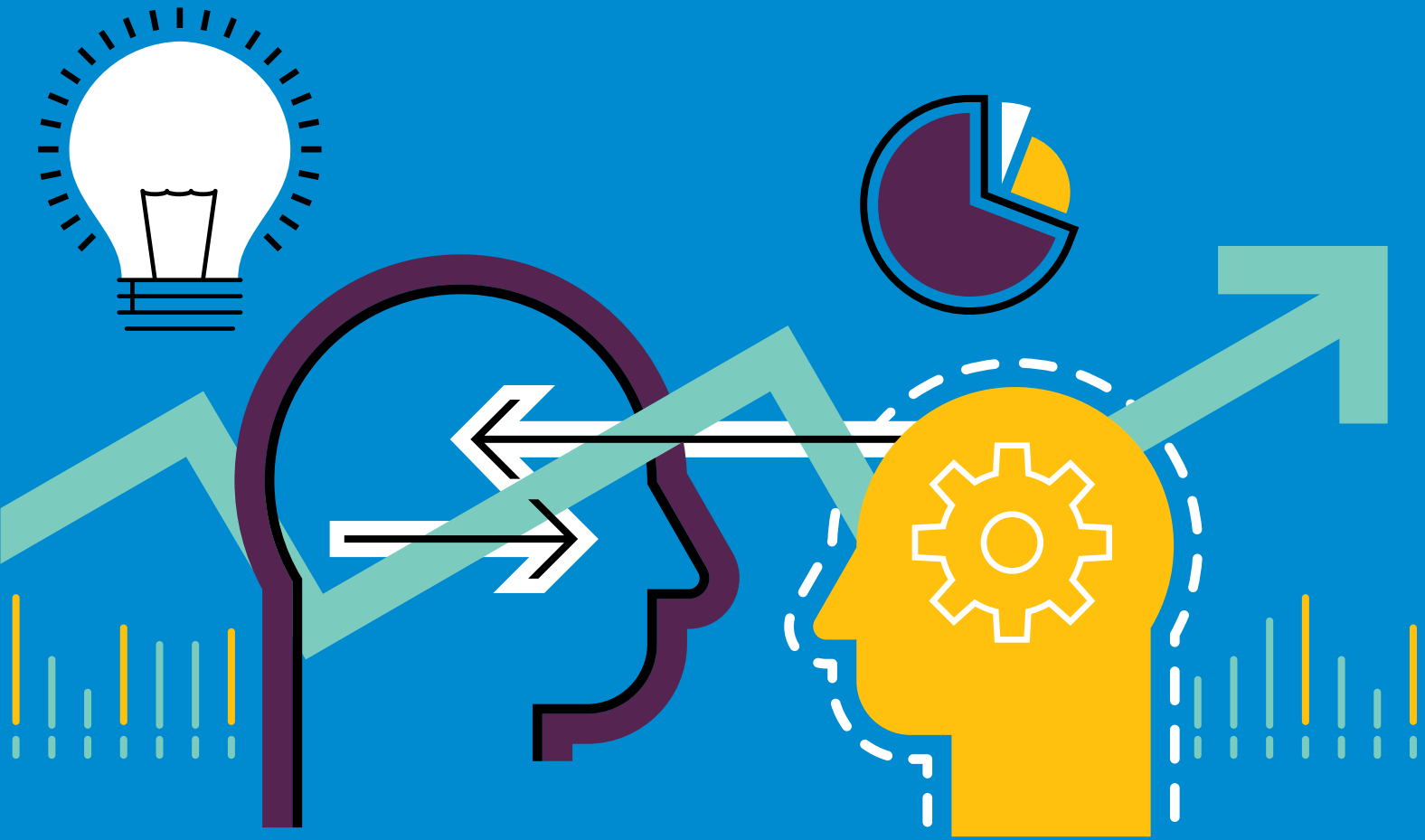


BENCHMARK SURVEY 2017

hindsight

foresight



**Umbrella** survey



Insurance

Financial Planning

Retirement

Investments

Wealth

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## foreword

# Reflections: Looking back to make looking ahead even clearer

My team and I have been debating the concept of the “evolution of employee benefits” for the past five years. I spent some time contemplating how far we have come since 2013. This is a necessary step to gaining an understanding of how the landscape is morphing. It provides critical insights into what we need to focus on to achieve our desired future state.



by

**Dawie de Villiers**

Chief Executive Officer:  
Sanlam Employee Benefits

Despite the macro-economic challenges which South Africa faces, we have seen a marginal increase in the employed population from 14.7 million (2013) to 15.5 million (2016) adults. According to Statistics SA, the unemployment rate based on the official number has increased from 25.3% (2013) to 26.6% (2016).

These official statistics are not comforting at all. Our member studies indicate that the two primary dependencies for financial wellness is the level of education and employment status (access to financial resources).

As an industry we need to consider the longer-term economic consequences when not all employed people have access to medical aid provision or are contributing to retirement funds. The number of employed people who have access to medical aid decreased from 31.7% (2013) to 29.8% (2016) and those contributing to a retirement fund decreased from 48.5% (2013) to 46.5% (2016).

In the past, employers may have considered the impact of the financial strain on their employees' productivity. Another consequence is the effect it has on the career trajectories of those individuals. A key finding of our member studies is that financial constraints may act as a trigger for employees to search alternative employment. This is done either to access retirement benefits or to move for more competitive or a wider range of employee benefits.

### **5-year trends from an intermediary's perspective**

Despite all the industry efforts regarding member education, the overall level of understanding around retirement benefits remains very low. Over the years we've also seen an interesting shift in demand

for various types of products. Due to economic reasons it would appear that the industry is focussing on group risk benefits (funeral cover, dread disease cover and income replacement). This is a positive trend as many members are largely under-insured. Regulatory changes are driving cost pressures which in turn are forcing the industry to reduce complexity and increase the transparency of costs. The conversion from stand-alone retirement funds to commercial umbrella funds continues unabatedly.

There also appears to be a misalignment between the employer's value proposition and the range of benefits offered.

### **Everything that matters to employees is entrenched in an employers' value proposition**

We have consistently intimated that financial wellness as a nation and on an individual level requires a shift in thinking and behaviour. Merely being employed and/or earning an income (at any level) does not necessarily equate to positive financial outcomes. The key differentiators are behaviour and attitude towards money.

Employee value propositions are broadly defined as the full spectrum of benefits which an organisation delivers to its employees in return for the employees' time and skillset. It includes the total rewards package such as remuneration, retirement and risk benefits, flexible work arrangements and wellness programmes.

We tested the concept of an employee value proposition and whether it was aligned to the full suite of benefits offered. It was pleasing to see that 47% of stand-alone funds and 35% of participating employers in commercial umbrella funds indicated that their value propositions took a holistic view of their employees.

As a result, a wide range of financial and healthcare benefits including wellness, healthcare clinics, child care, financial assistance for children's education and financial planning are included in the total rewards offered. But only half of employed individuals enjoy these rewards for as long they are economically active.

### **Money conversations as a potential stimulus to bring about the change in attitude**

Volumes have been written about millennials, the generation born between 1982 and 2004. Approximately one quarter (23%) of our member studies sample constitutes this generation.

We tested their attitudes on a number of issues relating to work, career and income trajectories as well as their financial wellness. What stood out for me was the candour with which young professionals speak about their career aspirations and the ability to quantify their potential future earnings.

Young professionals are indeed self-directed and want to take charge of their futures. There was little evidence to support a defined benefit mind-set. When asked about future career opportunities three key themes became apparent:

- Innovation
- Ownership and accountability
- Upskilling

Their optimism about career opportunities centres around advancements in technology across all sectors. Self-directed individuals take responsibility for personal growth and development and believe that upskilling is pivotal to their career advancement and security. However, their optimism is tempered by an overwhelming uncertainty based on a wide spectrum of macro-economic challenges. Increasingly, open architecture with a focus on holistic benefits for members will probably be the solution for this generation. They are gearing themselves up for multiple income streams from different sources. Those with less of an entrepreneurial spirit will look to corporates to provide a wide range of benefits.

For this generation the goal is not so much about money as it is about living life on their terms. It is about having options in their careers and all other aspects of their lives.

Looking back it is apparent how much has changed in five years.

As you turn the pages of this report, you will hopefully be inspired to consider our take on what the future may hold for this industry.

I wish to extend my gratitude and heartfelt appreciation to everyone who made this research possible.

#### **Dawie de Villiers**

CEO Sanlam Employee Benefits

# Research methodology

The size and the scope of the 2017 umbrella funds survey has remained largely consistent with the 2016 study. Interviews were conducted amongst 100 representatives of participating employers in umbrella funds.



by

**Danie van Zyl**

Head: Guaranteed Investments  
Sanlam Employee Benefits



by

**Janus Engelbrecht**

Business & Product Analyst  
Sanlam Umbrella Solutions

Respondents were selected at random and it may be possible that some participating employers included in the survey may currently be participating in Sanlam Umbrella Solutions. Other participants may have assets invested with Sanlam Investments. As it was not a requirement of the study, we did not select respondents on the basis of their current retirement fund service providers. The entire fieldwork process is outsourced to BDRC Africa, a leading marketing research agency. This is to ensure the integrity of the data and the confidentiality of all respondents at all times.

## Interview technique

Personal interviews were conducted at the offices of the respondent with each being approximately one hour in length. At times more than one employer representative participated in the interview.

Fieldwork was conducted between February and March this year.

## Sample composition

For the purposes of this survey, the sampling frame has been defined as all participating employers in commercial umbrella schemes. This year we secured a 59% year-on-year participation in the survey. It is also the third consecutive year that we have observed a decline in the number of employers who considered providing benefits to members via an umbrella fund arrangement. The declining trend continues from 51% (2015), 43% (2016) and 38% in 2017.

Respondents were selected at random with a specific quota control to ensure that the sample was statistically and demographically representative of the retirement fund industry.

This year we retained the sample size of 100 interviews. One of the questions we often receive is whether the sample size is sufficient and robust enough to make accurate statistical inferences on the employed population. The simple answer is that a sample size of 100 for institutional research will produce an approximate margin of sampling error that is within a 6% to 10% range, and with a 95% confidence level.

This suggests that the sample size we've selected is robust and the conclusions drawn credible.

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

## Data tables and graphs

The tables and graphs in this report are based on 100 responses. In some instances the sample responses were  $\neq$  100.

Where:

the number of responses was less than 100, the question was not applicable to all respondents

the number of responses was greater than 100, 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.

All our survey data can be accessed on [www.sanlambenchmark.co.za](http://www.sanlambenchmark.co.za), the BENCHMARK research portal which has been refreshed to provide a convenient, single point of access for all the research related reference material.

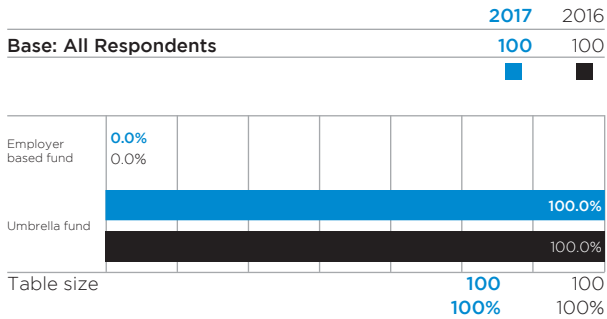
# Section 1

# General employer statistics

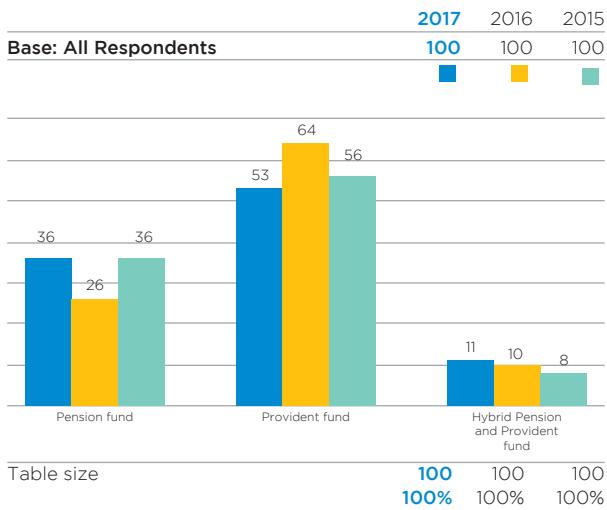
## Q1.1a How would you classify the principal employer, using one of the following business categories?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Financial Services	3	3	7
	3.0%	3.0%	7.0%
Manufacturing	27	31	33
	27.0%	31.0%	33.0%
Agriculture, forestry or fishing	9	6	5
	9.0%	6.0%	5.0%
Professional or business services	9	7	5
	9.0%	7.0%	5.0%
Building or construction	3	2	1
	3.0%	2.0%	1.0%
Wholesale and retail	21	17	17
	21.0%	17.0%	17.0%
Mining	0	2	1
	0.0%	2.0%	1.0%
Government, semi-government /parastatal	1	2	0
	1.0%	2.0%	0.0%
Chemical or pharmaceutical	1	1	3
	1.0%	1.0%	3.0%
Engineering	3	4	5
	3.0%	4.0%	5.0%
Healthcare	1	1	1
	1.0%	1.0%	1.0%
Hospitality	5	2	5
	5.0%	2.0%	5.0%
IT or telecoms	3	5	6
	3.0%	5.0%	6.0%
Printing and publishing	1	1	1
	1.0%	1.0%	1.0%
Entertainment	0	1	1
	0.0%	1.0%	1.0%
Transport /Logistics	7	6	6
	7.0%	6.0%	6.0%
Energy or petrochemical	1	0	0
	1.0%	0.0%	0.0%
NGO	0	1	0
	0.0%	1.0%	0.0%
Property / Property Management	1	3	-
	1.0%	3.0%	-
Breweries, distilleries or wineries	0	1	-
	0.0%	1.0%	-
Other	4	4	3
	4.0%	4.0%	3.0%
Table Size	100	100	100
	100%	100%	100%

**Q1.1b Is the largest defined contribution based retirement fund to which your employees belong (in terms of no. of members) an employer-based retirement fund or an umbrella fund?**



**Q1.2 Which of the following descriptions applies to the sub-fund participating in the survey?**



**Q1.3a How many of your employees belong to the fund? (i.e. are active members of the fund?)**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
21 to 40	6	5	5
	6.0%	5.0%	5.0%
41 to 100	26	24	18
	26.0%	24.0%	18.0%
101 to 300	23	30	23
	23.0%	30.0%	23.0%
301 to 500	12	12	20
	12.0%	12.0%	20.0%
501 to 1 000	17	19	21
	17.0%	19.0%	21.0%
1 001 or more	16	10	13
	16.0%	10.0%	13.0%
Mean	500	1,433	558
Table Size	100	100	100
	100%	100%	100%

**Q1.3b What is the total value of your members' assets of the sub-fund?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Less than R 3 mill	3	5	3
	3.0%	5.0%	3.0%
R3.1 to R 12 mill	11	14	9
	11.0%	14.0%	9.0%
R 12.1 mil to R 30 mill	11	16	16
	11.0%	16.0%	16.0%
R 30.1 mil to R 50 mill	8	15	7
	8.0%	15.0%	7.0%
R 50.1 mil to R 120 mill	21	19	24
	21.0%	19.0%	24.0%
R 120.1 mil to R 300 mill	25	14	14
	25.0%	14.0%	14.0%
R 300.1 mil to R 500 mill	3	4	5
	3.0%	4.0%	5.0%
R 500.1 mill to R 1 bn	7	2	6
	7.0%	2.0%	6.0%
R1.1 bn to R5 bn	6	3	4
	6.0%	3.0%	4.0%
R5.1 bn or more	0	1	-
	0.0%	1.0%	-
Not sure	1	2	11
	1.0%	2.0%	11.0%
Refused	4	5	1
	4.0%	5.0%	1.0%
Mean (millions)	R 257.20	R 247.40	R 274.50
Table Size	100	100	100
	100%	100%	100%



### Q1.4 What is the normal retirement age for new entrants?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
59 or younger	1	2	0
	1.0%	2.0%	0.0%
60	19	20	16
	19.0%	20.0%	16.0%
62	1	2	1
	1.0%	2.0%	1.0%
63	6	7	4
	6.0%	7.0%	4.0%
64	0	0	1
	0.0%	0.0%	1.0%
65	72	66	75
	72.0%	66.0%	75.0%
66 and older	0	2	0
	0.0%	2.0%	0.0%
Not specified - as per employment contract/arrangement with employer	1	1	3
	1.0%	1.0%	3.0%
Mean (years of age)	63.83	63.69	64.05
Table Size	100	100	100
	100.0%	100.0%	100.0%

Q1.5, Q1.6, Q1.7 were only asked of stand-alone retirement funds.

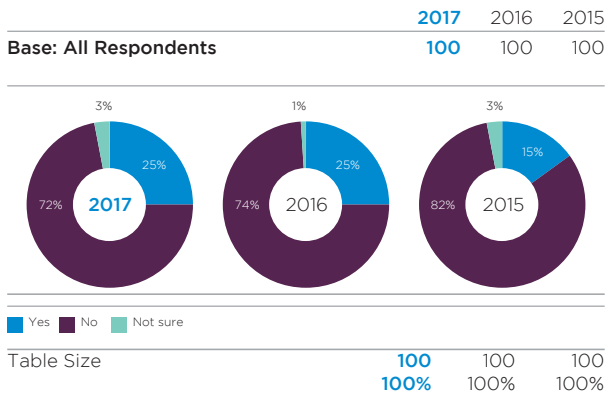
### Q1.8 How long has the employer been in an umbrella fund?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
1 year	2	2	10
	2.0%	2.0%	10.0%
2 years	4	6	4
	4.0%	6.0%	4.0%
3 years	12	6	11
	12.0%	6.0%	11.0%
4 years	7	11	8
	7.0%	11.0%	8.0%
5 years	5	11	7
	5.0%	11.0%	7.0%
6 years	5	6	3
	5.0%	6.0%	3.0%
7 years	9	2	2
	9.0%	2.0%	2.0%
8 years	3	3	5
	3.0%	3.0%	5.0%
9 years	3	6	3
	3.0%	6.0%	3.0%
10 years	11	12	11
	11.0%	12.0%	11.0%
11 - 15 years	16	19	19
	16.0%	19.0%	19.0%
16-20 years	15	9	10
	15.0%	9.0%	10.0%
More than 20 years	8	7	3
	8.0%	7.0%	3.0%
Other	0	0	4
	0.0%	0.0%	4.0%
Mean	10.72	9.78	8.24
Table Size	100	100	100
	100.0%	100.0%	100.0%

**Q1.9 What were the three main reasons for joining an umbrella fund?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Ease of administration/less time consuming	53 53.0%	59 59.0%	46 46.0%
More cost effective/cost saving	68 68.0%	55 55.0%	57 57.0%
Allows us to focus on core business	11 11.0%	21 21.0%	24 24.0%
Less responsibility/Less fiduciary responsibility	35 35.0%	27 27.0%	45 45.0%
Small company/ too few staff members to run a fund ourselves	10 10.0%	13 13.0%	14 14.0%
Better /more investment options	18 18.0%	21 21.0%	19 19.0%
Investment expertise/better investment advice	9 9.0%	20 20.0%	21 21.0%
Better benefits for employees	22 22.0%	18 18.0%	16 16.0%
Better returns on investment	19 19.0%	13 13.0%	11 11.0%
Expertise in fund governance/ compliance with legislation	17 17.0%	18 18.0%	18 18.0%
Change in company ownership	0 0.0%	0 0.0%	1 1.0%
Larger pool	0 0.0%	0 0.0%	1 1.0%
Recommended by broker/administrator	4 4.0%	-	-
Other	3 3.0%	3 3.0%	2 2.0%
Don't know	2 2.0%	4 4.0%	7 7.0%
Table Size	271 271.0%	272 272.0%	282 282.0%

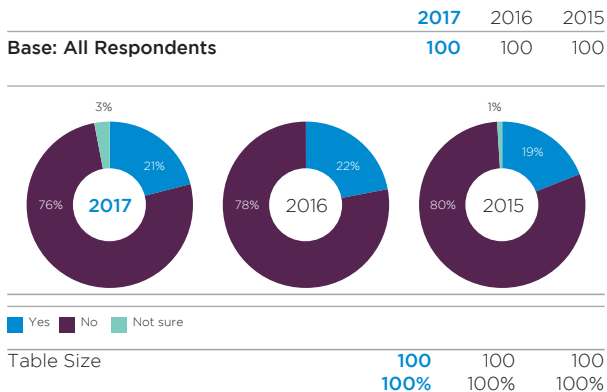
**Q1.10 Has the employer ever transferred from another umbrella fund?**



**Q1.11 How often does the sub-fund seek comparable quotes from other umbrella funds?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Annually	16 16.0%	29 29.0%	20 20.0%
Every 2 years	17 17.0%	12 12.0%	14 14.0%
Every 3 years	25 25.0%	9 9.0%	8 8.0%
Every 4 years	1 1.0%	3 3.0%	6 6.0%
Every 5 years	13 13.0%	12 12.0%	11 11.0%
Never	21 21.0%	26 26.0%	31 31.0%
Ad hoc	4 4.0%	7 7.0%	2 2.0%
Other	0 0.0%	0 0.0%	4 4.0%
Don't know	3 3.0%	2 2.0%	2 2.0%
Not Applicable	0 0.0%	0 0.0%	2 2.0%
Mean	2.09	1.67	1.75
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q1.12 Has the employer ever considered moving to another umbrella fund?



### Q1.13 What were the three principal reasons for doing so?

	2017	2016	2015
<b>Base: All who have considered transferring to another fund</b>	<b>21</b>	22	19
Better benefits for members	<b>4</b>	6	7
	<b>19.1%</b>	27.3%	36.8%
Better investment returns	<b>8</b>	9	6
	<b>38.1%</b>	40.9%	31.6%
Larger pool/bigger financial pool	<b>0</b>	2	1
	<b>0.0%</b>	9.1%	5.3%
Change in company policy	<b>0</b>	1	1
	<b>0.0%</b>	4.5%	5.3%
Cost saving	<b>11</b>	12	11
	<b>52.4%</b>	54.5%	57.9%
Better / Easier administration	<b>7</b>	6	8
	<b>33.3%</b>	27.3%	42.1%
More investment choice for members	<b>0</b>	2	1
	<b>0.0%</b>	9.1%	5.3%
Poor service/communication from previous provider	<b>4</b>	8	7
	<b>19.1%</b>	36.4%	36.8%
Better expertise	<b>6</b>	3	3
	<b>28.6%</b>	13.6%	15.8%
Transparency of funds	<b>0</b>	0	1
	<b>0.0%</b>	0.0%	5.3%
Forced move - company we were with was taken over/ Business was sold - new ownership	<b>0</b>	2	-
	<b>0.0%</b>	9.1%	
Other	<b>7</b>	3	2
	<b>33.3%</b>	13.6%	10.5%
Table Size	<b>47</b>	54	48
	<b>223.8%</b>	245.5%	252.6%

# Section 2

# Costs, expenses or fees

## Q2.1 On what basis is your fund's consultant/broker remunerated?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Statutory commission paid annually in advance	5 5.0%	8 8.0%	11 11.0%
Statutory commission paid monthly	20 20.0%	27 27.0%	24 24.0%
Fee as negotiated between the employer and the adviser	62 62.0%	52 52.0%	36 36.0%
Built in to admin fee / Part of admin fee	3 3.0%	2 2.0%	9 9.0%
Other	2 2.0%	0 0.0%	2 2.0%
None	2 2.0%	0 0.0%	1 1.0%
Not sure	5 5.0%	7 7.0%	13 13.0%
Not applicable	0 0.0%	4 4.0%	4 4.0%
Refused	1 1.0%	-	-
<b>Summary</b>			
Any statutory commission	25 25.0%	35 35.0%	35 35.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

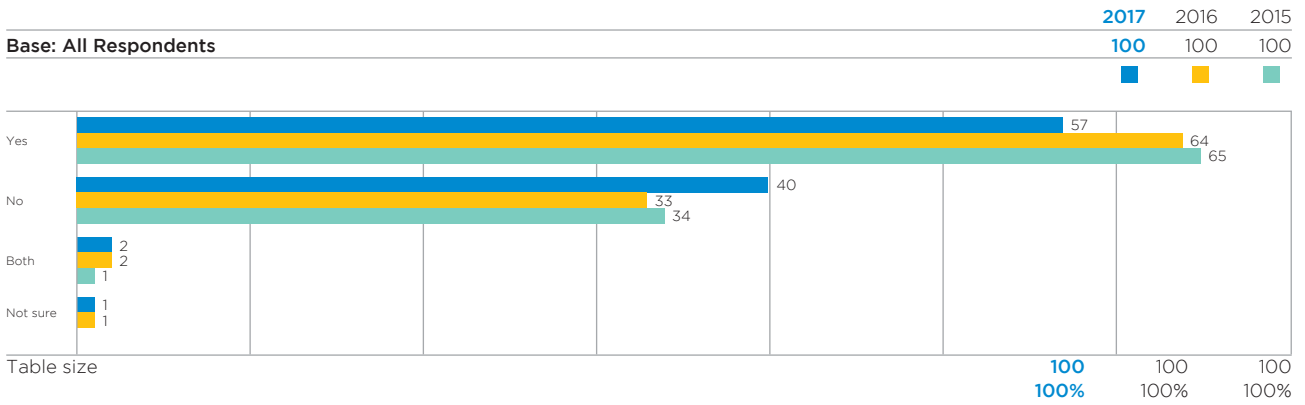
## Q2.2 How is the consulting fee expressed?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Rand value per member per month	29	17	18
Percentage of salary	42	38	28
Percentage of contribution	12	18	15
Percentage of assets	1	3	3
Combination of the above	5	7	7
Fixed fee	2	1	3
Not applicable	2	3	7
Not sure	7	15	19
Refused	1		
Table size	100 100%	100 100%	100 100%

# Section 3

## Benefit design

### Q3.1 Is the member’s remuneration package structured on a total cost to company basis?



### Q3.2 What percentage of the total remuneration is pensionable remuneration (PEAR)?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Less than 70%	18	24	28
	18.0%	24.0%	28.0%
70.1% to 80%	22	20	25
	22.0%	20.0%	25.0%
80.1% to 90%	14	6	16
	14.0%	6.0%	16.0%
90.1% to 100%	43	44	23
	43.0%	44.0%	23.0%
Other	1	0	4
	1.0%	0.0%	4.0%
Not sure	2	6	4
	2.0%	6.0%	4.0%
Mean	80.11%	74.6%	66.76%
Table Size	100	100	100
	100.0%	100.0%	100.0%

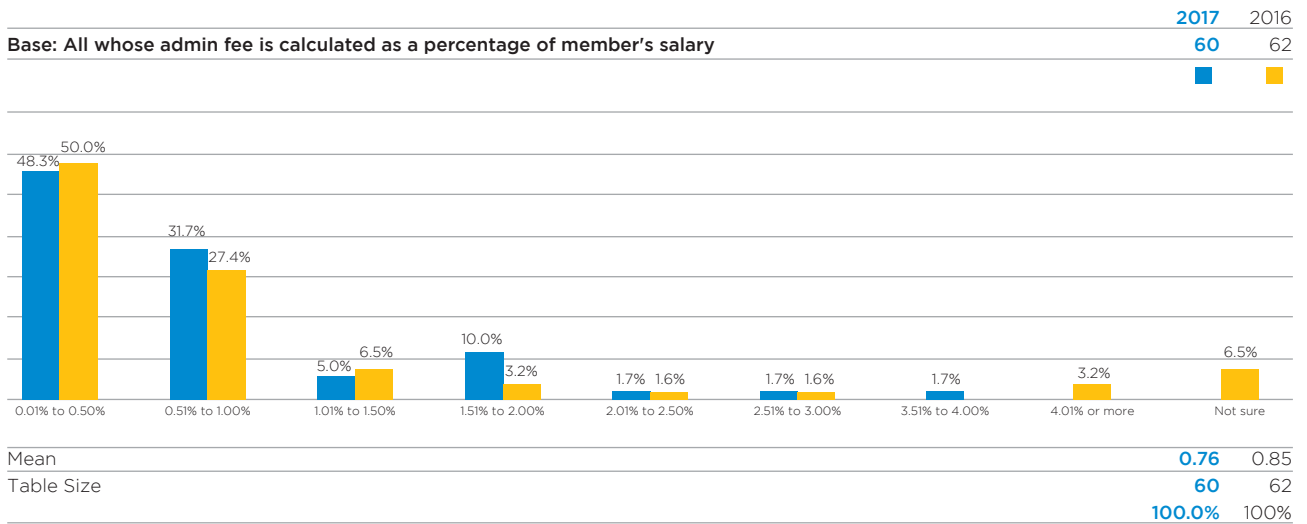
# Section 4

# Contributions

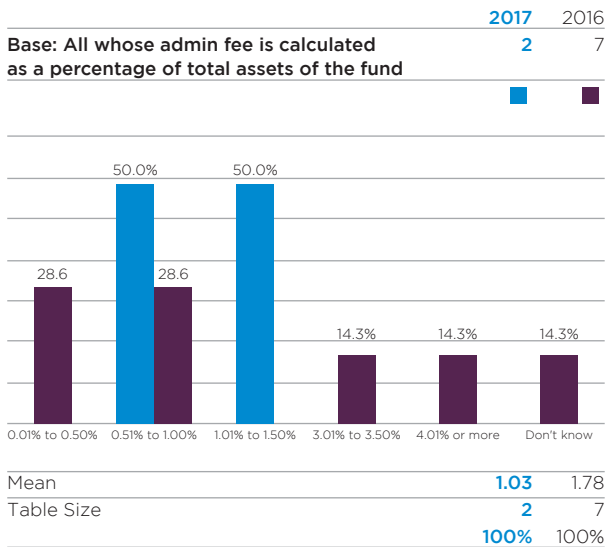
## Q4.1 How is the cost of the pure administration fee of the sub-fund expressed?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
As a % of the member's salary	60 60.0%	62 62.0%	66 66.0%
As a % of the total asset value of the fund	2 2.0%	7 7.0%	5 5.0%
As a fixed cost per member per month	36 36.0%	25 25.0%	28 28.0%
As a % of the contribution	0 0.0%	0 0.0%	2 2.0%
Other	0 0.0%	4 4.0%	-
Not sure	1 1.0%	2 2.0%	3 3.0%
Refused	1 1.0%	-	-
Table Size	100 100.0%	100 100.0%	104 104.0%

## Q4.2A What percentage of member's salary (as a proportion of PEAR) goes towards the sub-fund's pure administration costs - excluding asset management fees/ consulting and risk costs?



### Q4.2B What Percentage of the asset value of the fund goes towards the pure administration costs (total fund management fees – excluding asset management fees/ consulting and risk cost)?



### Q4.2C What are the fund's administration costs per member per month as a fixed cost inclusive of VAT?

	2017	2016
<b>Base: All whose admin fee is calculated as a fixed cost per member per month</b>	36	25
Less than R10	3	-
	8.3%	
R10 to R14	1	2
	2.8%	8.0%
R15 to R24	14	9
	38.9%	36.0%
R25 to R29	6	1
	16.7%	4.0%
R30 to R34	2	1
	5.6%	4.0%
R35 to R39	2	2
	5.6%	8.0%
R40 to R44	0	1
	0.0%	4.0%
R45 to R49	1	3
	2.8%	12.0%
R50 to R54	2	1
	5.6%	4.0%
R55 to R59	2	0
	5.6%	0.0%
R60 to R64	1	1
	2.8%	4.0%
R75 to R79	0	1
	0.0%	4.0%
R80 or more	1	2
	2.8%	8.0%
Varies according to level of contribution	0	1
	0.0%	4.0%
Not sure	1	-
	2.8%	
Mean	R 29.71	R 40.36
Table size	36	25
	100.0%	100.0%

### Q4.3 What are the current total monthly pensionable salaries?

	2017	2016	2015
<b>Base: All respondents</b>	100	98	100
Up to R300,000	5	8	6
	5.0%	8.0%	6.0%
R300,001 to R500,000	7	6	4
	7.0%	6.0%	4.0%
R500,001 to R1,000,000	9	9	5
	9.0%	9.0%	5.0%
R1,000,001 to R5,000,000	37	33	36
	37.0%	33.0%	36.0%
R5,000,001 to R10,000,000	13	15	16
	13.0%	15.0%	16.0%
R10,000,001 to R50,000,000	17	13	13
	17.0%	13.0%	13.0%
R50,000,001 to R70,000,000	3	2	1
	3.0%	2.0%	1.0%
R70,000,001 to R90,000,000	1	3	1
	1.0%	3.0%	1.0%
R90,000,001 +	0	0	5
	0.0%	0.0%	5.0%
Don't know	1	8	9
	1.0%	8.0%	9.0%
Refused	7	3	4
	7.0%	3.0%	4.0%
Mean (in millions)	8.58	9.07	16.1
Table size	100	100	100
	100.0%	100.0%	100.0%

### Q4.4A What percentage of salaries is applied to the total cost of death benefits/life cover under the fund?

	2017	2016	2015
<b>Base 2017: All respondents</b>	100		
<b>Base 2016: All who provide risk benefits</b>		100	
<b>Base 2015: All respondents</b>			60
0.01% to 0.50%	4	5	8
	4.0%	5.0%	13.3%
0.51% to 1.00%	20	27	7
	20.0%	27.0%	11.7%
1.01% to 1.50%	32	16	12
	32.0%	16.0%	20.0%
1.51% to 2.00%	12	12	2
	12.0%	12.0%	3.3%
2.01% to 2.50%	3	2	2
	3.0%	2.0%	3.3%
2.51% to 3.00%	3	4	2
	3.0%	4.0%	3.3%
3.01% to 3.50%	1	1	3
	1.0%	1.0%	5.0%
3.51% to 4.00%	0	2	0
	0.0%	2.0%	0.0%
4.01% or more	1	0	1
	1.0%	0.0%	1.7%
No benefit	21	24	2
	21.0%	24.0%	3.3%
Not sure	2	7	21
	2.0%	7.0%	35.0%
Refused	1	-	-
	1.0%		
Mean	1.31%	1.29%	1.34%
Table size	100	100	60
	100.0%	100.0%	100.0%

**Q4.4B What percentage of salaries is applied to the total cost of death benefits/life cover under a separate scheme?**

	2017	2016	2015
Base 2017: All respondents	100		
Base 2016: All who provide risk benefits		100	
Base 2015: All respondents			24
0%	0	2	0
	0.0%	2.0%	0.0%
0.01% to 0.50%	5	2	3
	5.0%	2.0%	12.5%
0.51% to 1.00%	5	7	3
	5.0%	7.0%	12.5%
1.01% to 1.50%	10	7	6
	10.0%	7.0%	25.0%
1.51% to 2.00%	5	2	4
	5.0%	2.0%	16.7%
2.01% to 2.50%	2	4	1
	2.0%	4.0%	4.2%
2.51% to 3.00%	1	2	1
	1.0%	2.0%	4.2%
3.01% to 3.50%	0	1	1
	0.0%	1.0%	4.2%
4.01% or more	0	1	0
	0.0%	1.0%	0.0%
No benefit	71	65	1
	71.0%	65.0%	4.2%
Other	1	1	0
	1.0%	1.0%	0.0%
Not sure	0	6	4
	0.0%	6.0%	16.7%
Mean	1.2%	1.43%	1.36%
Table size	100	100	24
	100.0%	100.0%	100.0%

**Q4.5 was only asked of stand-alone retirement funds.**

**Q4.6 Are risk benefits provided as part of the fund (approved) or are they provided through a separate scheme (unapproved)?**

	2017	2016	2015
Base: All Respondents	100	100	100

Year	Approved: Part of the fund	Unapproved: Separate scheme	Both
2017	67	17	16
2016	55	24	21
2015	60	25	15

Table size	100	100	100
	100%	100%	100%

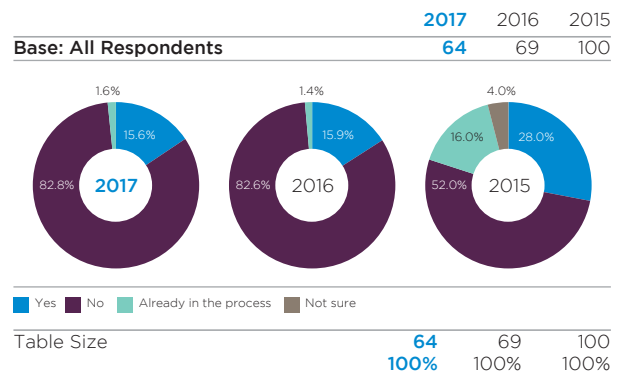
**Q4.7 Are your approved risk benefits defined as a percentage of salary where the salary is defined as/based on?**

	2017	2016	2015
Base: All providing approved risk benefits	83	76	75
Total cost to company (TCTC)	26	22	33
	31.3%	28.9%	44.0%
PEAR	55	54	42
	66.3%	71.1%	56.0%
Both	2	-	-
	2.4%		
Table size	83	76	75
	100.0%	100.0%	100.0%

**Q4.8 Are your unapproved risk benefits defined as a percentage of salary where the salary is defined as/based on?**

	2017	2016	2015
Base: All providing unapproved risk benefits	33	45	40
Total cost to company (TCTC)	9	16	17
	27.3%	35.6%	42.5%
PEAR	23	29	23
	69.7%	64.4%	57.5%
Both	1	-	-
	3.0%		
Table size	33	45	40
	100.0%	100.0%	100.0%

**Q4.9 You mentioned earlier that the fund provides risk benefits based on PEAR, do you see a move towards a unified definition based on TCTC?**





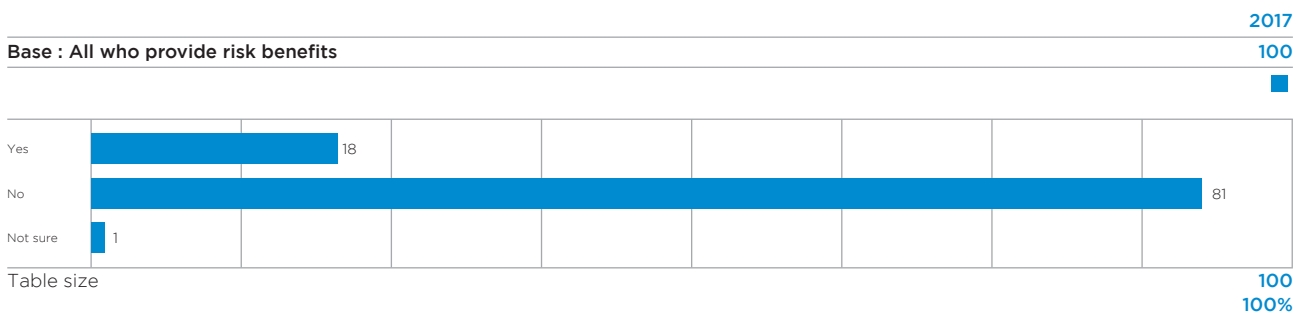
**Q4.10A What percentage of salaries is applied to the total cost of disability income benefits under the fund?**

	2017	2016	2015
<b>Base: All who provide risk benefits</b>	<b>100</b>	100	100
<b>Base 2016: All respondents</b>			100
0%	2 2.0%	1 1.0%	1 1.0%
0.01% to 0.50%	11 11.0%	11 11.0%	8 8.0%
0.51% to 1.00%	22 22.0%	20 20.0%	15 15.0%
1.01% to 1.50%	26 26.0%	18 18.0%	8 8.0%
1.51% to 2.00%	4 4.0%	6 6.0%	4 4.0%
2.01% to 2.50%	2 2.0%	1 1.0%	4 4.0%
2.51% to 3.00%	3 3.0%	1 1.0%	3 3.0%
3.01% to 3.50%	0 0.0%	1 1.0%	1 1.0%
3.51% to 4.00%	1 1.0%	0 0.0%	0 0.0%
4.01% or more	0 0.0%	1 1.0%	1 1.0%
Other	0 0.0%	1 1.0%	1 1.0%
No benefit	24 24.0%	31 31.0%	36 36.0%
Not sure	4 4.0%	8 8.0%	18 18.0%
Refused	1 1.0%	-	-
Mean	1.06%	1.05%	1.22%
Table size	100 100.0%	100 100.0%	100 100.0%

**Q4.10B What percentage of salaries is applied to the total cost of disability income benefits under a separate scheme?**

	2017	2016	2015
<b>Base: All who provide risk benefits</b>	<b>100</b>	100	100
<b>Base 2016: All respondents</b>			100
0%	0 0.0%	3 3.0%	0 0.0%
0.01% to 0.50%	5 5.0%	5 5.0%	5 5.0%
0.51% to 1.00%	7 7.0%	15 15.0%	16 16.0%
1.01% to 1.50%	10 10.0%	5 5.0%	10 10.0%
1.51% to 2.00%	3 3.0%	2 2.0%	2 2.0%
2.01% to 2.50%	1 1.0%	2 2.0%	0 0.0%
2.51% to 3.00%	1 1.0%	3 3.0%	0 0.0%
3.51% to 4.00%	0 0.0%	0 0.0%	1 1.0%
4.01% or more	1 1.0%	0 0.0%	0 0.0%
No benefit	70 70.0%	60 60.0%	62 62.0%
Not sure	0 0.0%	5 5.0%	4 4.0%
Other	1 1.0%	-	-
Refused	1 1.0%	-	-
Mean	1.20%	1.00%	0.97%
Table size	100 100.0%	100 100.0%	100 100.0%

**Q4.11 Do members have any choice as to what level of salary their risk benefits are based on?**



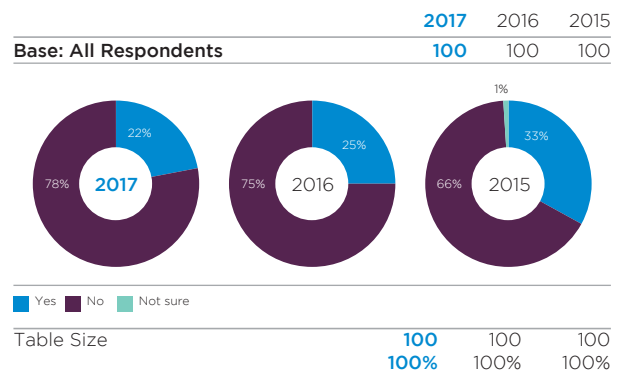
### Q4.12 Which of the following does the employer pay?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Fixed contribution only (i.e. total cost to company - no additional costs)	46	40	33
Fixed contribution plus the cost of administration	8	2	5
Fixed contribution plus the cost of risk benefits	2	4	2
Fixed contribution plus the cost of administration and the cost of risk benefits	39	50	60
None	1		
Not sure	5	3	
Table size	100 100%	100 100%	100 100%

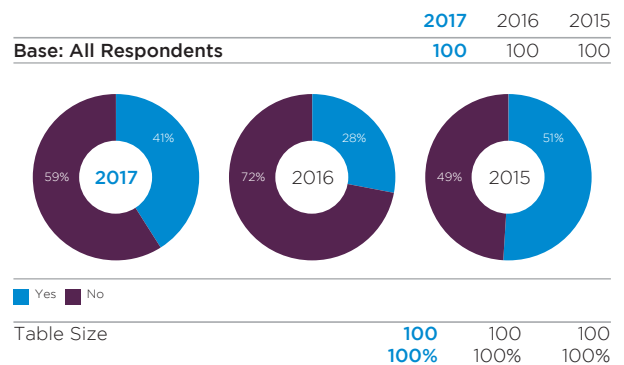
### Q4.13 What on average are the employer's total contributions (excluding any contributions made to an unapproved scheme), expressed as a percentage of total average annual salary?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
0%	5	2	4
0.1% to 5%	6.0%	2.0%	4.0%
5.1% to 7.5%	18	10	8
7.6% to 10%	30.0%	24.0%	22.0%
10.1% to 11%	3	24	26
11.1% to 12.5%	4.0%	24.0%	26.0%
12.6% to 15%	4	10	9
15.1% or more	11	3	8
Varies	11.0%	3.0%	8.0%
Not sure	11	12	13
Mean	11.0%	12.0%	13.0%
Table Size	12	7	6
	2	0	2
	2.0%	0.0%	2.0%
	1	8	2
	1.0%	8.0%	2.0%
	9.95	9.54	8.8
	100	100	100
	100.0%	100.0%	100.0%

### Q4.14 Can members choose the level of contribution by the employer in terms of a remuneration package structure arrangement (even though it may only be within certain parameters and at certain levels)?



### Q4.15 Can members choose their own contribution levels (even though it may only be within certain parameters and at certain intervals)?



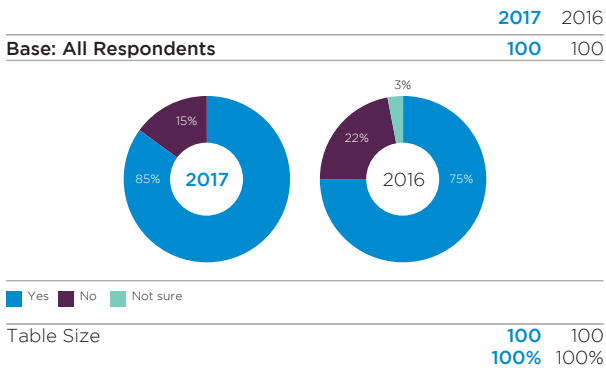
**Q4.16 What contribution (as a percentage of salary, and excluding any additional voluntary contributions) is made by members on average?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
0%	8	11	12
	8.0%	11.0%	12.0%
0.1% to 5%	8	13	16
	8.0%	13.0%	16.0%
5.1% to 6%	8	10	5
	8.0%	10.0%	5.0%
6.1% to 7.4%	29	12	19
	29.0%	12.0%	19.0%
7.5%	30	29	26
	30.0%	29.0%	26.0%
7.6% to 8%	2	1	2
	2.0%	1.0%	2.0%
8.1% or more	14	12	13
	14.0%	12.0%	13.0%
Varies	0	3	4
	0.0%	3.0%	4.0%
Other	0	2	0
	0.0%	2.0%	0.0%
Not sure	1	6	3
	1.0%	6.0%	3.0%
Not Applicable	0	1	-
	0.0%	1.0%	
Mean	7.27%	7.07%	6.42%
Table size	100	100	24
	100.0%	100.0%	100.0%

**Q4.17B What additional voluntary contribution (as a percentage of salary) is made by members on average?**

	2017	2016
<b>Base: All who allow AVCs</b>	<b>85</b>	75
0%	26	18
	30.6%	24.0%
0.1% to 5%	35	32
	41.2%	42.7%
5.1% to 6%	0	1
	0.0%	1.3%
6.1% to 7.4%	0	1
	0.0%	1.3%
7.5%	1	0
	1.2%	0.0%
8.1% or more	0	2
	0.0%	2.7%
Rand amount, not %	12	5
	14.1%	6.7%
Varies	0	6
	0.0%	8.0%
Not sure/ don't know	11	10
	12.9%	13.3%
Mean	1.42%	1.94%
Table size	85	75
	100.0%	100.0%

**Q4.17A Does the sub-fund allow for members to make additional voluntary contributions via the fund?**



# Section 5

## Risk benefits

### Q5.1A What is the size of the lump sum payable on death on your approved fund?

	2017	2016	2015
<b>Base: All who provide approved risk benefits</b>	<b>83</b>	76	75
1 x annual salary	2 2.4%	5 6.6%	5 6.7%
1.5 x annual salary	2 2.4%	0 0.0%	2 2.7%
2 x annual salary	17 20.5%	13 17.1%	12 16.0%
2.5 x annual salary	6 7.2%	2 2.6%	3 4.0%
3 x annual salary	21 25.3%	23 30.3%	19 25.3%
4 x annual salary	13 15.7%	14 18.4%	16 21.3%
5 x annual salary	6 7.2%	5 6.6%	5 6.7%
More than 5 x annual salary	3 3.6%	2 2.6%	0 0.0%
Depending on years of service	2 2.4%	0 0.0%	0 0.0%
Scaled per age band	4 4.8%	6 7.9%	4 5.3%
Fixed amount	1 1.2%	0 0.0%	0 0.0%
Members have flexible benefits, so it varies from member to member	4 4.8%	3 3.9%	9 12.0%
No lump sum	1 1.2%	0 0.0%	0 0.0%
Not sure	1 1.2%	3 3.9%	0 0.0%
Mean	3.10	3.09	2.99
Table size	83	76	75
	100.0%	100.0%	100.0%

### Q5.1B What is the size of the lump sum payable on death on your unapproved scheme?

	2017	2016	2015
<b>Base: All who provide approved risk benefits</b>	<b>33</b>	45	40
1 x annual salary	2 6.1%	1 2.2%	0 0.0%
1.5 x annual salary	2 6.1%	-	-
2 x annual salary	4 12.1%	4 8.9%	4 10.0%
2.5 x annual salary	0 0.0%	1 2.2%	1 2.5%
3 x annual salary	8 24.2%	8 17.8%	13 32.5%
4 x annual salary	5 15.2%	9 20.0%	6 15.0%
5 x annual salary	2 6.1%	3 6.7%	5 12.5%
Scaled per age band	0 0.0%	2 4.4%	1 2.5%
Fixed Amount	0 0.0%	1 2.2%	0 0.0%
Members have flexible benefits, so it varies from member to member	1 3.0%	4 8.9%	6 15.0%
No lump sum	9 27.3%	12 26.7%	3 7.5%
Not sure	0 0.0%	0 0.0%	1 2.5%
Mean (Multiple of salary)	2.91	3.33	3.40
Table size	33	45	40
	100.0%	100.0%	100.0%

### Q5.1C What is the size of the lump sum payable on disability on your approved fund?

	2017	2016	2015
<b>Base: All who provide approved risk benefits</b>	<b>83</b>	76	75
1 x annual salary	2 2.4%	2 2.6%	4 5.3%
1.5 x annual salary	1 1.2%	0 0.0%	1 1.3%
2 x annual salary	7 8.4%	5 6.6%	5 6.7%
2.5 x annual salary	0 0.0%	1 1.3%	1 1.3%
3 x annual salary	6 7.2%	6 7.9%	1 1.3%
4 x annual salary	0 0.0%	2 2.6%	2 2.7%
5 x annual salary	1 1.2%	-	-
Scaled per age band	3 3.6%	4 5.3%	3 4.0%
Fixed amount	0 0.0%	1 1.3%	3 4.0%
Members have flexible benefits, so it varies from member to member	1 1.2%	0 0.0%	3 4.0%
No lump sum	60 72.3%	52 68.4%	52 69.3%
Not sure	2 2.4%	3 3.9%	0 0.0%
Mean (Multiple of salary)	2.38	2.53	2.07
Table size	83	76	75
	100.0%	100.0%	100.0%

### Q5.1D What is the size of the lump sum payable on disability on your unapproved fund?

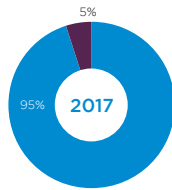
	2017	2016	2015
<b>Base: All who provide approved risk benefits</b>	<b>33</b>	45	40
1 x annual salary	2 6.1%	3 6.7%	2 5.0%
1.5 x annual salary	1 3.0%	-	-
2 x annual salary	2 6.1%	0 0.0%	0 0.0%
3 x annual salary	2 6.1%	1 2.2%	2 5.0%
5 x annual salary	0 0.0%	1 2.2%	1 2.5%
Scaled per age band	0 0.0%	2 4.4%	0 0.0%
Fixed amount	0 0.0%	1 2.2%	4 10.0%
Members have flexible benefits, so it varies from member to member	1 3.0%	0 0.0%	1 2.5%
No lump sum	24 72.7%	37 82.2%	29 72.5%
Not sure	1 3.0%	0 0.0%	1 2.5%
Mean (Multiple of salary)	1.93	2.2	2.6
Table size	33	45	40
	100.0%	100.0%	100.0%

### Q5.2 What insured benefits are provided as part of the Umbrella fund's product package?

	2017	2016	2015
<b>Base: All who provide approved risk benefits</b>	<b>83</b>	76	75
Death benefits	80 96.4%	74 97.4%	75 100.0%
Disability benefits	77 92.8%	65 85.5%	63 84.0%
Funeral cover	37 44.6%	47 61.8%	50 66.7%
Medical aid premium waiver	7 8.4%	3 3.9%	5 6.7%
Disability income top up	0 0.0%	0 0.0%	3 4.0%
Education benefit	0 0.0%	2 2.6%	1 1.3%
Value added packages	0 0.0%	0 0.0%	1 1.3%
Other	4 4.8%	5 6.6%	0 0.0%
None	1 1.2%	1 1.3%	-
Table size	206	197	198
	248.2%	259.2%	264.0%

**Q5.3 Are you satisfied with the benefits currently offered by your risk provider?**

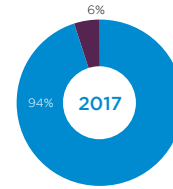
2017  
Base: All who provide risk benefits 100



■ Yes ■ No  
Table Size 100  
100%

**Q5.4A Are you satisfied with the current level of service received from your risk provider?**

2017  
Base: All who provide risk benefits 100



■ Yes ■ No  
Table Size 100  
100%

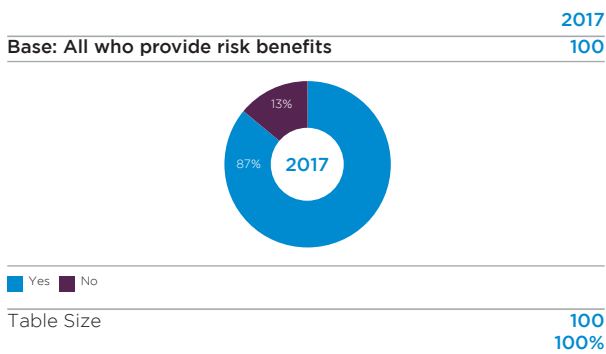
**Q5.4B(i) Why do you say that?**

	2017
<b>Base: All who provide risk benefits and are SATISFIED with current level of service</b>	<b>94</b>
Fast turnaround on requests/queries	31 33.0%
Efficient/ meet members' needs/ no complaints from members	25 26.6%
They deliver good, professional service	22 23.4%
Claims handled efficiently/payments made timeously	19 20.2%
Good communication/regular updates and reports	17 18.1%
Low fees/competitive rates/value for money	14 14.9%
Good level of assistance/staff support/always willing to go the extra mile	11 11.7%
Service provided is in line with SLA	8 8.5%
Provide good advice	7 7.5%
Good admin system/processes	6 6.4%
Good business relationship	4 4.3%
Good range of member benefits	4 4.3%
They are all pretty much the same	2 2.1%
We don't get involved	2 2.1%
We see consultants twice a year	2 2.1%
They have knowledgeable staff	2 2.1%
No reason	2 2.1%
Other	6 6.4%
Table size	184 195.7%

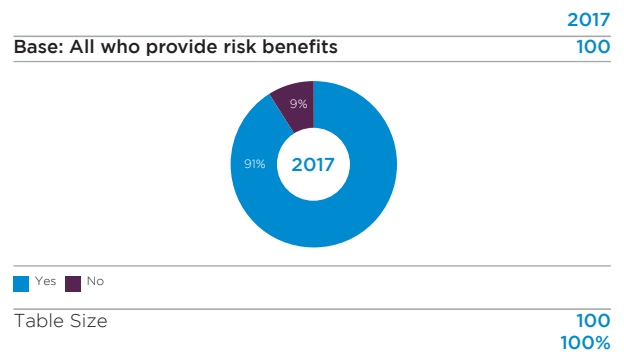
### Q5.4B (ii) Why do you say that?

	2017
<b>Base: All who provide risk benefits and are DISSATISFIED with current level of service</b>	<b>6</b>
Poor advice/provided incorrect information	2 33.3%
They are very slow in making payments	1 16.7%
Slow turnaround on queries/requests	1 16.7%
Poor communication	1 16.7%
There are a lot of forms to be filled in	1 16.7%
They have a six months waiting period on disability policy	1 16.7%
Death cover pay-out is too low	1 16.7%
Table size	8 133.3%

### Q5.5A Do you understand how your premium is calculated?



### Q5.5B Are you satisfied with your current premium?



### Q5.5C(i) Why?

	2017
<b>Base: All who provide risk benefits and are SATISFIED with premium</b>	<b>91</b>
Benchmark / rebroke every year/ comparisons done annually	44 48.4%
Reasonable cost/ competitive rates/affordable/cost effective/good value	39 42.9%
The premium is market related	17 18.7%
Since we have taken out the policy we have not had an increase on premiums/ no increase in two years	4 4.4%
There are more benefits at a lower cost	3 3.3%
It is negotiated premiums - so it is fair	3 3.3%
Allow us to maximise contributions to retirement savings	2 2.2%
Premiums are based on members' salary	2 2.2%
Other	5 5.5%
Don't know	2 2.2%
Table size	121 133.0%

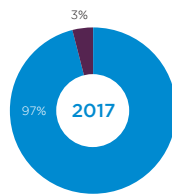


**Q5.5C(ii) Why not?**

	2017
<b>Base: All who provide risk benefits and are DISSATISFIED with premium</b>	<b>9</b>
Too expensive/ a little high compared to other companies	4 44.4%
Could always be lower/we strive for better rates	3 33.3%
We want more funds to go towards retirement and less to death/ disability	1 11.1%
Don't know / I have not been able to compare rates	1 11.1%
Table size	9 100.0%

**Q5.6 Are you aware of the needs of insurers to have accurate and up to-date data in order to perform actuarial investigations and provide you with accurate pricing?**

	2017
<b>Base: All who provide risk benefits</b>	<b>100</b>



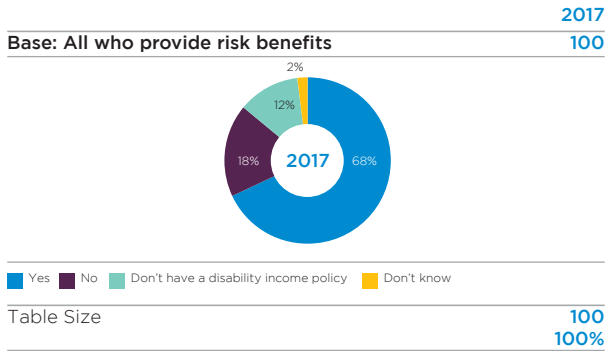
■ Yes ■ No

Table Size	100 100%
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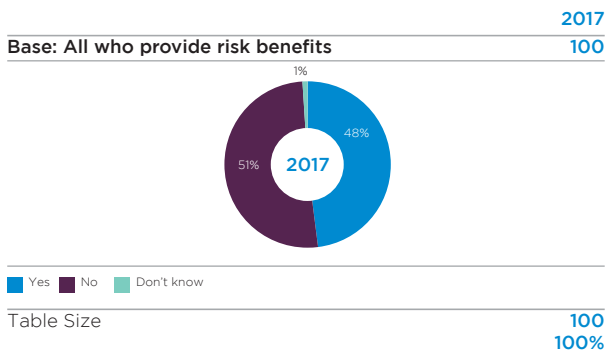
**Q5.7 What systems do you have in place to make member data extraction (to provide to the insurer) easier for the employer?**

	2017
<b>Base: All who provide risk benefits</b>	<b>100</b>
Data is extracted electronically via the payroll system and downloaded directly to administrator	47 47.0%
All information is accessed on portal (web based)/ we have direct access to service provider's website which is VIP access	18 18.0%
HR system - spread sheet excel/ our HR department has access to extract data from the service provider's site	15 15.0%
Done by our broker/consultants / administrator	10 10.0%
Sage VIP accounting	10 10.0%
Use spread sheet to point out needed information	4 4.0%
Other	13 13.0%
Table size	117 117.0%

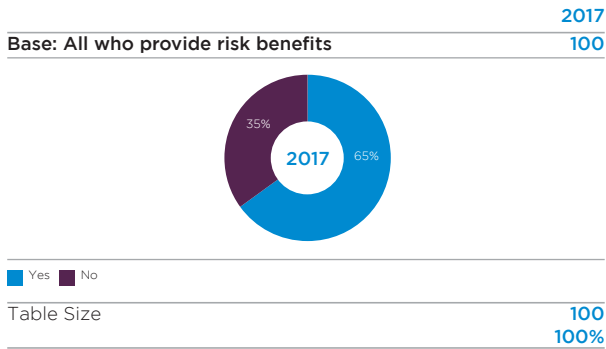
**Q5.8 If you have a disability income policy (PHI), did you receive good advice from your broker/consultant as to what form of benefit to select after the recent tax changes?  
E.g. flat, scaled, etc.?**



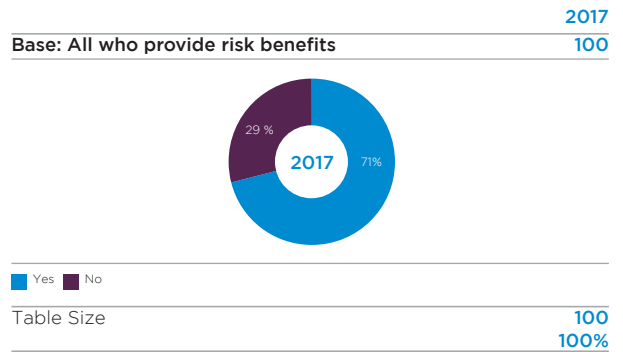
**Q5.9 Would you have appreciated more guidance from the insurance industry as to what is best/cheapest for members?**



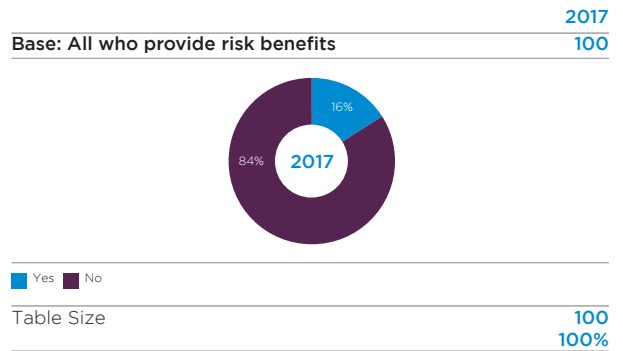
**Q5.10 In future, would you appreciate more guidance in terms of legislation and tax changes from the insurer?**



**Q5.11 Would a standard risk policy be easier for members to understand, or are you satisfied with the current level of complexity in the market?**



**Q5.12A Do you provide flexible risk benefits to your members?**



## Q5.12B(i) Why?

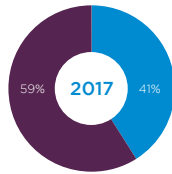
	2017
<b>Base: All who provide flexible risk benefits</b>	<b>18</b>
People have different personal needs/ One size doesn't fit all/ Members can choose according to their needs	9 56.3%
Affordability/ members can choose cover to suit their income	3 18.8%
To meet the needs of different age groups	2 12.5%
To cater for those members who request additional life cover	2 12.5%
This is what members want	1 6.3%
More flexible life cover means that staff can get better rates than if they were to get life insurance privately	1 6.3%
Table size	18 112.5%

## Q5.12B(ii) Why not?

	2017
<b>Base: All who don't provide flexible risk benefits</b>	<b>84</b>
The admin/ there is too much admin required	26 31.0%
It is too complicated to maintain/ simplification of systems	15 17.9%
Employees don't need it/ it has never been a requirement/current benefit levels are sufficient	15 17.9%
The cost/ to keep the costs down/ it will be high in costs	10 11.9%
It is easier to have a flat structure/ easier to have a standard policy	9 10.7%
Low income group/limited member understanding/potential for members to make wrong choices	8 9.5%
We provide a standard amount - in this way being equal to all	6 7.1%
The group is too big - we cant have variables to manage	6 7.1%
Not offering at the moment - looking to offer it in the future	3 3.6%
It is part of the policy/ standard company policy	3 3.6%
Additional cost for flexible benefits means less available for retirement savings	3 3.6%
Members don't want additional costs/ not affordable/ members want minimum cost	3 3.6%
Flexible benefits are not offered to us by the umbrella fund	2 2.4%
Trying to protect employees in terms of level of cover	2 2.4%
We have never considered offering	2 2.4%
Rules do not allow for this	1 1.2%
We are a retirement fund not a death or disability fund	1 1.2%
The decision is made on an executive level base	1 1.2%
Don't know	1 1.2%
Table size	84 139.3%

### Q5.13A Do you see a future for flexible risk benefits for your members?

Base: All who provide risk benefits 2017  
100



■ Yes ■ No

Table Size 100  
100%

### Q5.13B(i) Why?

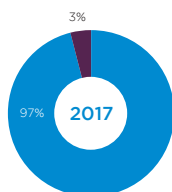
	2017
<b>Base: All who see a future for flexible risk benefits</b>	<b>41</b>
People have different needs/ one size doesn't fit all/ members want choice as they get older and as their needs change	21 51.2%
Gives members more control / members can choose according to their life stage/salary	12 29.3%
The industry is moving that way / younger members demand more flexibility	3 7.3%
Not offering at the moment - looking to offer it in the future	2 4.9%
It would benefit members who have been with the company for a long time	2 4.9%
We offer this already	1 2.4%
Risk benefits have accumulated over the years - people will have to do salary sacrifices	1 2.4%
It provides good value for the member - one pays only for what one gets	1 2.4%
We need to consider some sort of temporary disability benefits	1 2.4%
Table size	44 107.3%

### Q5.13B(ii) Why not?

	2017
<b>Base: All who don't see a future for flexible risk benefits</b>	<b>59</b>
It will be too much administration for us/ we don't have the capacity to deal with it	21 35.6%
Happy with the current benefits/no need for this/no requests from members	17 28.8%
The size of the group makes it unmanageable/ it will be difficult to manage/ it will be too complicated	6 10.2%
The cost is not justified/ it will increase costs	5 8.5%
Members financial literacy rates are low/ it will add confusion to members	5 8.5%
If a member wants more cover they can do it themselves	5 8.5%
We want to keep it simple/ easier to deal with everyone on the same level	3 5.1%
It is too varied	1 1.7%
They are lower paid/ low income group - unaffordability	1 1.7%
We make sure that members are fully covered/protected	1 1.7%
Rules do not allow for this	1 1.7%
We fall under the company's umbrella	1 1.7%
Director's decisions	1 1.7%
Table size	68 115.3%

### Q5.14A Do you have any risk benefit needs that are not addressed by current market offerings?

	2017
<b>Base: All who provide risk benefits</b>	<b>100</b>



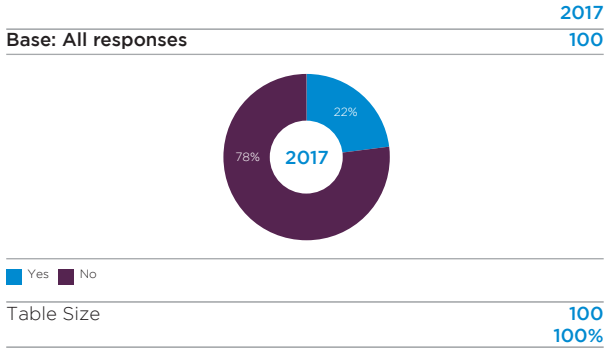
■ Yes ■ No

Table Size	100 100%
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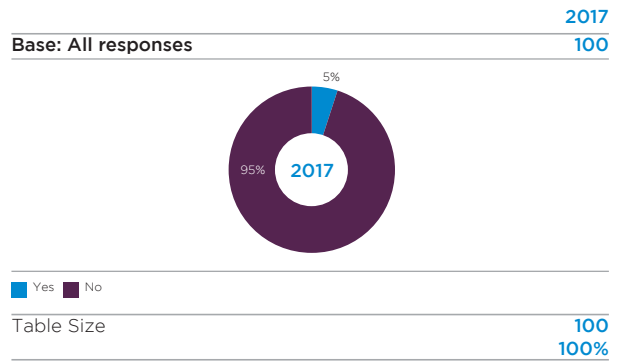
### Q5.14B What are these needs?

	2017
<b>Base: All who have risk benefit needs that are not addressed by current market offerings</b>	<b>3</b>
We need a wider spectrum within the various categories of disability in our company	1 33.3%
Education policies for children in case of members dying in service	1 33.3%
Post retirement medical aid contributions	1 33.3%
Table size	3 100.0%

**Q5.15 Do you offer critical illness (trauma) benefits to your members?**



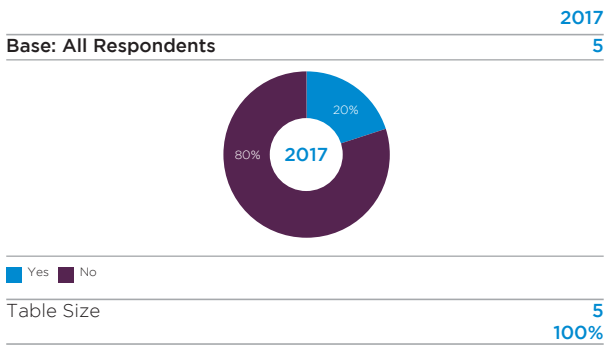
**Q5.16A Is your fund self-insured?**



**Q5.16B(ii) Why do you think self-insured is better than outsourcing risk?**

	2017
Base: All who self-insure	5
It is cheaper/ it is cost effective	1
	20.0%
More controlled/ its easier to manage	1
	20.0%
It assures one that your members are covered by the fund for death, illness and funeral expenses	1
	20.0%
We are not dependent on a third party	1
	20.0%
There is very little difference in rates	1
	20.0%
Don't know	1
	20.0%
Table size	6
	120.0%

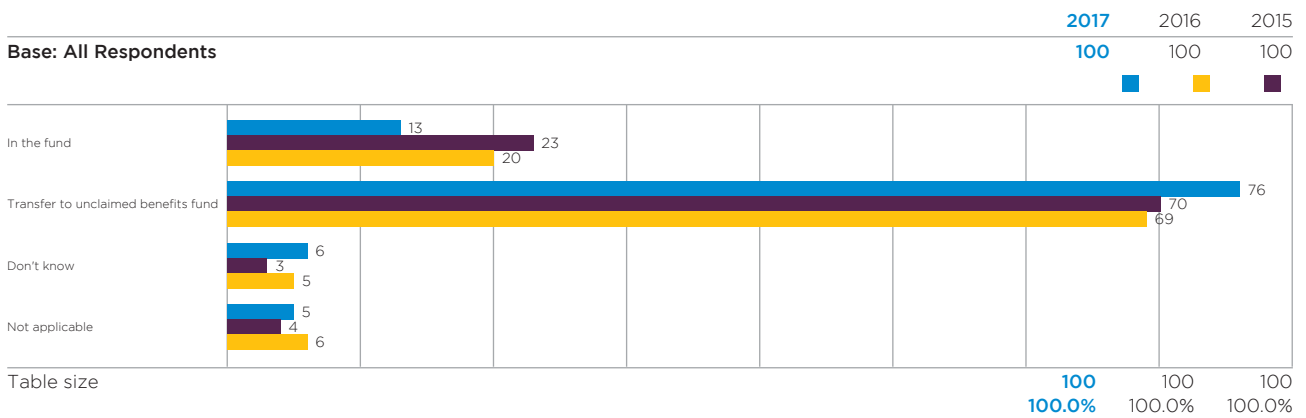
**Q5.16C Have you investigated moving away from self-insurance?**



# Section 6

# Governance and administration service provider selection

**Q6.1 Do you keep unclaimed benefits (i.e. benefits that remain unclaimed after 2 years) in the fund or do you transfer them to an unclaimed benefits fund?**



**Q6.2 When considering all the aspects of retirement fund administration, which of the following processes do you consider to be most important? Please indicate the five most important processes and rank them in order of importance: 1 is most important, 2 is second most important etc.**

### Any mention

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Paying claims timeously	95 95.0%	89 89.0%	70 70.0%
Effecting member level transactions timeously	53 53.0%	42 42.0%	-
Loading & investing contributions timeously	65 65.0%	68 68.0%	58 58.0%
Issuing benefit statements timeously	46 46.0%	62 62.0%	28 28.0%
Daily updated information on the internet	12 12.0%	-	-
Adequate financial reporting at sub-fund level	33 33.0%	33 33.0%	18 18.0%
"Moving with the times", like having an App	20 20.0%	-	-
Transparency of costs	83 83.0%	59 59.0%	39 39.0%
Response time to queries	57 57.0%	58 58.0%	18 18.0%
Tailor made reporting	13 13.0%	3 3.0%	-
Ability to track cash flows end-to-end (from receipt in the bank account to investment by the asset manager)	17 17.0%	-	-
Ability to match assets and liabilities on a daily basis	6 6.0%	-	-
Regular update of information on internet	-	22 22.0%	10 10.0%
Technical expertise	-	47 47.0%	29 29.0%
Assistance in HR training	-	8 8.0%	1 1.0%
Effecting investment switches timeously	-	-	29 29.0%
Other	-	1 1.0%	-
Table size	500 500.0%	492 492.0%	300 300.0%

**Q6.3 If your fund is unitised and requires monthly or daily unit prices, which service provider in the value chain is best positioned to provide this service?**

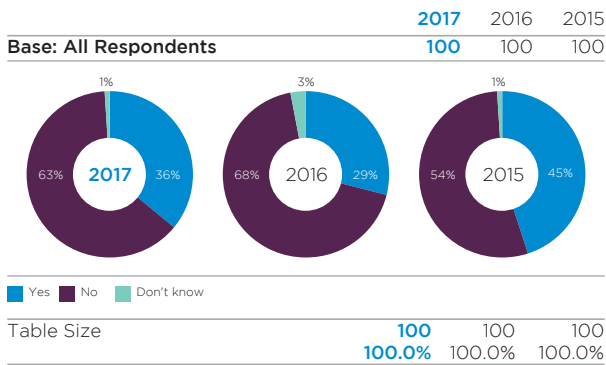
	2017
<b>Base: All Respondents</b>	<b>100</b>
The asset manager	21 21.0%
The multi manager	4 4.0%
The investment consultant	6 6.0%
The benefit administrator	15 15.0%
The pricing specialist	1 1.0%
The actuary	1 1.0%
Not applicable - our fund is not unitised or does not require monthly or daily unit prices	50 50.0%
Not sure	2 2.0%
Table size	100 100.0%



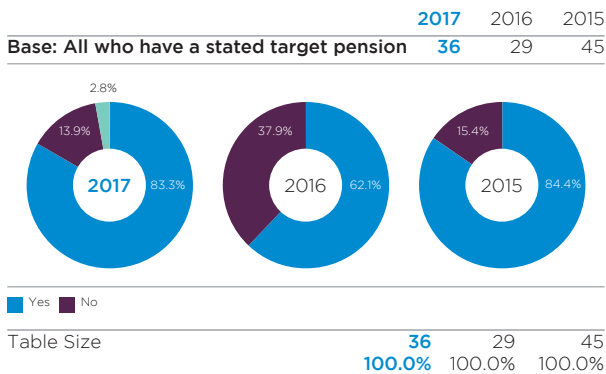
# Section 7

# Retirement

## Q7.1A Does your fund have a stated target pension (expressed as Net Replacement Ratio (NRR) or Projected Pensions Ratio (PPR)) that the trustees actively work towards?



## Q7.1B Do you have a default contribution rate (Employer and Employee) that is aligned with the stated target pension?



## Q7.1C What income replacement ratio does the fund target?

	2017	2016	2015
<b>Base: All who have a stated target pension</b>	<b>36</b>	<b>29</b>	<b>45</b>
Less than 25%	1	2	1
	2.8%	6.9%	2.2%
50% - 59%	0	1	1
	0.0%	3.4%	2.2%
60% - 69%	6	0	5
	16.7%	0.0%	11.1%
70% - 75%	15	18	34
	41.7%	62.1%	75.6%
76% or more	9	2	0
	25.0%	6.9%	0.0%
Fund does not use a replacement ratio to target	0	0	2
	0.0%	0.0%	4.4%
Don't know	5	6	2
	13.9%	20.7%	4.4%
<b>Table size</b>	<b>73.61%</b>	<b>67.3%</b>	<b>70.29%</b>
	<b>36</b>	<b>29</b>	<b>45</b>
	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## Q7.2 Do you believe that NRR is a suitable measure for determining whether a member is on track for retirement?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>
Yes	62	51
	62.0%	51.0%
Yes, but based on TCTC	19	29
	19.0%	29.0%
No, members do not understand the measure	16	14
	16.0%	14.0%
No, there are too many variables and assumptions used	1	1
	1.0%	1.0%
No, the trustees do not feel comfortable with the measure	0	1
	0.0%	1.0%
Other	0	2
	0.0%	2.0%
Not sure	2	2
	2.0%	2.0%
<b>Summary</b>		
Any No	36	45
	36.0%	45.0%
<b>Table Size</b>	<b>100</b>	<b>100</b>
	<b>100.0%</b>	<b>100.0%</b>

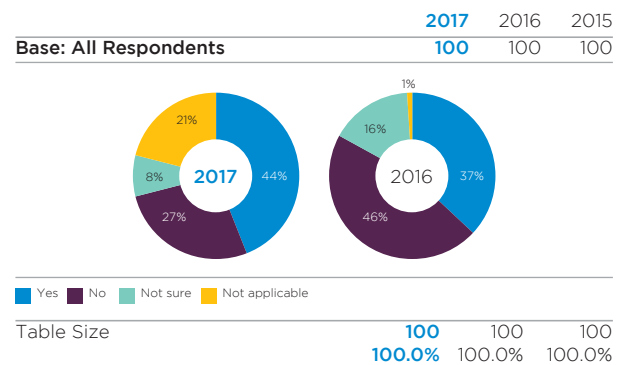
### Q7.3 Does the fund monitor the replacement ratio for members's PPR or NRR on an ongoing basis?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Yes - we receive a report on our members' PPR / NRR on a regular basis but do nothing further.	17 17.0%
Yes - we receive a report on the members' PPR / NRR on a regular basis and inform members of this on their annual benefit statement	22 22.0%
Yes - we receive a report on the members' PPR / NRR on a regular basis and have a specific strategy to communicate with members with a low ratio	19 19.0%
No - we do not monitor members' PPR / NRR on a regular basis	38 38.0%
Other	2 2.0%
Don't know	2 2.0%
<b>Summary</b>	
Any No	60 60.0%
Any Yes	38 38.0%
Table Size	100 100.0%

### Q7.4 What percentage of your retirees would you estimate are able to retain their current standard of living in retirement?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
0%	14 14.0%	15 15.0%	9 9.0%
1%	9 9.0%	12 12.0%	-
2%	4 4.0%	6 6.0%	-
3%	2 2.0%	1 1.0%	-
5%	9 9.0%	17 17.0%	-
6% to 10%	18 18.0%	15 15.0%	-
Less than 10%	-	-	14 14.0%
11% to 20%	15 15.0%	10 10.0%	25 25.0%
21% to 30%	11 11.0%	6 6.0%	8 8.0%
31% to 40%	3 3.0%	4 4.0%	1 1.0%
41% to 50%	3 3.0%	2 2.0%	10 10.0%
51% to 60%	3 3.0%	0 0.0%	3 3.0%
61% to 70%	3 3.0%	2 2.0%	3 3.0%
71% to 80%	2 2.0%	0 0.0%	3 3.0%
81% to 90%	1 1.0%	1 1.0%	3 3.0%
91% to 100%	1 1.0%	2 2.0%	2 2.0%
Don't know	2 2.0%	7 7.0%	19 19.0%
Mean	18.46	13.76	27.33
Table size	100 100.0%	100 100.0%	100 100.0%

### Q7.5A Can the stated target pension be achieved by members who remain in the fund for their working life time (35-40yrs) if they are only ever invested in the default investment portfolio?



### Q7.5B What proportion of your membership (in terms of number of members) is invested in the Trustee choice or Default investment option?

	2017	2016	2015
<b>Base: All who believe the stated target pension can be achieved by those invested in the default investment portfolio</b>	<b>44</b>	37	
<b>Base 2015: All respondents</b>			100
0% to 10%	3 6.8%	0 0.0%	3 3.0%
10.1% to 20%	1 2.3%	0 0.0%	4 4.0%
20.1% to 30%	1 2.3%	0 0.0%	3 3.0%
30.1% to 40%	1 2.3%	0 0.0%	1 1.0%
40.1% to 50%	0 0.0%	1 2.7%	1 1.0%
50.1% to 60%	2 4.6%	3 8.1%	5 5.0%
60.1% to 70%	0 0.0%	1 2.7%	4 4.0%
70.1% to 80%	5 11.4%	7 18.9%	7 7.0%
80.1% to 90%	16 36.4%	5 13.5%	9 9.0%
90.1% to 100%	14 31.8%	20 54.1%	55 55.0%
Not applicable	0 0.0%	0 0.0%	6 6.0%
Don't know	1 2.3%	0 0.0%	2 2.0%
Mean	75.93	84.46	79.13
Table size	44	37	100
	100.0%	100.0%	100.0%

### Q7.6 Has your Fund implemented an appropriate default annuity strategy for your members? (Previous wording: Has the fund implemented an appropriate default annuity product for your members?)

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Yes, they have already determined an appropriate default annuity product	29 29.0%	27 27.0%	25 25.0%
They are working on this and it will be done within the next 12 months	8 8.0%	7 7.0%	18 18.0%
They are working on this and it will be done within the next 24 months	5 5.0%	5 5.0%	11 11.0%
No, we are waiting for the Default Regulations to be finalised before we start	17 17.0%	-	-
No, we have not discussed/ considered this at all	23 23.0%	-	-
No, we are a Provident Fund and do not believe that this should be applicable to us	9 9.0%	-	-
No	-	47 47.0%	23 23.0%
Not sure	9 9.0%	14 14.0%	23 23.0%
Table size	100	100	100
	100.0%	100.0%	100.0%

## Q7.7 As a trustee what do you believe is the most important feature of a default annuity?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Longevity projections (income for life)	25	24
	25.0%	24.0%
Allowing for pensioners to maintain their pre-retirement lifestyle as long as possible (even if not for the full duration of retirement)	32	20
	32.0%	20.0%
Ability to access the lump sum after the retiree's death (remaining assets are transferred to the deceased's estate)	3	7
	3.0%	7.0%
Annuity income which keeps pace with inflation	30	43
	30.0%	43.0%
Flexibility to vary the income levels year-on-year (flexible drawdown rate)	4	4
	4.0%	4.0%
Other	1	-
	1.0%	-
Unsure	5	2
	5.0%	2.0%
Table size	100	100
	100.0%	100.0%

## Q7.8A Which default annuity product have you selected?

	2017	2016	2015
<b>Base: All who have determined an appropriate default annuity product</b>	<b>29</b>	27	25
Guaranteed annuity (level or increasing at a fixed percentage)	5	6	8
	17.2%	22.2%	32.0%
With profit annuity	1	1	2
	3.5%	3.7%	8.0%
Living annuity	13	7	2
	44.8%	25.9%	8.0%
Inflation linked annuity	5	6	2
	17.2%	22.2%	8.0%
Index linked annuity (increases are referenced to a published index, e.g. SWIX, ALSI, GOVI)	1	0	-
	3.5%	0.0%	-
Combination of different annuities	0	3	7
	0.0%	11.1%	28.0%
A living annuity converting to a guaranteed annuity at predetermined ages	2	-	-
	6.9%	-	-
Other	0	0	1
	0.0%	0.0%	4.0%
Unsure	2	4	3
	6.9%	14.8%	12.0%
Table size	29	27	25
	100.0%	100.0%	100.0%

## Q7.8B What additional services/ features are offered over and above the annuity product?

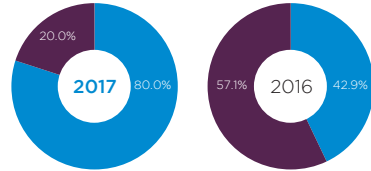
	2017	2016
<b>Base: All who have determined an appropriate default annuity product</b>	<b>29</b>	27
Member advice pre-retirement	24	19
	82.8%	70.4%
Pensioner rewards programme	2	2
	6.9%	7.4%
Net Replacement Ratio monitoring	7	8
	24.1%	29.6%
Quotes from various providers	3	4
	10.3%	14.8%
Unsure	3	5
	10.3%	18.5%
None	0	2
	0.0%	7.4%
Table size	39	40
	134.5%	148.0%

**Q7.8C In selecting a default annuity provider, which factor is the most important to you?**

	2017
<b>Base: All who have determined an appropriate default annuity product</b>	<b>29</b>
Cost of the product	7 24.1%
Security of the product	13 44.8%
Investment fees (living annuity)	2 6.9%
Good administration	1 3.5%
Smooth transition from pre to post retirement	6 20.7%
Table Size	29 100.0%

**Q7.9 Is your fund's Living Annuity solution provided in-fund or provided by a different external financial services provider?**

	2017	2016
<b>Base: All who have selected a living annuity as their default annuity product</b>	<b>15</b>	<b>7</b>

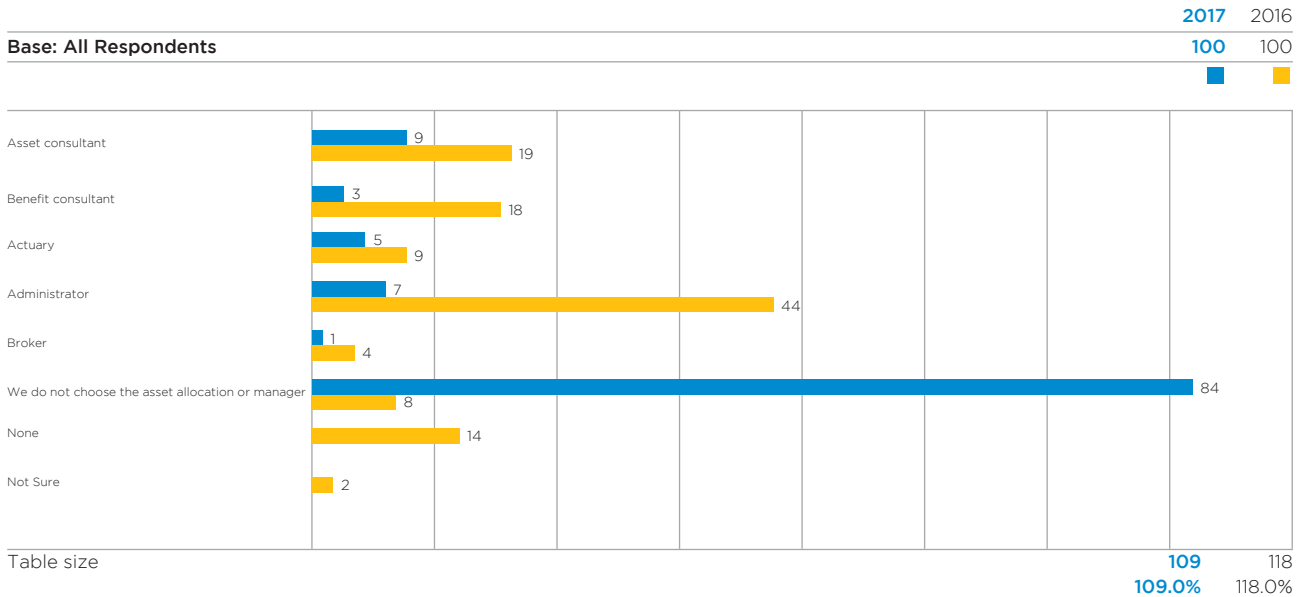


	2017	2016
Table Size	15 100.0%	7 100.0%

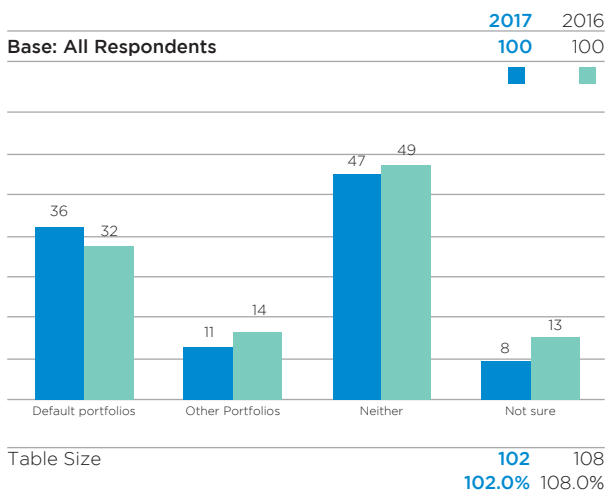
# Section 8

## Investments

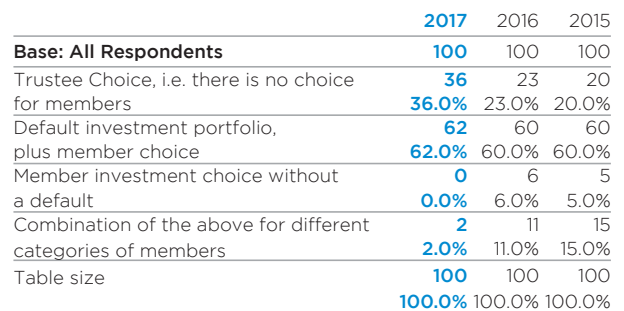
### Q8.1 Which service providers help you with your asset allocation and manager selection processes?



### Q8.2 Are investment performance fees charged on?



### Q8.3 Which of the following best describes your Fund's investment strategy?



### Q8.4 Which of the following best describes the investment portfolio of the Trustees Choice/Default?

	2017	2016	2015
<b>Base: All who offer a Trustee Choice/Default</b>	<b>100</b>	93	95
Lifestage	60 60.0%	48 51.6%	56 58.9%
Balanced active	10 10.0%	13 14.0%	14 14.7%
Balanced passive	4 4.0%	3 3.2%	5 5.3%
Guaranteed / Smoothed bonus	22 22.0%	24 25.8%	22 23.2%
Cash/Money market	3 3.0%	4 4.3%	3 3.2%
Don't know	1 1.0%	1 1.1%	5 5.3%
Table size	100 100.0%	93 100.0%	105 110.5%

### Q8.5 What percentage of assets is invested in your default investment option?

	2017	2016
<b>Base: All who offer a Trustee Choice/Default</b>	<b>100</b>	93
0-10%	4 4.0%	4 4.3%
11-20%	2 2.0%	3 3.2%
21-30%	3 3.0%	1 1.1%
31-40%	2 2.0%	1 1.1%
41-50%	2 2.0%	2 2.2%
51-60%	5 5.0%	4 4.3%
61-70%	11 11.0%	6 6.5%
71-80%	12 12.0%	9 9.7%
81-90%	12 12.0%	7 7.5%
91-100%	34 34.0%	39 41.9%
Don't know	13 13.0%	17 18.3%
Mean	77.66%	80.19%
Table size	100 100.0%	93 100.0%

### Q8.6 Does your sub-fund make use of the member investment choice facility offered by the umbrella fund?

	2017	2016	2015
<b>Base: All who have MIC available</b>	<b>64</b>	76	80
Yes, to all members	47 73.4%	55 72.4%	68 85.0%
Yes, to certain categories of member only	17 26.6%	10 13.2%	7 8.8%
No	0 0.0%	8 10.5%	4 5.0%
Not sure	0 0.0%	3 3.9%	1 1.3%
<b>Summary</b>			
Any Yes	64 100.0%	65 85.5%	75 93.6%
Table size	64 100.0%	76 100.0%	80 100.0%

### Q8.7 How many investment options does the sub-fund offer to members?

	2017	2016	2015
<b>Base: All who offer MIC</b>	<b>64</b>	65	75
1	1 1.6%	0 0.0%	0 0.0%
2	7 10.9%	3 4.6%	0 0.0%
3	13 20.3%	13 20.0%	12 16.0%
4	8 12.5%	7 10.8%	8 10.7%
5	9 14.1%	10 15.4%	12 16.0%
6 or more	-	24 36.9%	35 46.7%
6 to 10	10 15.6%	-	-
11 to 15	4 6.3%	-	-
More than 15	4 6.3%	-	-
Unlimited	6 9.4%	-	-
Not sure	2 3.1%	8 12.3%	8 10.7%
Mean	6.34	6.87	7.13
Table Size	64 100.0%	65 100.0%	75 100.0%

### Q8.8 If you believe in the value of active management, how do you quantify what you are prepared to pay for it?

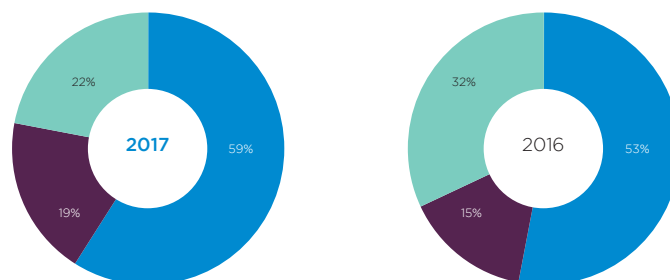
	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>
Flat fee - market related	6	7
	6.0%	7.0%
Pay performance fee on outperformance	4	17
	4.0%	17.0%
Accept the fee arrangement negotiated by the asset consultant	4	7
	4.0%	7.0%
We invest in passive - don't believe in the value of active management	0	1
	0.0%	1.0%
Other	88	73
	88.0%	73.0%
Not sure	0	1
	0.0%	1.0%
Table size	102	106
	102.0%	106.0%

### Q8.9 What preferences do you have in terms of passive or active investing going forward?

	2017	2016
<b>Base: All who offer a trustee choice/ default</b>	<b>100</b>	<b>93</b>
Want exclusively passive investing	11	5
	11.0%	5.4%
Want exclusively active investing	11	6
	11.0%	6.5%
Want a portfolio of Active and Passive investments but the majority of the fund invested in passive investment instruments	28	17
	28.0%	18.3%
Want a portfolio of Active and Passive investments but the majority of the fund invested in active investment instruments	30	31
	30.0%	33.3%
Want a portfolio of Active and Passive investments split equally between active and passive investment instruments	19	22
	19.0%	23.7%
Rely on umbrella fund	0	2
	0.0%	2.2%
Not applicable	0	1
	0.0%	1.1%
Not Sure	1	9
	1.0%	9.7%
Table Size	100	93
	100.0%	100.0%

### Q8.10A Does your fund currently have a responsible investing policy in place which incorporates ESG (Environmental, Social & Corporate Governance)?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	<b>100</b>



■ Yes ■ No ■ Not sure

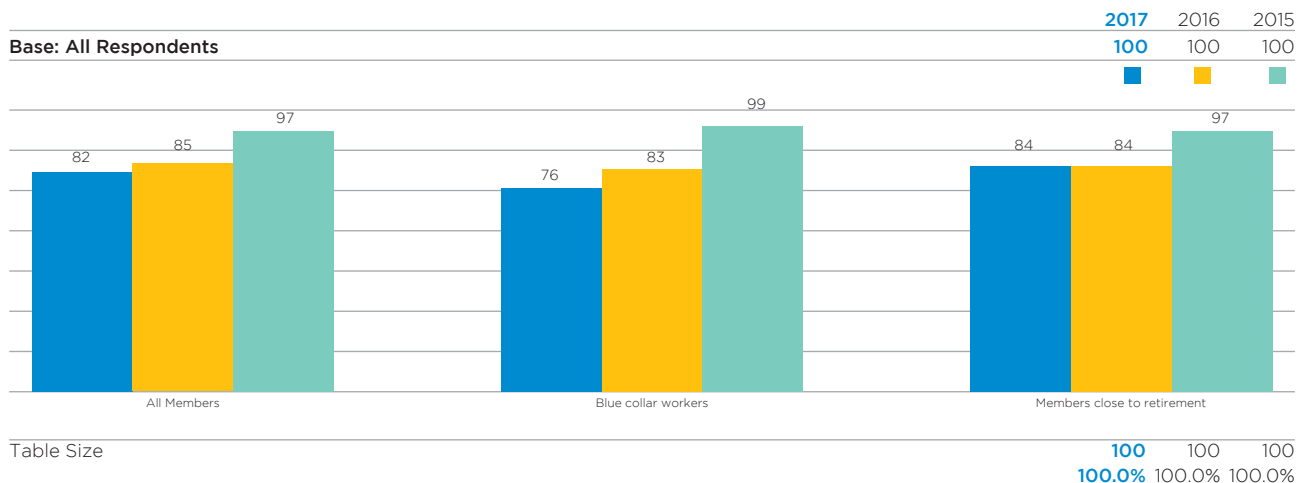
Table Size	100	100
	100.0%	100.0%



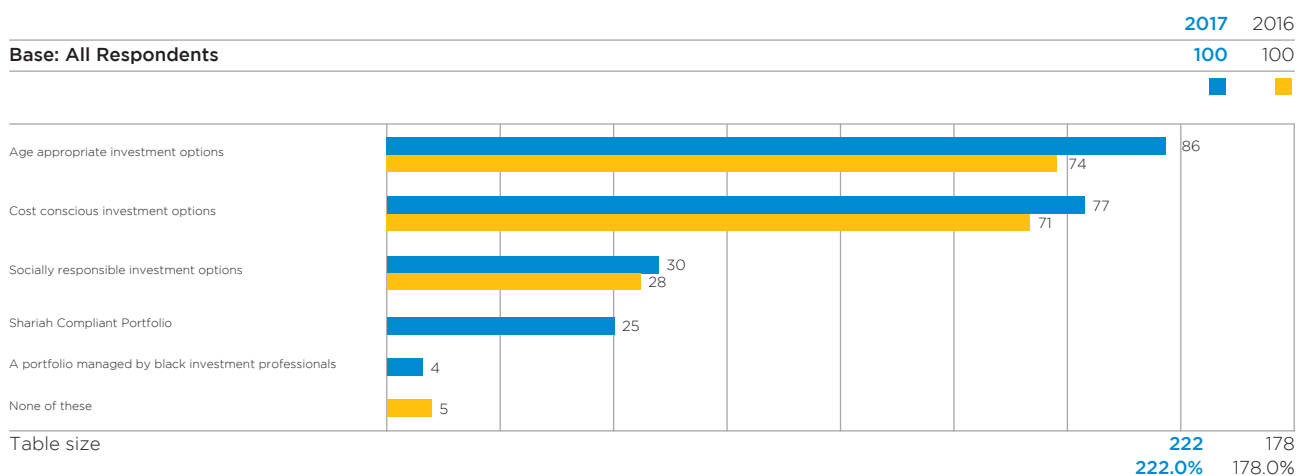
### Q8.10B Do you believe there is a cost benefit or other benefit associated with responsible investing?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Yes, as it reduces the universe of investible shares	7 7.0%	8 8.0%
Yes, as there are increased costs for monitoring and compliance	19 19.0%	17
Yes, we believe the shares selected through this process will provide a higher value to our members	31 31.0%	32 32.0%
Yes, we believe the social good outweighs the costs	14 14.0%	13 13.0%
Neither cost benefit nor other benefit	35 35.0%	34 34.0%
Not Sure	1 1.0%	4 4.0%
Table Size	107	108
	107.0%	108.0%

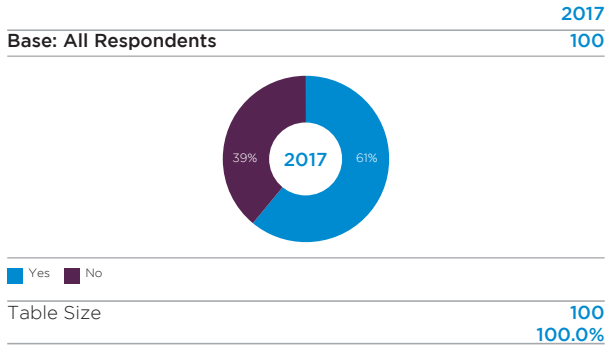
### Q8.11 From the employer's perspective, is it important that products provide stable investment returns to? (Responses indicate: "Yes")



### Q8.12 From the employer's perspective, is it important that the sub-fund offers?



**Q8.13 Are you concerned that young fund members are investing too conservatively?**



**Q8.14 What gross investment returns did the fund achieve in the last calendar year?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
0.1 to 2.5 %	3	1	1
	3.0%	1.0%	1.0%
2.6 to 5.0 %	17	7	1
	17.0%	7.0%	1.0%
5.1 - 7.5 %	10	14	5
	10.0%	14.0%	5.0%
7.6 - 10.0 %	31	27	13
	31.0%	27.0%	13.0%
10.1 - 12.5 %	16	10	10
	16.0%	10.0%	10.0%
12.6 - 15.0 %	10	13	12
	10.0%	13.0%	12.0%
15.1 - 17.5 %	0	5	10
	0.0%	5.0%	10.0%
17.6 - 20.0 %	2	4	21
	2.0%	4.0%	21.0%
20.1 - 25.0 %	2	0	3
	2.0%	0.0%	3.0%
25.1 - 30.0 %	0	0	2
	0.0%	0.0%	2.0%
30.1 - 35.0%	0	0	2
	0.0%	0.0%	2.0%
Negative return	2	-	-
	2.0%		
Not applicable	1	0	2
	1.0%	0.0%	2.0%
Don't know	4	14	17
	4.0%	14.0%	17.0%
Refused	2	5	1
	2.0%	5.0%	1.0%
Mean	8.90%	10.10%	14.94%
Table Size	100	100	100
	100.0%	100.0%	100.0%

**Q8.15 What gross investment returns do you expect to achieve in the next calendar year?**

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
0.1% to 2.5%	3	3
	3.0%	3.0%
2.6% to 5%	13	12
	13.0%	12.0%
5.1% to 7.5%	12	18
	12.0%	18.0%
7.6% to 10%	45	32
	45.0%	32.0%
10.1% to 12.5%	12	11
	12.0%	11.0%
12.6% to 15%	5	11
	5.0%	11.0%
15.1% or more	3	1
	3.0%	1.0%
Negative return	1	-
	1.0%	
Confidential	2	1
	2.0%	1.0%
Not sure/ don't know	4	11
	4.0%	11.0%
Mean	8.66%	8.60%
Table Size	100	100
	100.0%	100.0%

### Q8.16 What do you consider to be the measures or criteria of a successful asset management/ investment company with a good track record?

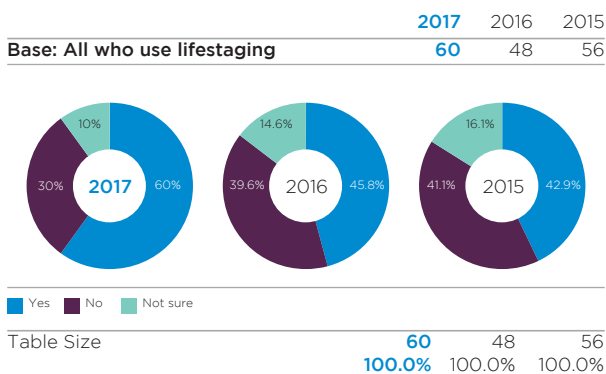
	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Tracking against an independent benchmark study	<b>38</b>	30
	<b>38.0%</b>	30.0%
A company that consistently (over 5-10 years) delivers on benchmark	<b>56</b>	62
	<b>56.0%</b>	62.0%
A company that is recommended by independent consultants	<b>7</b>	10
	<b>7.0%</b>	10.0%
A company that is consistently in the top Quartile	<b>30</b>	42
	<b>30.0%</b>	42.0%
A company that delivers on mandate	<b>30</b>	24
	<b>30.0%</b>	24.0%
A company that enables the sub-fund to provide good returns	<b>37</b>	35
	<b>37.0%</b>	35.0%
A company that enables the sub-fund consistently to provide inflation-beating returns	<b>42</b>	33
	<b>42.0%</b>	33.0%
Over performance relative to the overall market	<b>32</b>	27
	<b>32.0%</b>	27.0%
The investment company is consistently ranked in the Top 3	<b>23</b>	26
	<b>23.0%</b>	26.0%
None of these	<b>0</b>	1
	<b>0.0%</b>	1.0%
Table Size	<b>295</b>	290
	<b>295.0%</b>	290.0%

# Lifestage investment strategies

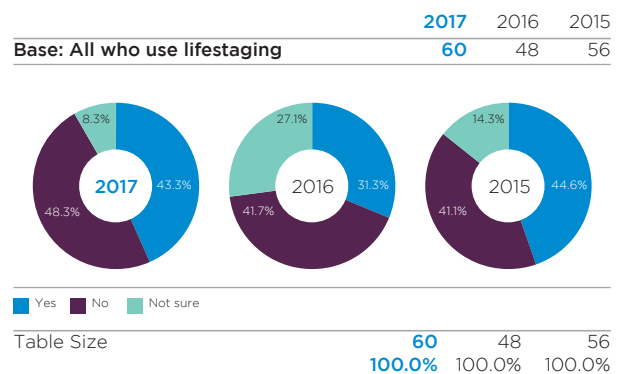
**Q8.17** In a life stage vehicle members are switched to a less volatile portfolio during the consolidation phase in the investment portfolios for the period just prior to normal retirement age. How many years prior to retirement does your umbrella fund start moving members to that phase, i.e. how long is the phase out period?

	2017	2016	2015
<b>Base: All using life staging</b>	<b>60</b>	48	56
Less than 5 years	17	12	11
	<b>28.3%</b>	25.0%	19.6%
5 years	30	24	28
	<b>50.0%</b>	50.0%	50.0%
6-7 years	10	6	12
	<b>16.7%</b>	12.5%	21.4%
8-10 years	3	4	4
	<b>5.0%</b>	8.3%	7.1%
More than 10 years	0	0	1
	<b>0.0%</b>	0.0%	1.8%
Don't know	0	2	0
	<b>0.0%</b>	4.2%	0.0%
Mean (Years)	<b>4.88</b>	4.81	5.26
Table Size	<b>60</b>	48	56
	<b>100.0%</b>	100.0%	100.0%

**Q8.18** Is your life stage investment strategy explicitly aligned to your annuity strategy?



**Q8.19** Is there more than one end stage portfolio intended to align with members' annuity selection?



### Q8.20 Which type of annuities / pensions do the different final / end stages allow for?

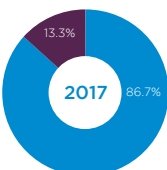
	2017	2016	2015
<b>Base: All who use lifestaging</b>	<b>60</b>	48	56
Guaranteed annuity (level or increasing at a fixed percentage)	20	12	22
	<b>33.3%</b>	25.0%	39.3%
Inflation linked annuity (guaranteed to increase by a fixed percentage of inflation)	16	17	25
	<b>26.7%</b>	35.4%	44.6%
Index linked annuity (guaranteed to increase by a measure linked to a published index, e.g. The Complete Picture Pension)	5	5	-
	<b>8.3%</b>	10.4%	-
With profit annuity, where pension increases are declared by an insurer	5	4	12
	<b>8.3%</b>	8.3%	21.4%
Living annuity (ILLA), where a member can withdraw between 2.5% and 17.5% of his fund value per year	26	14	20
	<b>43.3%</b>	29.2%	35.7%
A composite annuity (combination of a Living Annuity and another type of annuity offered by an insurer)	4	0	-
	<b>6.7%</b>	0.0%	-
Our end stages are not aligned with any annuity option at retirement	19	6	16
	<b>31.7%</b>	12.5%	28.6%
Not sure	4	13	7
	<b>6.7%</b>	27.1%	12.5%
Table Size	<b>99</b>	71	102
	<b>165.0%</b>	147.9%	182.1%

### Q8.21 Which of the following asset allocations best describes the portfolio in the final year before retirement in the lifestage option?

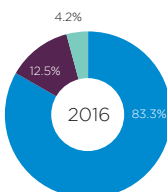
	2017	2016
<b>Base: All who use lifestaging</b>	<b>60</b>	48
Cash (100%)	16	15
	<b>26.7%</b>	31.3%
Bonds (100%)	5	8
	<b>8.3%</b>	16.7%
Smooth bonus	15	6
	<b>25.0%</b>	12.5%
Conservative equity (<40%)	19	16
	<b>31.7%</b>	33.3%
Moderate equity (40%-65%)	13	8
	<b>21.7%</b>	16.7%
Aggressive equity portfolio (66%+)	1	1
	<b>1.7%</b>	2.1%
Absolute return	4	3
	<b>6.7%</b>	6.3%
Liability matching portfolio	1	1
	<b>1.7%</b>	2.1%
Not sure	8	9
	<b>13.3%</b>	18.8%
Table Size	<b>82</b>	67
	<b>136.7%</b>	139.6%

### Q8.22 Do members receive investment and retirement advice when they switch into this last / final phase of the life stage model before retirement?

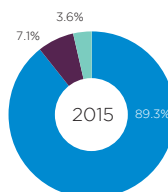
	2017	2016	2015
<b>Base: All who use lifestaging</b>	<b>60</b>	48	50



2017



2016



2015

■ Yes ■ No ■ Don't know / Not sure

Table Size	2017	2016	2015
	<b>60</b>	48	50
	<b>100.0%</b>	100.0%	100.0%

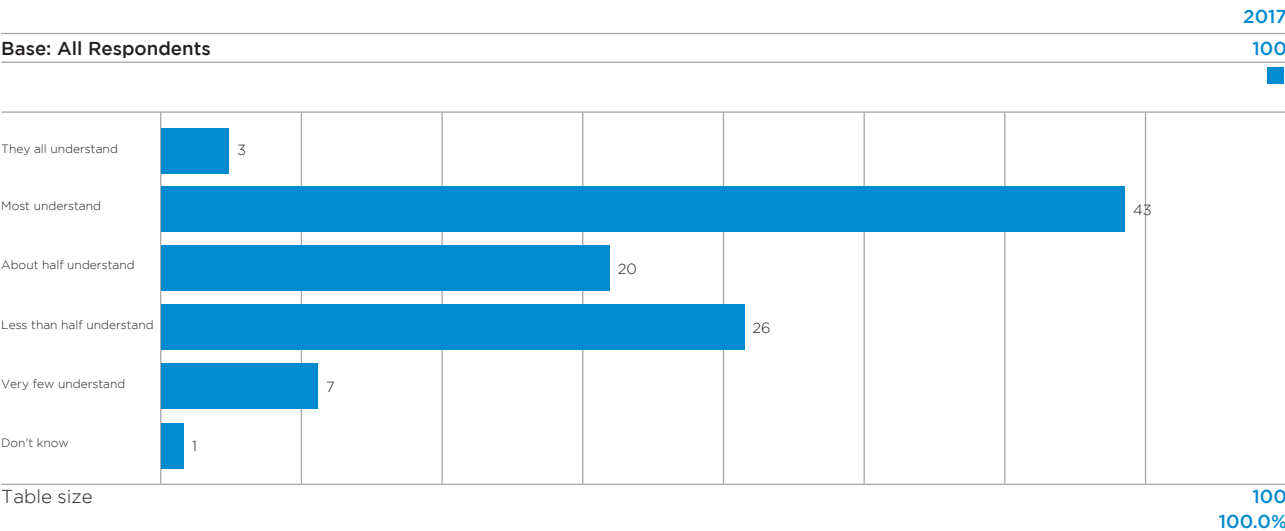
# Section 9

# Evolution of employee benefits

## Q9.1 What is your current employee value proposition in relation to the full suite of benefits provided?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Our VP is aligned to the personal and career needs of employees	20 20.0%
Our VP centres on what we need to provide employees to enable them to succeed in their job, i.e. empowerment, leadership, mentorship	19 19.0%
Our VP takes a holistic view of the employee as both a professional and a family person, therefore we offer a wide range of financial and healthcare benefits, including wellness, healthcare clinics, childcare, financial planning, etc.	35 35.0%
Other	1 1.0%
We don't have an employee value proposition	23 23.0%
Don't know	2 2.0%
Table Size	100 100.0%

## Q9.2 To what extent do you believe your employees understand their available suite of employee benefits?



### Q9.3 To what extent do your employees appreciate their available suite of employee benefits?

2017

Base: All Respondents

100

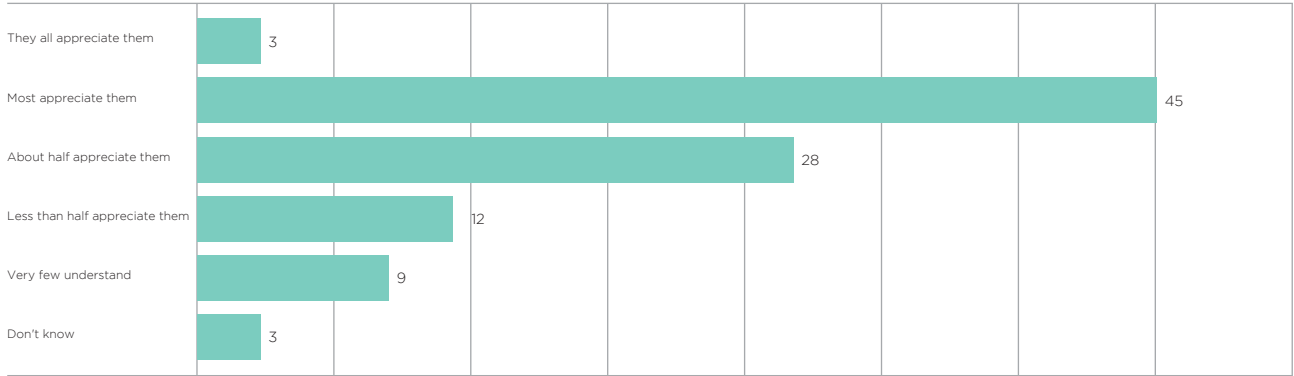


Table size

100

100.0%

### Q9.4 What do you believe is the ideal suite of benefits and services that should be included for all employees?

2017

Base: All Respondents

100

Retirement fund	100
	100.0%
Group Risk	76
	76.0%
Medical Aid	82
	82.0%
Short-term insurance	9
	9.0%
Financial wellness programmes	41
	41.0%
Rewards programmes	18
	18.0%
Other	3
	3.0%
Table Size	329
	329.0%

### Q9.5 To what extent do you think employees would be interested in purchasing non-retirement financial products, such as discretionary saving, short term insurance etc. via the employer?

2017

Base: All Respondents

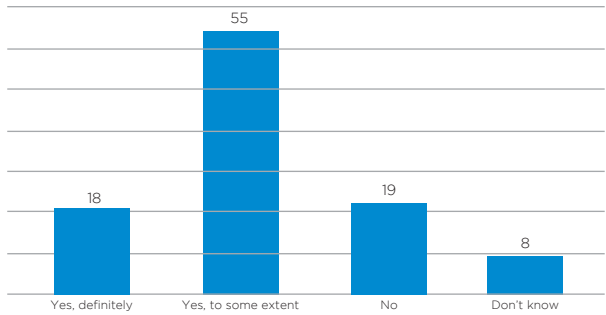
100

They would all be interested	1
	1.0%
Most would be interested	10
	10.0%
About half would be interested	21
	21.0%
Less than half would be interested	23
	23.0%
Very few would be interested	35
	35.0%
Don't know	10
	10.0%
Table Size	100
	100.0%

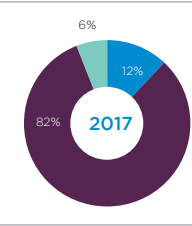
**Q9.6 If employees did want to have access to a broader range of financial services via the employer, what should this include?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Current account	3 3.0%
Savings	25 25.0%
Investments	12 12.0%
Mortgage bond	29 29.0%
Personal loans	35 35.0%
Personal financial planning	23 23.0%
Tax advice	28 28.0%
Education loans for children/study loans	38 38.0%
Medical aid	3 3.0%
Short term insurance / car insurance	3 3.0%
How to budget / financial advice / debt counselling	2 2.0%
Other	7 7.0%
Nothing	3 3.0%
Don't know	7 7.0%
Table Size	218 218.0%

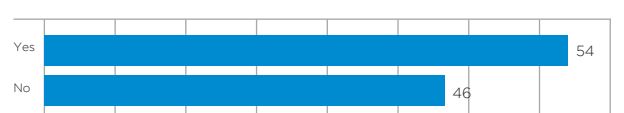
**Q9.7 Do you think employees would value having access to an integrated “one-stop-shop” financial solution via their employer?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
	
<b>Summary</b>	
Any yes	73 73.0%
Table Size	100 100.0%

**Q9.8 Do you envision that in the future your employer may offer its employees a selection of umbrella funds to belong to (i.e. open choice) instead of a single retirement fund?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
	
Table Size	100 100.0%

**Q9.9 Do you believe that preservation of withdrawal benefits has become an unrealistic ideal?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
	
Table size	100 100.0%



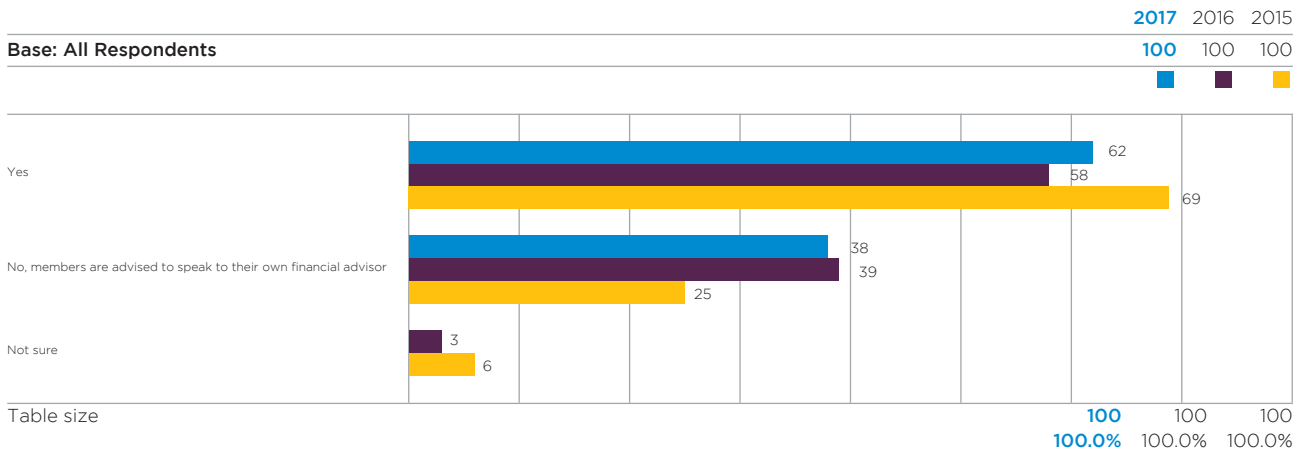
### Q9.10 What are the top THREE frequently asked questions by members regarding their retirement that should be addressed, if we are to transform the retirement industry?

	2017
<b>Base: All who use lifestaging</b>	<b>100</b>
What is my retirement/withdrawal amount/ how much is my retirement value	47 47.0%
Do I have sufficient retirement funds to retire comfortably/ how much do I have to save to retire comfortably	21 21.0%
Can I withdraw from my fund/ what is the maximum i can withdraw from the fund	20 20.0%
Will I get taxed on the money when I withdraw	17 17.0%
How is my investment growing/ is my investment stable /is my investment providing good ROI	13 13.0%
Can I retire early/ when is the best time to retire	10 10.0%
The length of time taken for finalisation of funds pay-out	10 10.0%
Why can't I withdraw all the money upfront/access my money for emergencies	9 9.0%
What will my death benefit be if I die before I retire/Are death benefits sufficient to provide for my family	9 9.0%
Can I use the fund as collateral for a loan	8 8.0%
How much will I get monthly	8 8.0%
Are our funds safe/secure/who can I trust?	8 8.0%
Wider range of risk benefits/ questions on benefits i.e. disability income	6 6.0%
How do I improve my retirement benefits; must I supplement my retirement savings, can I, the employer make additional contributions	6 6.0%
If I die how will the beneficiaries get the money/ what happens to my money when I die	5 5.0%
What must I do with the money when I retire / what investment vehicle/annuity do I choose	5 5.0%
Why should I preserve my retirement funds/make compulsory preservation attractive	4 4.0%
Why is my total so low/ why is my benefits pay-out so low	4 4.0%
How/where do they invest my money/what is the investment strategy	4 4.0%
At what age can I retire	4 4.0%
I need to see a financial advisor to make me understand/ I don't understand living annuities/life annuities	3 3.0%
Retirement age should be increased	3 3.0%
Can they continue with risk benefits after retirement/ why can't I contribute to medical aid after retirement	3 3.0%
Do I have to participate in the investment scheme/ Why do I have to contribute to a fund	3 3.0%
Fund running costs / how to reduce costs	2 2.0%
How long will my benefits last	2 2.0%
Why are the costs so high and the returns so poor	2 2.0%
What is a suitable investment portfolio	2 2.0%
How should beneficiaries be nominated	2 2.0%
I want funeral benefits/ what will my funeral benefit be/ How can funeral benefits be increased	2 2.0%
Can I not be restricted with my pension fund as the employer wants to decide what he wants to do with the 3 <sup>rd</sup> of my remaining funds	2 2.0%
Am I going to get a lump sum and then a monthly pension	2 2.0%
Other	10 10.0%
Nothing	2 2.0%
Table Size	258 258.0%

# Section 10

## Advice 3.0

### Q10.1 Does the fund have a formalised strategy for rendering financial advice to active members (whether in consultation with the employer or on its own)?



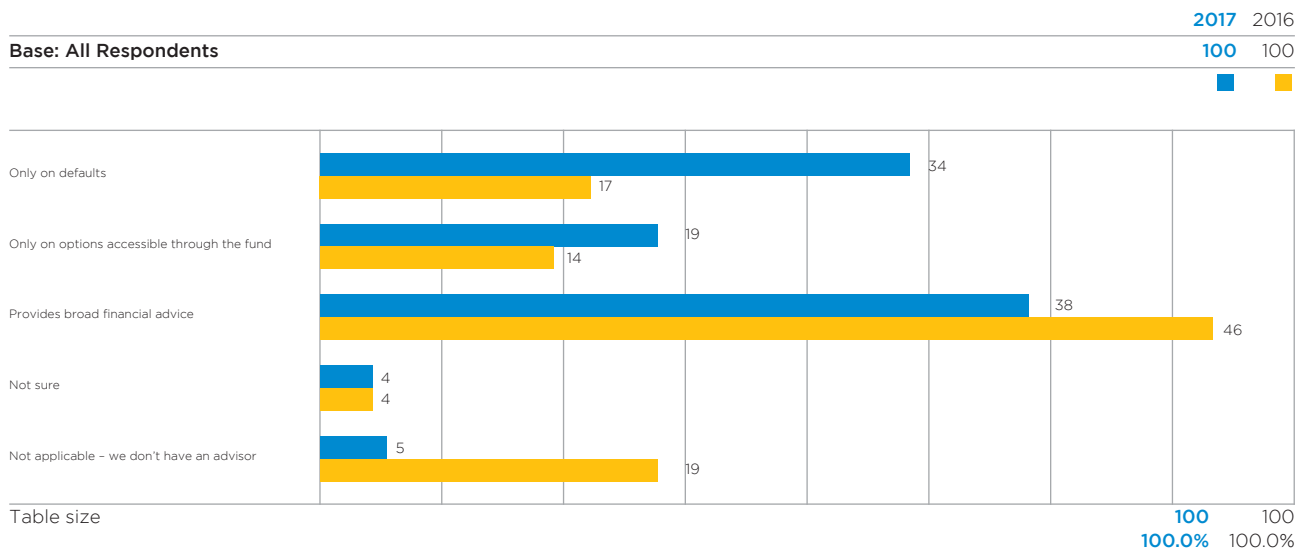
### Q10.2 Which of the following best describes the fund's strategy for rendering financial advice to active members?

	2017	2016	2015
<b>Base: All who provide advice to members</b>	<b>62</b>	<b>58</b>	<b>69</b>
The sub-fund refers members to preferred financial advisors	13	16	43
	21.0%	27.6%	62.3%
The sub-fund offers advice services to members by way of an advisor paid for or subsidised by the sub-fund	16	10	15
	25.8%	17.2%	21.7%
The sub-fund facilitates financial advice services to members by way of an advisor charging a negotiated special fee	2	1	1
	3.2%	1.7%	1.4%
The umbrella fund administrator provides factual information about available options.	26	30	-
If the member requires further financial advice, the member can be referred to the fund's financial advisor	41.9%	51.7%	
The sub-fund took special measures to change the benefit structure and offer tools and procedures that educate and empower members to make informed decisions	5	1	10
	8.1%	1.7%	14.5%
Table Size	62	58	69
	100.0%	100.0%	100.0%

### Q10.3 Given National Treasury’s guidance on funds’ requiring retirement benefits counselling to provide members with advice, what format would you see this taking?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Dedicated salaried advisor to the sub-fund	42 42.0%	30 30.0%
Advisor remunerated on a pay-per-use basis	29 29.0%	43 43.0%
Telephonic helpline only	19 19.0%	-
Automated advice / robo-advice	5 5.0%	9 9.0%
HR specialist trained on default product features	39 39.0%	24 24.0%
Financial advisor employed by the umbrella fund	0 0.0%	4 4.0%
Other	4 4.0%	-
Not Sure	0 0.0%	4 4.0%
Table Size	<b>138</b> <b>138.0%</b>	114 114.0%

### Q10.4 Does your current advisor provide advice only on the defaults of the sub-fund, or on other products as well?



**Q10.5 Who provides financial advice in terms of FAIS?**

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
	■	■	■
Consultant/broker on your fund	82	78	71
Separate financial advisor to the employer	10	9	12
Member's own financial advisor or broker	29	25	26
No-one	1		
Not sure	3	2	2
Table Size	124 124.0%	115 115.0%	111 111.0%

**Q10.6 Would your sub-fund consider using robo-advice to provide members with access to financial advice?**

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Yes, we believe this could be a cheaper solution than other advice options available	9 9.0%	9 9.0%
Yes, but in conjunction with a person to assist members	30 30.0%	28 28.0%
No, we do not believe this will be suitable for our membership	61 61.0%	63 63.0%
Table Size	100 100.0%	100 100.0%

**Q10.7 Who do you think should drive the employer level management committees to ensure that they meet regularly and function?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Employer	49 49.0%
Broker	24 24.0%
Umbrella Fund	48 48.0%
Table Size	121 121.0%

### Q10.8 How will the Draft Default Regulation be applied by the employer?

	2017
<b>Base: All Respondents</b>	<b>100</b>
We will engage with the current consultant for advice for the best strategy/ we will get a specialist in to help us	27
	27.0%
I will wait for the final regulation to be promulgated	21
	21.0%
We will comply/ it will be made compulsory/ we will set up the necessary structure	18
	18.0%
We will communicate the changes to the member	6
	6.0%
We are discussing what vehicle to create to cater for new regulations/ amend rules of fund to cater for changes	5
	5.0%
We will need lot of communication from the administrator around the tax on preservation of funds/ we will need face to face meeting to make final decisions	5
	5.0%
Via our investment fund manager who is busy creating the product	5
	5.0%
We go as per what the minimum requirements are	4
	4.0%
Arrange for the administrator to speak to employees	4
	4.0%
We are already complying with requirements/ we already have a default in place	4
	4.0%
We need more information on it	2
	2.0%
The consultant will educate the members on the different investment options	2
	2.0%
Other	2
	2.0%
Not aware of this	2
	2.0%
Don't know/ still early to say	17
	17.0%
Nothing	1
	1.0%
Table Size	125
	125.0%

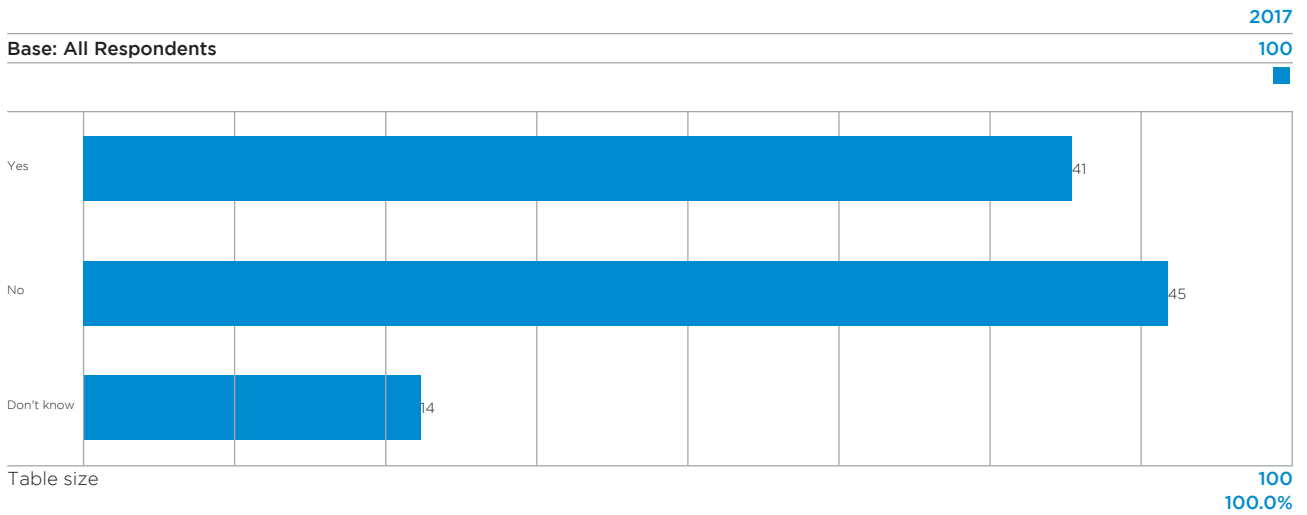
### Q10.9 What do you believe will be the cost implications of the Draft Default Regulations?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Cost will increase/ admin fees will increase slightly - not sure of the amount	21
	21.0%
Very minimal	13
	13.0%
There should be no cost - it will be part of the SLA with the administrator	11
	11.0%
Employee will have to pay for it/ there will be an additional cost per member	3
	3.0%
There will be additional costs both for employer and employee	3
	3.0%
Professional advice will be required/ there will be costs as someone will be appointed to manage it	3
	3.0%
There will be more responsibilities	2
	2.0%
It will depend on what's chosen/ will depend on what is needed to support the choice	2
	2.0%
Costs are a problem - but if it is important we have to do it/ we hope there are no costs implications	2
	2.0%
Other	5
	5.0%
Not aware of these	2
	2.0%
Don't know/ not sure	39
	39.0%
Nothing	4
	4.0%
Table Size	110
	110.0%

**Q10.10A What do you anticipate will be the benefits of the draft Default Regulation?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
It will help members save for retirement in a more cost effective manner	41 41.0%
It will encourage members to preserve their retirement savings when changing jobs	47 47.0%
It will assist members with converting their retirement savings into an income for life	32 32.0%
It will lead to a greater use of passive investment	4 4.0%
No benefit - it's another piece of regulation adding cost and complexity to retirement saving	22 22.0%
Don't know	11 11.0%
Table Size	157 157.0%

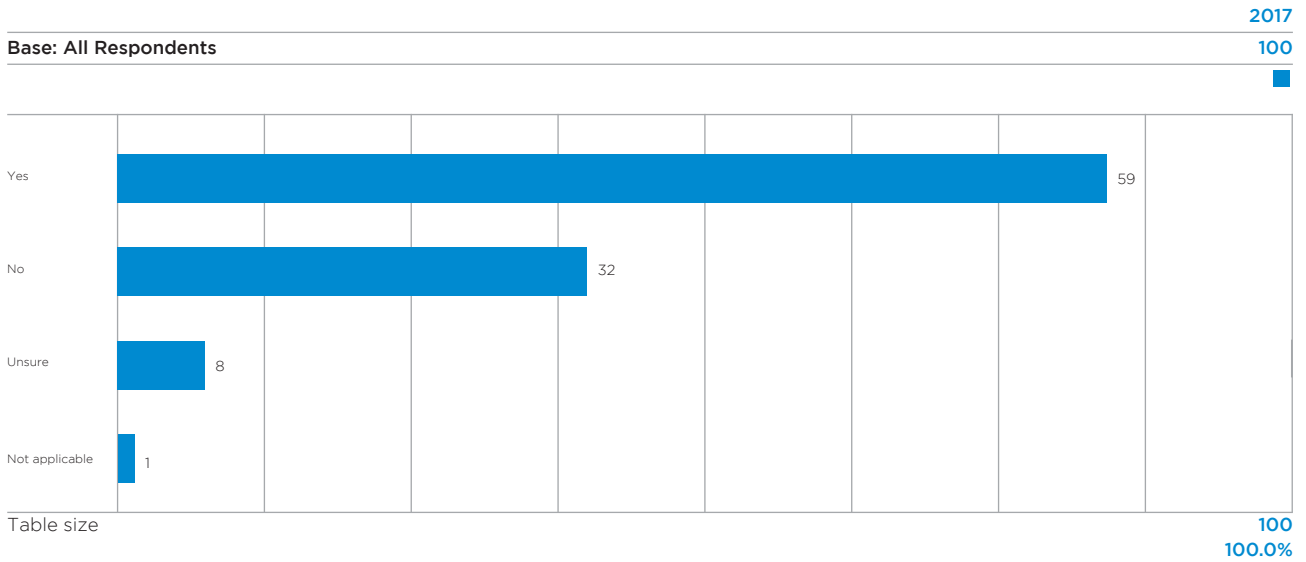
**Q10.10B And, do you consider that the benefits of the draft Default Regulation will justify the cost?**



**Q10.11 If “benefit counselling” goes outside of the scope of the rules of the fund and crosses the advice domain, how will the employer/fund deal with this?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Our advisors will direct us as to what to do, it's done via our advisor, professional guidance will be needed	25 25.0%
Member will have to engage services of own consultancy, private financial advisors as approved by the FSB, will outsource to broker	20 20.0%
We will look at the situation if it arises, on a case by case basis	8 8.0%
The service provider handles this - so it will not affect us	6 6.0%
The fund will have to get someone to do this if they don't have it in place already, contract with a preferred CFP to ensure realistic charging structure	4 4.0%
We would advise members up front about the potential risk and leave it up to them	4 4.0%
We would only allow FAIS compliant counsellors to be active or involved	4 4.0%
Would actively avoid the cross-over, we would chase them away, current policy prohibits this	3 3.0%
We have a service level agreement - any advice given must meet the service level requirements	3 3.0%
I would discontinue using that person as a recommended advisor, we will change our consultant	3 3.0%
We would report them to the FSB ombudsman, fund	3 3.0%
Employees will have to carry the extra cost	2 2.0%
Ensure that HR is equipped to offer guidance to members	2 2.0%
Other	9 9.0%
Don't know	8 8.0%
Table size	104 104.0%

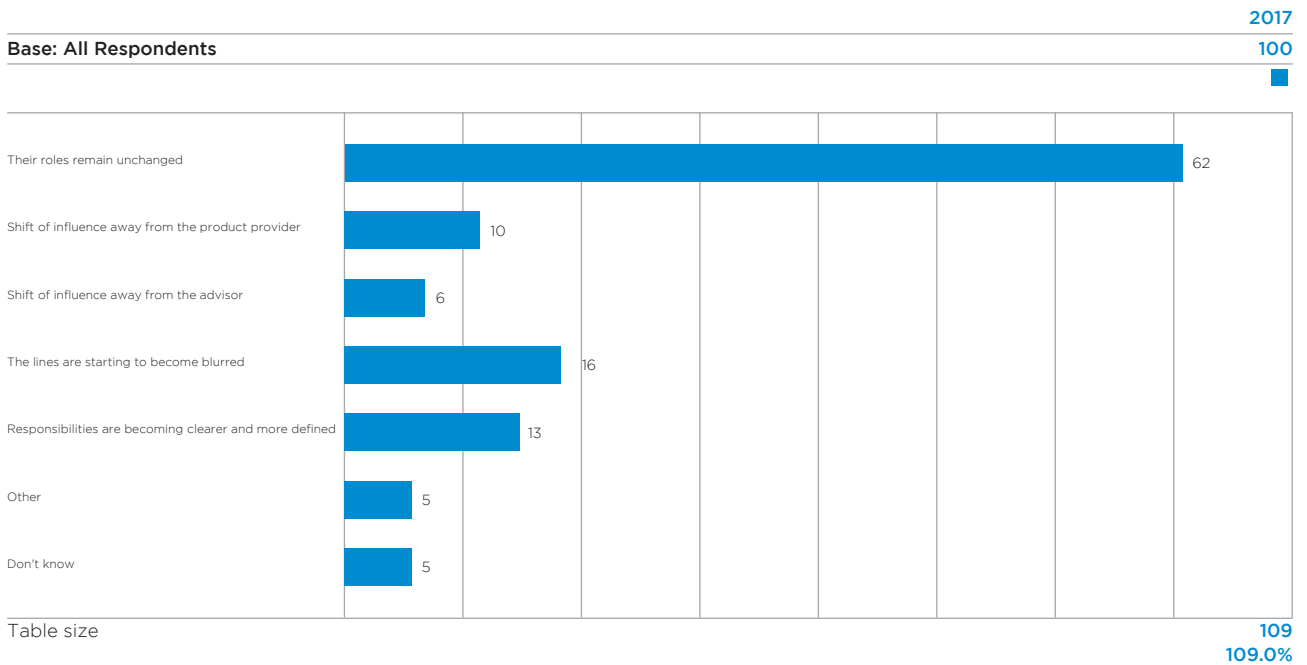
**Q10.12 Does the employer have the administrative capabilities to retain (paid up) members' benefits post withdrawal?**



**Q10.13 What do you believe will be the potential cost implications, if any, of providing some form of “human contact / interaction point” in the robo-advice chain?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Cost should be included as part of administration with no extra costs	19 19.0%
There would be costs based on having to pay the human intervention contact	13 13.0%
There will be cost implications for fund or employer	12 12.0%
The payment will be made by the member using the robo-advice/will cost more for members	9 9.0%
Insignificant - minimal costs	7 7.0%
High costs/ could be expensive	7 7.0%
There will be more admin related costs	5 5.0%
There will be a cost	4 4.0%
Staff will need training/ additional staff will be required	3 3.0%
An average of 0,5% to 1 % in total assets	2 2.0%
Other	4 4.0%
Don't know	26 26.0%
Table Size	104 104.0%

**Q10.14 What changes, if any, do you see in the role of the EB product provider and the EB consultant in the advice chain?**

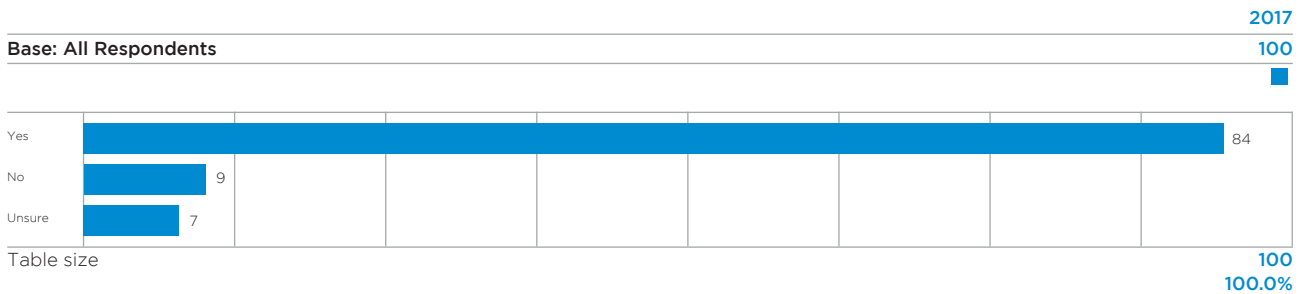




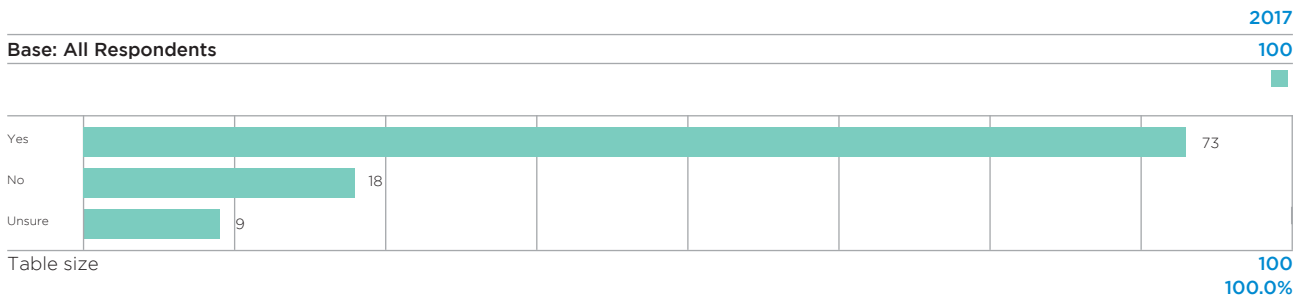
# Section 11

## Future benefit structures

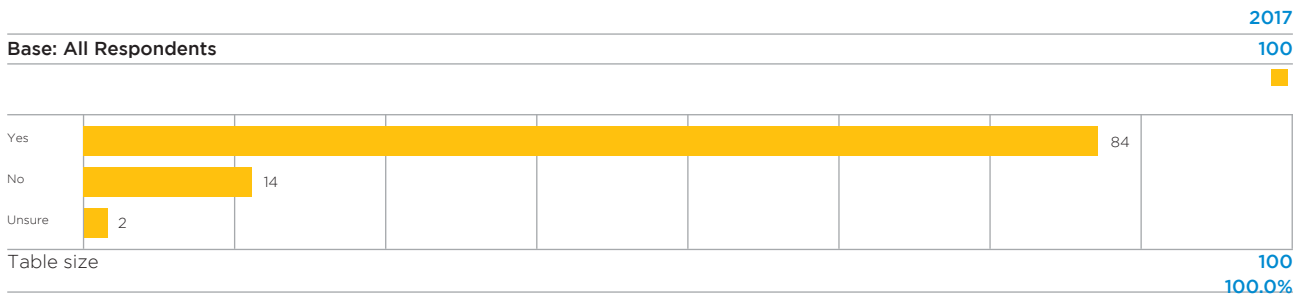
**Q11.1 Do you think it is possible to reduce complexity through standard risk benefits and administration structures?**



**Q11.2 Should a minimum set of benefits according to prescribed risk benefits rules be applied? For example, think prescribed minimum benefits on medical aids to be supplied across all product providers?**



**Q11.3A Should there be a cap on administration fees?**



**Q11.3B How should the cap be applied?**

2017

Base: All Respondents

84

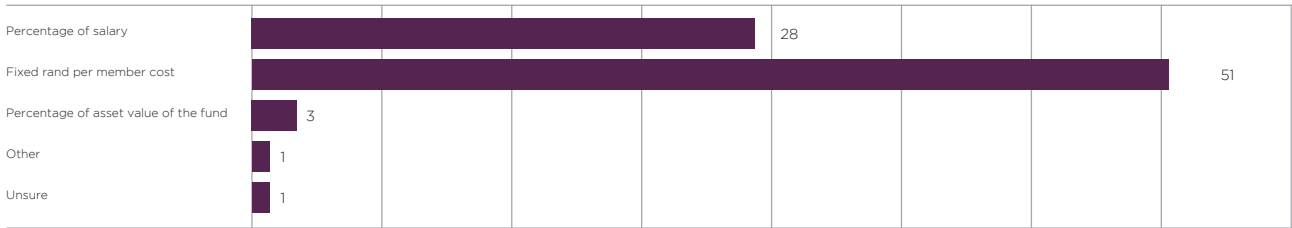


Table size 84  
100.0%

**Q11.4 Should all providers quote according to standard charge structures for certain services, according to a specific standard for all, with full disclosure and transparent comparisons?**

2017

Base: All Respondents

100

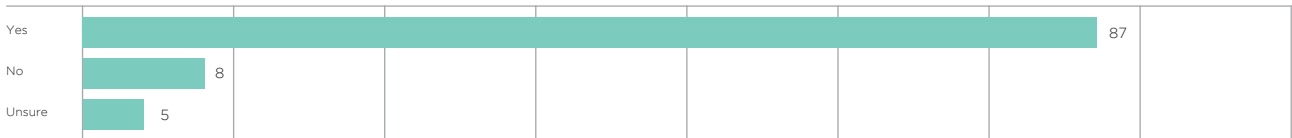


Table size 100  
100.0%

**Q11.5 Some providers claim not to charge an admin fee, but all costs are included in the investment fees. Are you comfortable with this pricing model?**

2017

Base: All Respondents

100

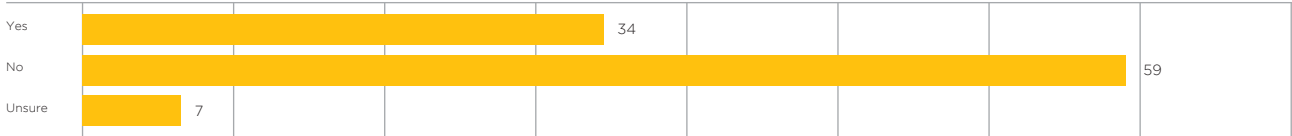


Table size 100  
100.0%

**Q11.6 Do you believe that in order to maintain good governance and market competitiveness it must become compulsory to rebroke the umbrella fund / financial services bundle at least every 3 years?**

2017

Base: All Respondents

100

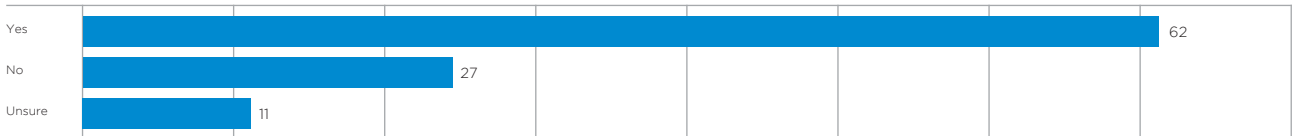


Table size 100  
100.0%

# Section 12

## Section 37C and taking care of beneficiaries

### Q12.1 What is the typical turnaround time on death claims (from the date that the death benefit is approved by the fund in terms of Section 37C)?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	
<b>Base: All who provide risk benefits</b>		100
Less than 1 month	10 10.0%	4 4.0%
3 months	43 43.0%	52 52.0%
5 months	19 19.0%	22 22.0%
7 months	1 1.0%	2 2.0%
9 months	2 2.0%	3 3.0%
> 9 months	4 4.0%	7 7.0%
Other	6 6.0%	3 3.0%
Not Sure	15 15.0%	7 7.0%
Mean (Months)	3.71	4.19
Table Size	100 100.0%	100 100.0%

### Q12.2 What are the key reasons for delays in the distribution of death benefit payments?

#### Any mention

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	
<b>Base: All who provide risk benefits</b>		100
Lack of identification of dependents as defined	81 81.0%	91 91.0%
Family disputes	78 78.0%	69 69.0%
Traditional practices vs legislation	37 37.0%	37 37.0%
Lack of a valid will	48 48.0%	46 46.0%
Trustees' level of confidence in awarding benefits	17 17.0%	25 25.0%
Not applicable	11 11.0%	1 1.0%
Not Sure	0 0.0%	3 3.0%
Table Size	272 272.0%	272 272.0%

### Q12.3 In your opinion, are Trustees applying their mind to the Section 37C process or are they simply led by the recommendations of the administrator?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	
<b>Base 2016: All who provide risk benefits</b>		100
Trustees apply their mind	46	53
Led by the administrator	16	19
Both	25	21
Not sure	7	7
Table size	100 100.0%	100 100.0%

### Q12.4 Do you believe it is better to pay the minor's benefit to the Guardian or to a Beneficiary Fund?

		2017
<b>Base: All Respondents</b>		<b>100</b>
		<b>■</b>
The guardian	12	
A beneficiary fund	79	
Don't know	9	
Table size		100 100.0%

### Q12.5 Do you believe the trustees, the members or the beneficiaries should decide how death benefits are distributed after the death of the member?

		2017
<b>Base: All Respondents</b>		<b>100</b>
		<b>■</b>
Trustees	72	
Members	21	
Beneficiaries / guardians	5	
Not sure	2	
Table size		100 100.0%

### Q12.6 Which of the following statements reflects your views on Section 37C? Section 37C must be amended a.s.a.p. because.:

		2017
<b>Base: All Respondents</b>		<b>100</b>
The Pension Funds Adjudicator determinations which state that minors' benefits may not automatically be paid into a beneficiary fund is considered controversial	36	36.0%
It does not take into account the unique needs of different cultures, e.g. the specific needs of African communities	36	36.0%
It does not provide sufficient guidance to the trustees as to what is required of them in order to come to a decision on allocation of the benefit	44	44.0%
None	4	4.0%
Don't know	4	4.0%
Not applicable	1	1.0%
Table Size		125 125.0%

### Q12.7 Which of the following factors do you take into account when allocating death benefits?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Age of the dependants	77 77.0%
Relationship to the deceased	72 72.0%
Extent of financial dependency on the deceased	60 60.0%
Wishes of the deceased in either the nomination form or his last will	76 76.0%
Size of the benefit available for distribution	32 32.0%
Other	6 6.0%
Table Size	323 323.0%

### Q12.8 Who should take the distribution decision on behalf of the board of trustees?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Full board of trustees	46
Committee comprising some of the board of trustee members	48
Committee with no trustee representation	3
Administrator of the fund	21
Don't know	2
Table size	120 120.0%

### Q12.9 Who does the investigation and fact finding prior to when the distribution decision is made?

	2017
<b>Base: All Respondents</b>	<b>100</b>
Full board of trustees	21 21.0%
Committee comprising some of the board of trustee members	40 40.0%
Committee with no trustee representation	4 4.0%
Administrator of the fund	41 41.0%
Contractor appointed by the trustees	8 8.0%
HR / HR Manager	8 8.0%
The employer / company	5 5.0%
Death claims investigator	1 1.0%
Benefits consultant	1 1.0%
Don't know	5 5.0%
Table Size	134 134.0%

**Q12.10 Which of the following best describes the process that is followed when allocating death benefits?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Trustees make the final, binding decision and potential beneficiaries are not allowed to give their input	35 35.0%
Trustees make a provisional or preliminary decision and give the beneficiaries the opportunity to view their inputs in relation to the distribution before making a final/ binding allocation.	53 53.0%
Trustees make a provisional allocation and payment to beneficiaries (that are known at the time) and another allocation decision at a later stage	10 10.0%
Other	1 1.0%
Don't know	5 5.0%
Table Size	104 104.0%

**Q12.11 Which of the following documents/ information do the Trustees require before making an allocation?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Affidavits by dependants on the level of their dependency and financial status (current and future income earning potential)	91 91.0%
Income and expenses statement	39 39.0%
Asset and liability statement	25 25.0%
Bank statements	38 38.0%
Investment account (from financial services provider)	18 18.0%
Policy benefits and other payments received as a result of the death of the member	36 36.0%
Liquidation and distribution account in the deceased's estate	13 13.0%
Other	6 6.0%
Don't know	6 6.0%
Table Size	272 272.0%

**Q12.12 Does the sub-fund use a beneficiary fund to manage the assets of minors?**

	2017
<b>Base: All Respondents</b>	<b>100</b>
Yes	64
No	28
Unsure	8
Table size	100 100.0%

### Q12.15 Which service provider manages the death benefit fund for minors?

	2017	2016
<b>Base: All who make use of a beneficiary fund</b>	<b>64</b>	57
Sanlam Legacy Beneficiary Fund	15	15
	23.4%	26.3%
Fairheads	12	13
	18.8%	22.8%
Fedgroup	1	1
	1.6%	1.8%
Alexander Forbes	21	11
	32.8%	19.3%
Liberty	3	2
	4.7%	3.5%
Absa	1	3
	1.6%	5.3%
Standard Bank	1	1
	1.6%	1.8%
Momentum	3	3
	4.7%	5.3%
Negroup	1	1
	1.6%	1.8%
Old Mutual	2	2
	3.1%	3.5%
Other	3	1
	4.7%	1.8%
Don't know / Not sure	3	4
	4.7%	7.0%
Table Size	66	57
	103.1%	100.0%

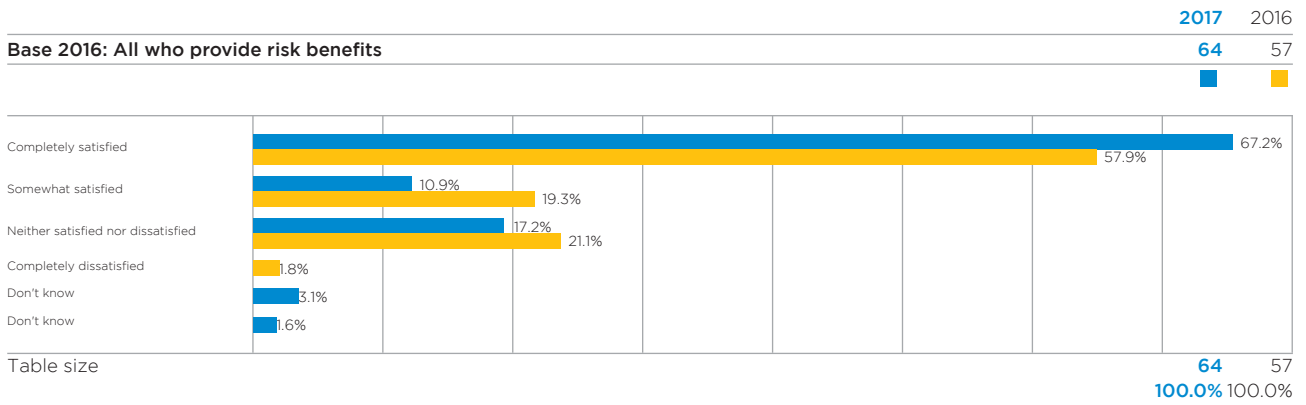
### Q12.16 How many beneficiaries are being administered on the sub-fund's behalf by the beneficiary fund?

	2017	2016
<b>Base: All Respondents</b>	<b>88</b>	80
Zero	8	10
	12.5%	17.5%
1 to 5	23	17
	35.9%	29.8%
6 to 10	11	5
	17.2%	8.8%
11 to 25	5	4
	7.8%	7.0%
26 to 50	3	5
	4.7%	8.8%
51 to 100	1	-
	1.6%	
101 to 500	1	2
	1.6%	3.5%
501+	0	1
	0.0%	1.8%
Don't know/refused	12	13
	18.8%	22.8%
Mean	13.25	51.91
Table Size	64	57
	100.0%	100.0%

### Q12.17 What is the total value of the assets being managed on the sub-fund's behalf by the beneficiary fund?

	2017	2016
<b>Base: Base: All Respondents</b>	<b>64</b>	57
Zero	8	-
	12.5%	
< 100,000	3	10
	4.7%	17.5%
100,001 to 250,000	1	6
	1.6%	10.5%
250,001 to 500,000	1	3
	1.6%	5.3%
500,001 to 1 mil	9	3
	14.1%	5.3%
1.1 mil to 5 mil	15	4
	23.4%	7.0%
5.1 mil to 10 mil	3	4
	4.7%	7.0%
10.1 mil to 25 mil	0	1
	0.0%	1.8%
25.1 mil to 50 mil	2	2
	3.1%	3.5%
50.1 mil+	2	-
	3.1%	
Don't know/refused	20	24
	31.3%	42.1%
Mean	R 6,611,919	R 3,866,515
Table Size	64	57
	100.0%	100.0%

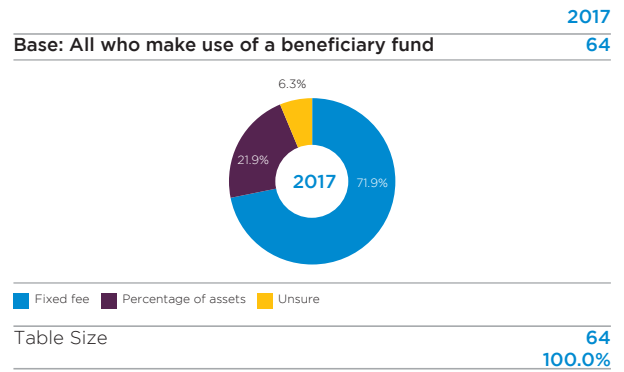
### Q12.18 How satisfied are you with the current Beneficiary Fund?



### Q12.19 What concerns, if any, do you have about beneficiary funds?

	2017
<b>Base: All who make use of a beneficiary fund</b>	<b>64</b>
Inadequate level of communication from the fund	12 18.8%
The fund is not accessible when you contact them	5 7.8%
Service level is not acceptable	1 1.6%
Other	1 1.6%
None	51 79.7%
<b>Table Size</b>	<b>70</b>
	<b>109.4%</b>

### Q12.20A With regards administration fees on beneficiary funds, do you think these should be expressed as a?





### Q12.20B Why do you say that?

	2017
<b>Base: All who think fees on beneficiary funds should be expressed as a fixed fee</b>	<b>46</b>
Know upfront what they are paying each month/ easier to budget	14 30.4%
Same amount of work is required/Don't do anything extra to warrant a percentage of assets	11 23.9%
Same to everybody - irrespective of the amount invested in the fund/ its equal to everybody	9 19.6%
A fixed fee is easier to manage/ there is not a lot of admin work in the fund	7 15.2%
It is fair to have a fixed fee because assets are changing	6 13.0%
Fixed costs on small funds are disproportionately large	3 6.5%
Other	7 15.2%
Don't know	1 2.2%
Table Size	58 126.1%

### Q12.20B Why do you say that?

	2017
<b>Base: All who think fees on beneficiary funds should be expressed as a percentage of assets</b>	<b>14</b>
Fixed costs on small funds are disproportionately large/flat fee will take too much of a small fund/fair for smaller investors	7 50.0%
The more you have the more you pay/Fee should be determined by the level of assets	3 21.4%
It is fair to have a fixed fee because assets are changing	1 7.1%
There are pros and cons - percentage seems harsh	1 7.1%
Guardians will know upfront how much the admin fee is going to cost	1 7.1%
As time goes on and beneficiaries are paid out the fund assets will diminish	1 7.1%
Assets are not their large amounts	1 7.1%
Table Size	15 107.1%

### Q12.21 Do you think members should have the option to choose a beneficiary fund in their beneficiary nomination forms?

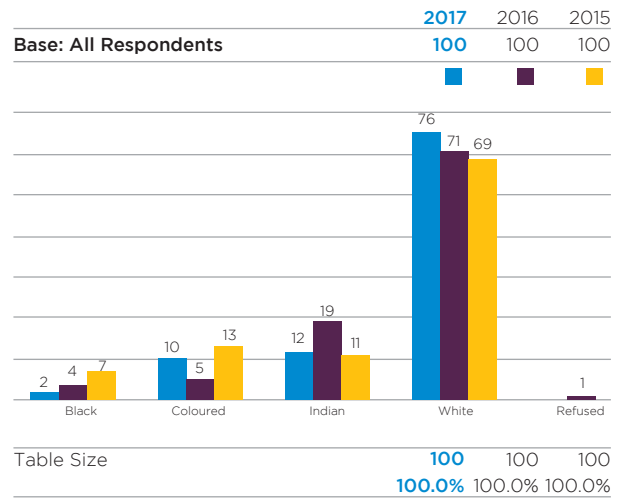
	2017
<b>Base: All Respondents</b>	<b>64</b>
■	
Yes	30
No	31
Unsure	3
Table size	64 100.0%

# Demographics

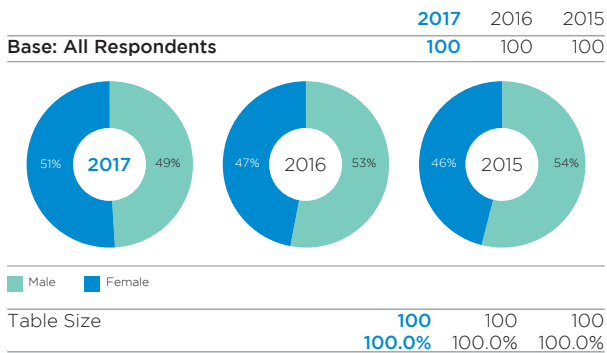
## Demographics: What is the highest level of qualification that you hold?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
Degree	30 30.0%	35 35.0%	25 25.0%
National Certificate	5 5.0%	6 6.0%	5 5.0%
Diploma	21 21.0%	23 23.0%	22 22.0%
Chartered Accountant	14 14.0%	11 11.0%	12 12.0%
Honours degree	12 12.0%	12 12.0%	19 19.0%
Chartered Secretary	1 1.0%	1 1.0%	1 1.0%
Matric	11 11.0%	5 5.0%	12 12.0%
MBA	2 2.0%	0 0.0%	1 1.0%
Masters degree	2 2.0%	5 5.0%	-
Other	1 1.0%	1 1.0%	3 3.0%
Refused	1 1.0%	1 1.0%	-
Table Size	100 100.0%	100 100.0%	100 100.0%

## Demographics: Ethnic group



## Demographics: Gender



## Demographics: Which of the following best describes your age group?

	2017	2016	2015
<b>Base: All Respondents</b>	<b>100</b>	100	100
25-34	11 11.0%	7 7.0%	6 6.0%
35-44	29 29.0%	34 34.0%	31 31.0%
45-54	32 32.0%	33 33.0%	39 39.0%
55-64	24 24.0%	23 23.0%	20 20.0%
65 or Older	4 4.0%	2 2.0%	4 4.0%
Refused	0 0.0%	1 1.0%	-
Table Size	100 100.0%	100 100.0%	100 100.0%

## Demographics: Which company provides the umbrella fund that you participate in?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
Absa	0	1
	0.0%	1.0%
Alexander Forbes/Investment Solutions	26	20
	26.0%	20.0%
Liberty Life	12	8
	12.0%	8.0%
Metropolitan/Momentum/MMI	17	12
	17.0%	12.0%
Old Mutual	23	28
	23.0%	28.0%
Sanlam	14	19
	14.0%	19.0%
Futura	0	1
	0.0%	1.0%
Grant Thornton Capital	1	3
	1.0%	3.0%
Verso	0	1
	0.0%	1.0%
NMG	0	2
	0.0%	2.0%
Robson Savage	1	1
	1.0%	1.0%
Willis Towers Watson	1	1
	1.0%	1.0%
PSG	1	-
	1.0%	-
GIB	1	-
	1.0%	-
Bardenhorst Ouditere	1	-
	1.0%	-
IOX	2	-
	2.0%	-
Fussel	0	1
	0.0%	1.0%
No answer	0	2
	0.0%	2.0%
Table Size	100	100
	100.0%	100.0%

## Demographics: Which of the following media do you consume?

	2017	2016
<b>Base: All Respondents</b>	<b>100</b>	100
ETV	21	29
	21.0%	29.0%
SABC	22	29
	22.0%	29.0%
CNBC	18	17
	18.0%	17.0%
Bloomberg	20	17
	20.0%	17.0%
Supersport	64	60
	64.0%	60.0%
Today's Trustee	23	23
	23.0%	23.0%
Pensions World	10	11
	10.0%	11.0%
Financial Mail	49	46
	49.0%	46.0%
Moneyweb	25	35
	25.0%	35.0%
EBNet	3	7
	3.0%	7.0%
Fin24	65	54
	65.0%	54.0%
BizNews	13	25
	13.0%	25.0%
Personal Finance	18	24
	18.0%	24.0%
Sky News	1	3
	1.0%	3.0%
CNN	0	2
	0.0%	2.0%
DStv	11	4
	11.0%	4.0%
News24	2	-
	2.0%	-
Business Day	2	-
	2.0%	-
Time Magazine	2	-
	2.0%	-
Cape Talk	2	-
	2.0%	-
Other	6	7
	6.0%	7.0%
None	1	4
	1.0%	4.0%
Table Size	378	397
	378.0%	397.0%

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