	5
	1,0%	10,0%	4,9%
75.01 - 99.99 %	1	4	2
	1,0%	3,6%	2,0%
100%	4	10	7
	4,0%	9,1%	6,9%
Don't know	44	36	42
	44,4%	32,7%	41,2%
Mean	52,1	62,7	51,0
Table Size	99	110	102
	100,0%	100,0%	100,0%

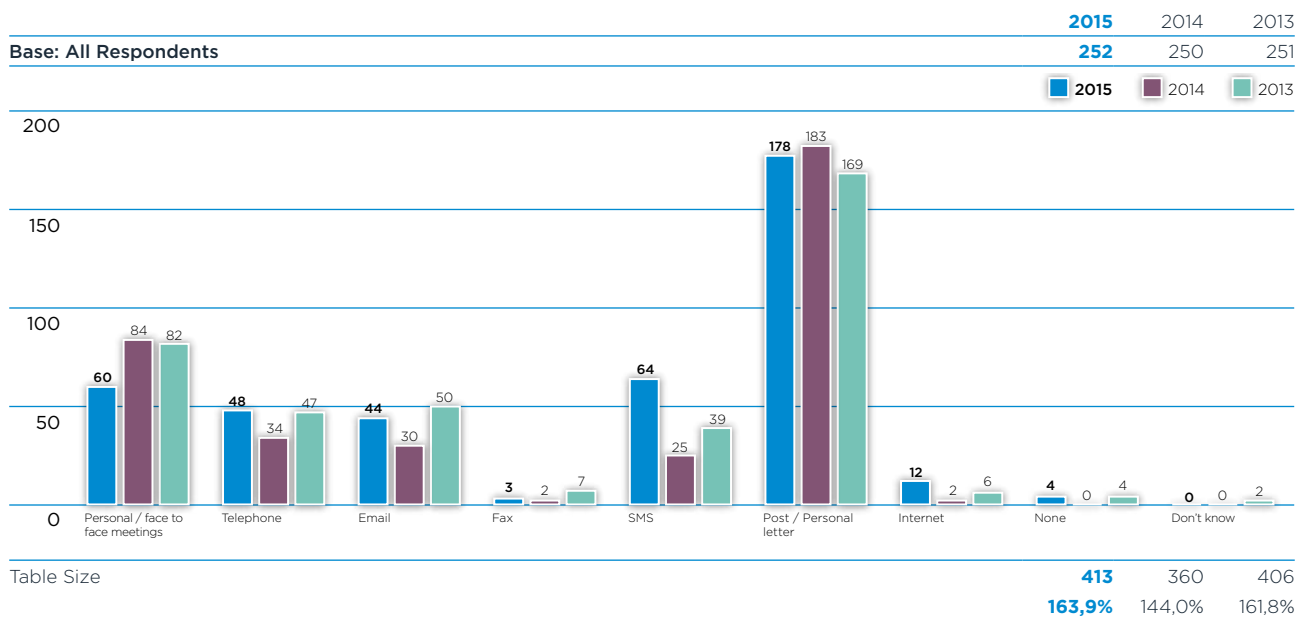
Section F

Communication

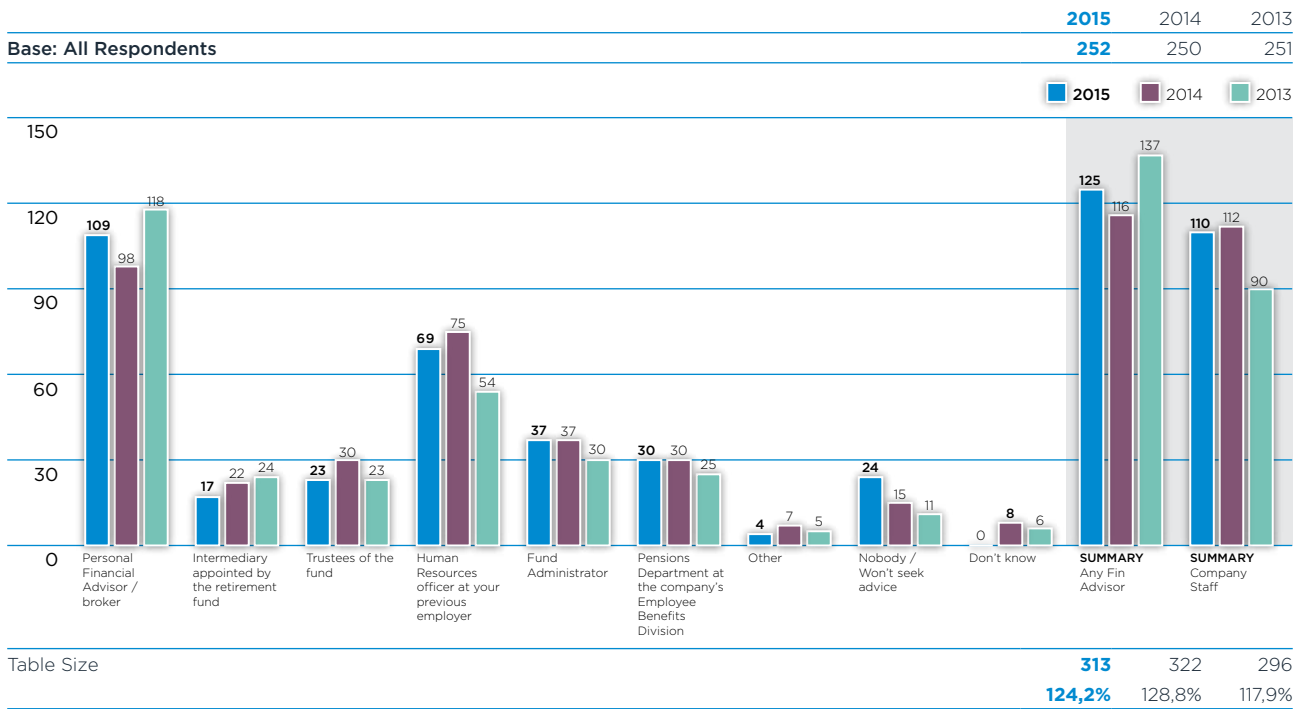
QF.1 What type of information / communication do you want to receive from your retirement annuity / pension provider? (Previous wording 2010/2011: What type of information is communicated to you?)



QF.2 How do you want to receive information on matters relating to your annuity / pension?



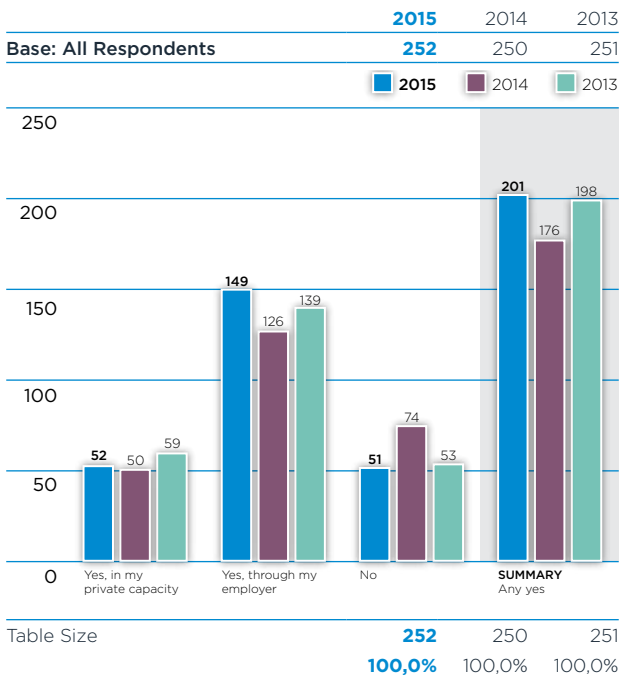
QF.3 Who would you contact with any queries related to your retirement annuity / pension?



Section G

Medical Aid Expenses

QG.1 Prior to retirement, did you contribute to a medical aid scheme, either in your private capacity or through your employer?



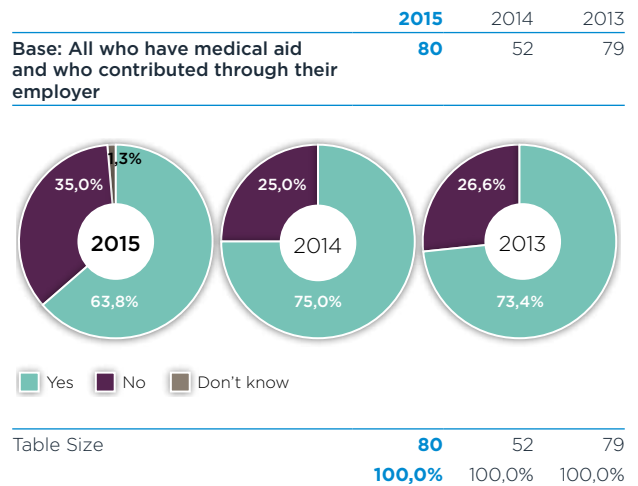
QG.2 Do you currently contribute to a medical aid scheme?

	2015	2014	2013
Base: All Respondents	252	250	251
Yes	122	99	130
	48,4%	39,6%	51,8%
No	130	151	121
	51,6%	60,4%	48,2%
Table Size	252	250	251
	100,0%	100,0%	100,0%

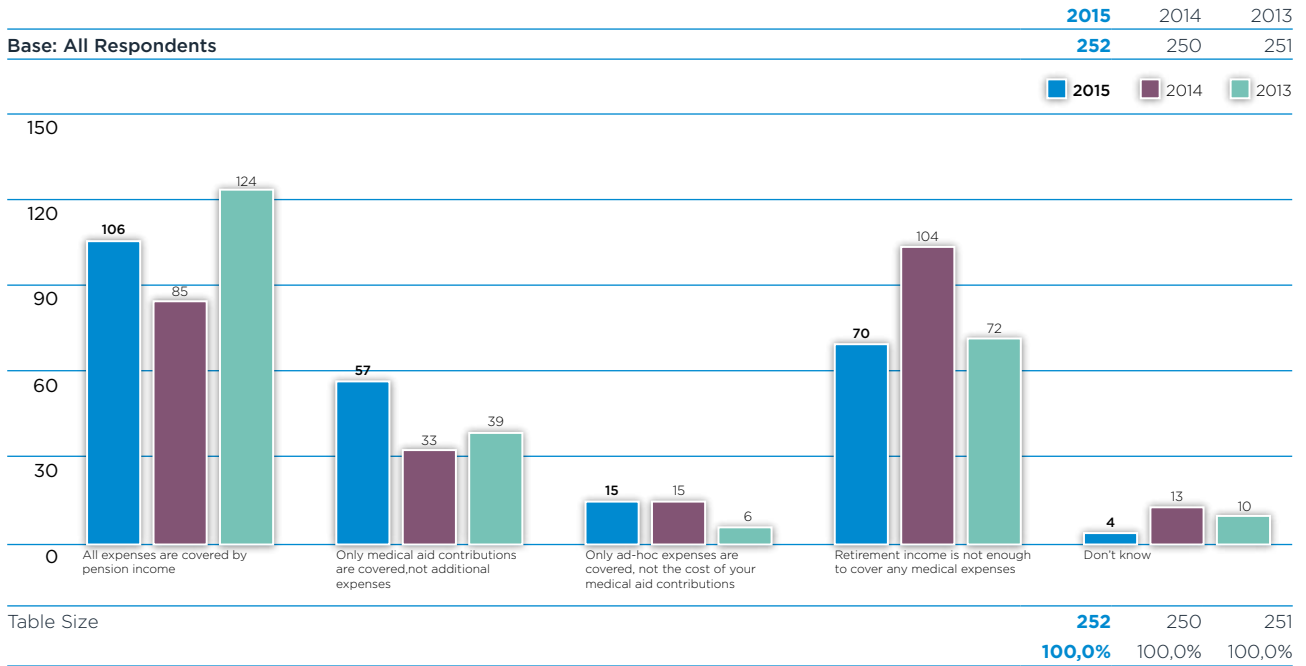
QG.3 Did you consider your medical aid contribution and the fact that this would increase by much more per annum on average when you were planning for your retirement?

	2015	2014	2013
Base: All who contribute or used to contribute to a medical aid	201	179	199
Yes	99	77	94
	49,3%	43,0%	47,2%
No	93	87	87
	46,3%	48,6%	43,7%
Don't know	9	15	18
	4,5%	8,4%	9,0%
Table Size	201	179	199
	100,0%	100,0%	100,0%

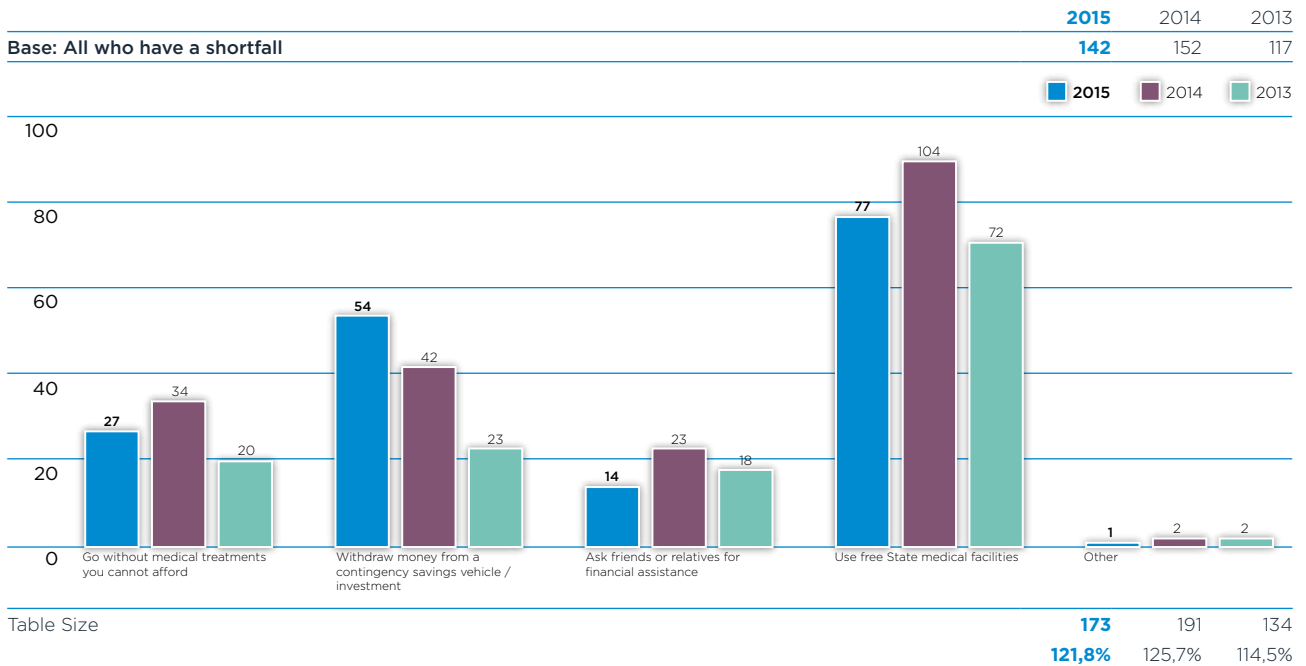
QG.4 Does your previous employer continue to contribute to your medical aid scheme now that you are retired?



QG.5A To what extent does your monthly retirement income cover your medical and healthcare expenses?



QG.5B How do you deal with the shortfall?



Section H

Wrap up

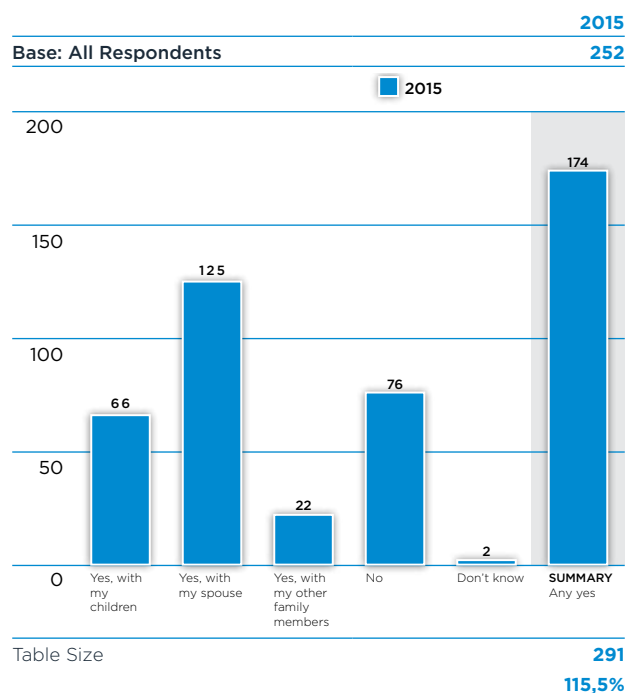
QH.1 Thinking back on your own experience, the way you planned for retirement and the choices you made at the point of retirement, what SINGLE piece of financial planning advice would you give to young adults starting their careers i.e. people aged about 25 years?

	2015	2014	2013
Base: All Respondents	250	250	251
Do not have debt/credit	6	2	5
	2,4%	0,8%	2,0%
Invest from an earlier age	23	34	27
	9,1%	13,6%	10,8%
Invest in property	14	5	9
	5,6%	2,0%	3,6%
Invest offshore	1	0	0
	0,4%	0,0%	0,0%
Make more enquiries/learn more about investments/investing for retirement/learn more about investment choices	19	21	16
	7,5%	8,4%	6,4%
Put more money into retirement savings/increase it annually/choose a higher premium	28	22	13
	11,1%	8,8%	5,2%
Save from an earlier age	54	55	72
	21,4%	22,0%	28,7%
Save regularly	12	16	9
	4,8%	6,4%	3,6%
Plan for retirement / Seek professional advice	11	17	17
	4,4%	6,8%	6,8%
Start planning earlier for retirement/ plan ahead/ at an early age	50	40	55
	19,8%	16,0%	21,9%
Take out more /separate insurance policies	18	19	12
	7,1%	7,6%	4,8%
Buy a retirement annuity	16	17	10
	6,3%	6,8%	4,0%
Start own business if you can	0	0	4
	0,0%	0,0%	1,6%
Don't know	0	0	2
	0,0%	0,0%	0,8%
Table Size	252	250	251
	100,0%	100,0%	100,0%

QH.2 Which of the following options would you have preferred at retirement?

	2015	2014
Base: All Respondents	252	250
Trustees decided/purchased an annuity, and I was given no choice	46	59
	18,3%	23,6%
Trustees provided a default/recommended annuity, but I could still choose to opt out	71	32
	28,2%	12,8%
Complete freedom of choice, with no restrictions from Trustees	135	159
	53,6%	63,3%
Table Size	252	250
	100,0%	100,0%

QH.3 Have you ever discussed your financial situation with your family and, in particular, with your children?



QH.4 When did you discuss your financial situation with your family?

	2015
Base: All who have discussed their financial situation with their family	174
During my working life	110 63,2%
Post retirement	58 33,3%
Constantly as it is an ongoing process	43 24,7%
When we have a family financial crisis or emergency	12 6,9%
When we've had a life changing event (birth, divorce, death, marriage etc.)	9 5,2%
Don't know / Can't remember	1 0,6%
Table Size	233 133,9%

QH.5 Why have you not discussed your financial situation with your family?

	2015
Base: All who have not discussed their financial situation with their family	76
My spouse and children were not interested	2 2,6%
My spouse just managed everything on his/her own	1 1,3%
I make all the financial decisions so no need to consult	46 60,5%
I did not think it was important at the time	14 18,4%
We never really had much money so there was nothing to discuss	12 15,8%
Not Sure / Don't know	4 5,3%
Table Size	79 103,9%

QH.6 What role did your spouse play in your retirement planning?

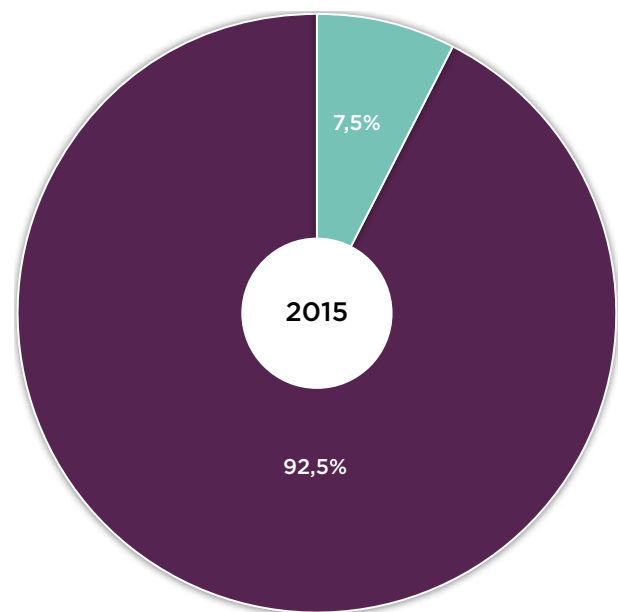
	2015
Base: All who are married or living together	151
My spouse handled all the financial aspects of retiring	2 1,3%
We planned our retirement together	93 61,6%
We each planned separately for our own retirement, but discussed it	35 23,2%
We did not discuss retirement planning at all	21 13,9%
Table Size	151 100,0%

QH.7 Did you consider any of the following factors in your retirement planning?

	2015
Base: All females	76
Females tend to live longer than males on average, and therefore you may spend a longer time in retirement	37 48,7%
Breaks in your career for maternity leave	6 7,9%
Implications of divorce or a spouse passing away before you	24 31,6%
Differences in salary levels and the increases received between females and males.	14 18,4%
None	5 6,6%
Table Size	86 113,2%

QH.8 Have you invested directly in shares on the JSE before?

	2015
Base: All Respondents	252



Yes No

Table Size	252 100,0%
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QH.9 Would you be interested now or in the future in investing a portion of your money yourself with the assistance of online education and information?

	2015
Base: All Respondents	252
Yes	22 8,7%
No	203 80,6%
Don't know / Not sure	27 10,7%
Table Size	252 100,0%

QH.10 Would you be willing to pay for the service of assistance for online education and information?

	2015
Base: All those who do not reject investing in online education and information	49
Yes	13 26,5%
No	22 44,9%
Don't know / Not sure	14 28,6%
Table Size	49 100,0%

QH.11 Are you aware of the proposed Tax Free Savings (TFS) vehicle, which becomes effective on 1 March 2015?

	2015
Base: All Respondents	252
Yes	73 29,0%
No	179 71,0%
Table Size	252 100,0%

QH.12 If you had extra money to invest now, in which product, would you invest this money?

	2015
Base: All Respondents	252
Retirement Annuity (RA)	52 20,6%
Bank Account	53 21,0%
Unit Trusts	37 14,7%
Fixed Deposit	67 26,6%
Tax Free Savings Account	53 21,0%
Table Size	262 104,0%

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