



# Benchmark 2019

Enabling Financial Resilience

**Combined Databook**

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# A Nation Built on Economic and Political Resilience

Post national elections, there appears to be a sense of hope and renewed energy in the country. As I reflect on these positive sentiments I am reminded of the courage of South Africans who have remained resilient in the face of economic and political challenges over the past 30 years.

As in 1990, South Africa is once again experiencing a sense of euphoria and hope, albeit on a much smaller scale. The winds of change are upon us. This time it will require sound economic policies and effective implementation with a level of accountability to withstand the economic forces that detract from value.

Despite the glimmer of hope, the South African economy will still be challenged by three structural inefficiencies for years to come:

- » Unemployment,
- » Education, and
- » Healthcare.

The unemployment rate in South Africa increased from 27,1% to 27,6% in the first quarter of 2019. In essence, the number of people without an income is approximately 6,20 million and the number of employed individuals decreased by some 237 000 to 16,29 million.

This year our research included a deep dive into the concept of financial resilience, which is essentially the ability of individuals and corporates to withstand the financial impact of a downturn in the economy.

Our research has highlighted that the two mutually dependent variables that have the biggest impact on an individual's ability to be financially resilient are:

- » Income, and
- » Education.

This does not suggest that educated professionals always make the correct financial decisions. In fact, they are perhaps more open to financial messages and are better able to recognise where remedial action on their part is required to improve their personal financial resilience score.

Incidentally, we asked the Principal Officers who participated in our research whether they were personally financially, emotionally and psychologically ready for retirement and fewer than half (41%) were confident that they are prepared for it.

Preparing for retirement requires careful planning and commitment to the process and the conviction that the advice you receive along the way will assist you in reaching those desired financial outcomes.

I believe all stakeholders in the employee benefits industry can be held accountable to safe-guard and future-proof the retirement savings of those employed individuals who participate in employer-sponsored retirement schemes.



by

**Jocelyn Hathaway**  
Acting CEO

Sanlam Employee Benefits

## Healthcare versus retirement benefits conundrum

While the industry can take accountability for the outcome, it cannot take full responsibility for the decisions and actions taken by individuals or corporates. As an industry we can provide information and tools that will assist individuals and corporates to make informed decisions.

Intermediaries (13%) indicated that employers buy down on benefits due to financial constraints as a consequence of a downturn in the economy. One third (37,5%) indicated that some corporates regard healthcare as more important in the lives of their employees than retirement funding. Costs aside, why does it have to be either/or in some instances when both benefits are critical to ensure the health and financial well-being of individuals?

## The threat of cybercrime on retirement funds

Funds and members are increasingly being placed at risk by cyber-related crime. As a response, many corporates have made significant monetary investments in administration platform upgrades and have implemented revised IT policies and procedures with the aim of making it more secure and mitigating any potential risks or the threat of risks. This is a fairly new item on the consulting agenda. An overwhelming 71% of funds/employers have experienced an increase in the level of governance required to future-proof administration platforms.

## But what is Sanlam doing to enable financial resilience among staff?

In response to this question, I am pleased to say we have also conducted the Financial Resilience Index research among Sanlam staff. The results confirmed that regardless of the sector and the functional roles individuals have, across the board people are finding it hard to cope financially. Within the process we have identified a number of strategic deliverables, which the Sanlam Group is exploring with the aim of making a difference and empowering staff along their financial journeys.

## A word of appreciation

I invite you to read this report and engage with anyone in my team if any of the issues we have raised herein are of interest to you. They are all available to discuss their research insights in greater detail and willing to present their views on industry platforms.

Once again, I thank my team who have worked tirelessly over the past 8 to 10 months to complete this body of research, which we hope will become a useful consulting tool.

The research data book containing the detailed data tables and graphs can be downloaded on [www.sanlambenchmark.co.za](http://www.sanlambenchmark.co.za).

At Sanlam we have been trying to make a difference for the past 38 years through our detailed research insights and will continue to do so.

Financial resilience is not just a concept, but a way of empowering individuals to be in control of their finances and to help people feel more financially secure.

# Research Methodology

The size and the scope of the 2019 stand-alone funds and participating employers in umbrella funds surveys have remained largely consistent with previous years. Interviews were conducted amongst 100 principal officers and trustees of standalone retirement funds and 100 key liaison persons at participating employers.

For the seventh consecutive year we have included a subset of interviews with 10 union funds as part of the stand-alone funds' survey. This year the sample of 10 funds collectively represented R55.5 billion assets under management and 272 600 active members. Seven of the 10 funds have participated in the study each year since inception.

We analysed the stats for the union funds separately and have not reported on it in this databook. However the data is available on request and we provide a synopsis of the survey results in the Research Summary Report.

Respondents for both surveys were selected at random and it may be possible that some funds included in the survey may currently be funds which are administered or consulted to by Sanlam. Some participants may even have assets invested with Sanlam Investments. As it is not a requirement of the study, we did not select respondents on the basis of their current retirement fund service provider.

The entire fieldwork process is outsourced to BDRC Africa, a leading market research agency. This is to ensure the integrity of the data and the confidentiality of all respondents is maintained at all times.

## Interview technique

The duration of each interview with principal officers was on average approximately 70 minutes and with participating employer slightly shorter in length around 55 minutes.

Field work was conducted between 18 February and 28 March this year and took place with respondents based in Johannesburg, Cape Town, Durban and Pretoria.

## Sample composition

- For the purposes of this survey, the sampling frame has been defined as all stand-alone employer sponsored retirement funds and participating employers in commercial umbrella funds. This year we have had a significant 78% and 54% year-on-year participation in the stand-alone funds and umbrella funds surveys respectively. We continue to observe the ongoing migration from standalone funds into participating employers in umbrella funds with a further 4% who participated on the standalone survey last year were interviewed as umbrella fund participants in 2019.



by

**Wagieda Pather**

Market Insights  
Sanlam Corporate



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

This year we have retained the sample size of each survey at 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. Which suggests that the sample size we've selected is robust and the conclusions drawn credible.

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

### **Interview technique**

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

Where:

- » the number of responses is less than 100, the question was not applicable to all respondents
- » the number of responses is 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 at a quantitative level.

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.

# Standalone Funds Data

# Section 1

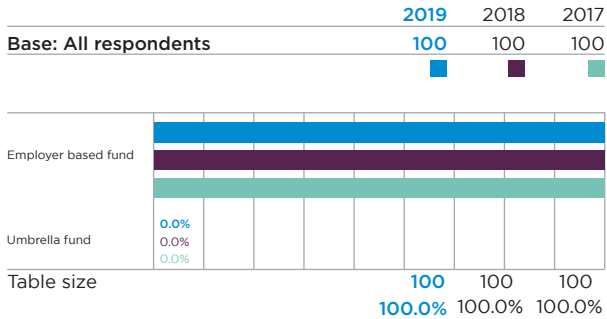
# General employer statistics

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

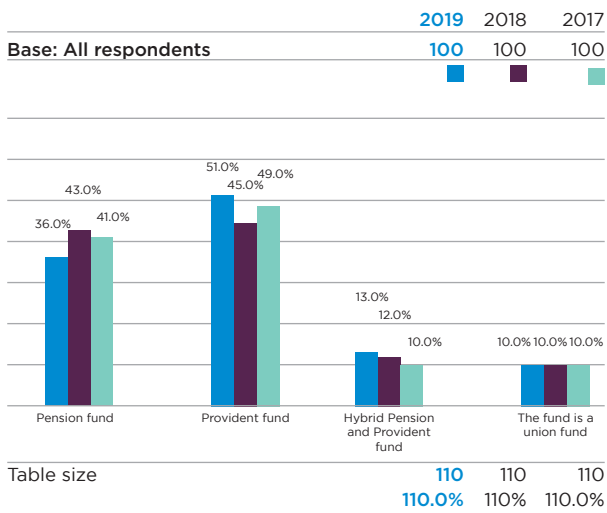
	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Financial Services	13	15	8
	13.0%	15.0%	8.0%
Manufacturing	13	13	19
	13.0%	13.0%	19.0%
Agriculture, forestry or fishing	5	3	2
	5.0%	3.0%	2.0%
Professional or business services	1	2	4
	1.0%	2.0%	4.0%
Building or construction	1	2	3
	1.0%	2.0%	3.0%
Wholesale and retail	11	10	9
	11.0%	10.0%	9.0%
Mining	4	4	2
	4.0%	4.0%	2.0%
Government, semi-government /parastatal	5	7	7
	5.0%	7.0%	7.0%
Local authority or municipality	3	2	4
	3.0%	2.0%	4.0%
Breweries, distilleries or wineries	2	0	1
	2.0%	0.0%	1.0%
Chemical or pharmaceutical	3	2	3
	3.0%	2.0%	3.0%
Energy or petrochemical	5	5	4
	5.0%	5.0%	4.0%
Engineering	3	4	2
	3.0%	4.0%	2.0%
Education	7	6	7
	7.0%	6.0%	7.0%
Healthcare	4	3	3
	4.0%	3.0%	3.0%
Hospitality	1	2	1
	1.0%	2.0%	1.0%
IT or telecoms	8	5	3
	8.0%	5.0%	3.0%
Printing and publishing	3	3	1
	3.0%	3.0%	1.0%
Religion	2	2	2
	2.0%	2.0%	2.0%
Bargaining Council	0	0	2
	0.0%	0.0%	2.0%
Transport/Logistics	0	3	4
	0.0%	3.0%	4.0%
Union	4	4	5
	4.0%	4.0%	5.0%
Advertising/Media	0	1	2
	0.0%	1.0%	2.0%
Other	2	2	2
	2.0%	2.0%	2.0%
Table Size	100	100	100
	100%	100.0%	100.0%



### 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 fund participating in the survey?



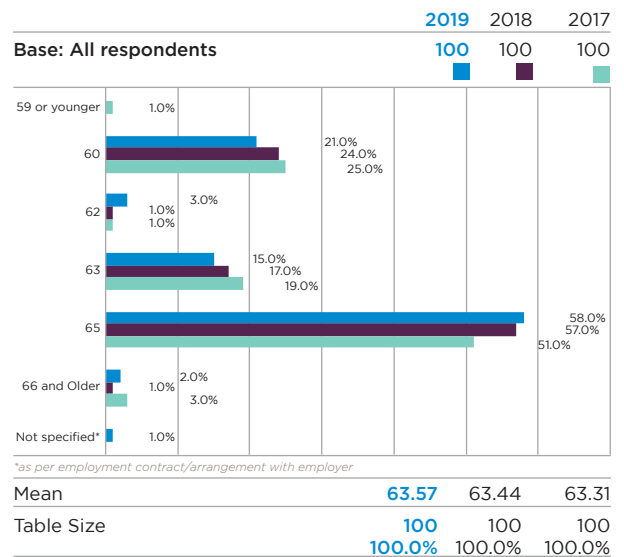
### Q1.3a How many of your employees belong to the fund (i.e. are active members of the fund)?

	2019	2018	2017
Base: All respondents	100	100	100
<100	1	3	2
101 to 300	15	16	16
	15.0%	16.0%	16.0%
301 to 500	8	6	9
	8.0%	6.0%	9.0%
501 to 2,000	24	26	28
	24.0%	26.0%	28.0%
2,001 to 5,000	26	26	23
	26.0%	26.0%	23.0%
5,001 to 10,000	6	3	6
	6.0%	3.0%	6.0%
10,001 or more	20	20	16
	20.0%	20.0%	16.0%
Mean	9322	19151	11231
Table Size	100	100	100
	100.0%	100.0%	100.0%

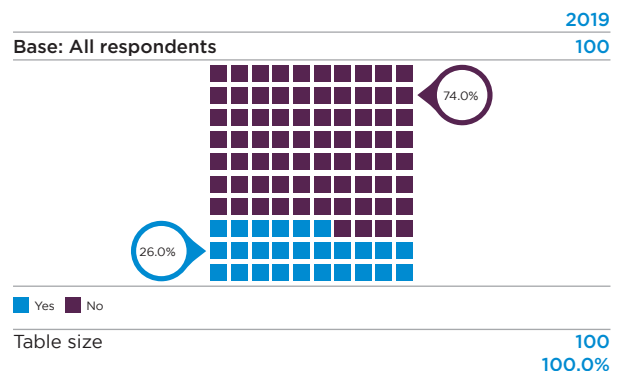
### Q1.3b What is the total value of your members' assets of the fund? (R million)

	2019	2018	2017
Base: All respondents	100	100	100
<R50m	7	7	9
	7.0%	7.0%	9.0%
R50m to R100m	7	10	10
	7.0%	10.0%	10.0%
R101m to R300m	11	11	13
	11.0%	11.0%	13.0%
R301m to R500m	10	10	13
	10.0%	10.0%	13.0%
R501m to R1bn	15	9	11
	15.0%	9.0%	11.0%
R 1 bn to R 5 bn	32	40	35
	32.0%	40.0%	35.0%
More than R5bn	17	13	9
	17.0%	13.0%	9.0%
Not sure	1	0	0
	1.0%	0.0%	0.0%
Mean (millions)	R3246	R3083	R2105
Table Size	100	100	100
	100.0%	100.0%	100.0%

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



### Q1.5 Has the potential impact of increased longevity resulted in the employer considering an increase in normal retirement age?



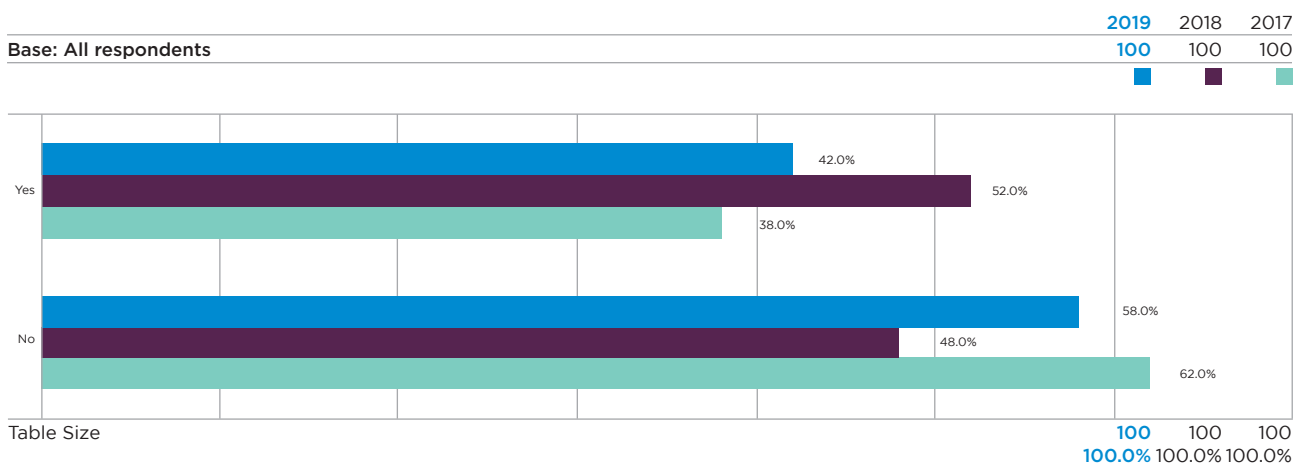
## Q1.6A What were the factors that influenced this decision?

	2019
<b>Base: All who HAVE considered an increase in normal retirement age</b>	<b>26</b>
Only for select employees with specialist knowledge	7
	<b>26.9%</b>
Not aware of any impact on longevity	1
	<b>3.8%</b>
Lower retirement age is an enabler of transformation	2
	<b>7.7%</b>
People at normal retirement age are not contributing to the business commensurate with their cost to the company (i.e. their salary package at that point)	1
	<b>3.8%</b>
To retain skillset/ knowledge	13
	<b>50.0%</b>
There has not been sufficient demand from employees	2
	<b>7.7%</b>
Increases in group risk and disability will be cost prohibitive	1
	<b>3.8%</b>
There is no need to increase the retirement date because most members opt for early retirement	1
	<b>3.8%</b>
There are very few opportunities for individuals who opt to work beyond normal retirement age	4
	<b>15.4%</b>
It is already done	1
	<b>3.8%</b>
Increased retirement age to attract skilled workers which are scarce	1
	<b>3.8%</b>
To be seen as an employer of choice	1
	<b>3.8%</b>
Our employees demanded it	1
	<b>3.8%</b>
Media hype about retirement age	1
	<b>3.8%</b>
Legacy retirement fund rules	1
	<b>3.8%</b>
60 is not old anymore so we increased retirement age to 65	1
	<b>3.8%</b>
Improve NRR/build more retirement capital as people are living longer	5
	<b>19.2%</b>
Table Size	44
	<b>169.2%</b>

### Q1.6B What were the factors that influenced this decision?

	2019
<b>Base: All who have NOT considered an increase in normal retirement age</b>	<b>74</b>
Only for select employees with specialist knowledge	11 14.9%
Not aware of any impact on longevity	6 8.1%
Lower retirement age is an enabler of transformation	10 13.5%
People at normal retirement age are not contributing to the business commensurate with their cost to the company (i.e. their salary package at that point)	2 2.7%
To retain skillset/ knowledge	5 6.8%
There has not been sufficient demand from employees	25 33.8%
The nature of our industry increases the risk for individuals who work beyond the normal retirement age	5 6.8%
There is no need to increase the retirement date because most members opt for early retirement	11 14.9%
There are very few opportunities for individuals who opt to work beyond normal retirement age	14 18.9%
Not applicable due to low age of work force / staff churn	2 2.7%
65 is a good year to retire	2 2.7%
Intergration of different companies	1 1.4%
We had a debate and decided not to	1 1.4%
Our staff come back and consult on a part time basis	1 1.4%
The legal retirement age is 65 vs the industry	2 2.7%
Current labour environment and union pressure to retain status	1 1.4%
Legacy retirement fund rules	3 4.1%
There is no discretion to change retirement age	2 2.7%
Table Size	104 140.5%

### Q1.7 Has the employer ever considered providing benefits to members via an umbrella fund arrangement?



## Q1.8 What were the factors that influenced this decision?

	2019	2017
<b>Base: All who have considered an umbrella fund</b>	<b>42</b>	<b>38</b>
Competitive fees	31	20
	73.8%	52.6%
Efficient administration	15	13
	35.7%	34.2%
Good investment returns / Investment policies	6	13
	14.3%	34.2%
Reputation/track record/brand	9	21
	21.4%	55.3%
Existing relationship with the provider	4	9
	9.5%	23.7%
Good range/ selection of investment options	3	5
	7.1%	13.2%
Well established/longevity in the market	6	9
	14.3%	23.7%
Financial stability/size of company	6	12
	14.3%	31.6%
Expertise of the trustees	9	8
	21.4%	21.1%
Employer gets to retain some control over certain fund decisions	11	-
	26.2%	
BEE credentials	3	-
	7.1%	
Value for money	2	-
	4.8%	
Flexibility of benefits	0	1
	0.0%	2.6%
Control/employer input to decision making	0	3
	0.0%	7.9%
Other	3	4
	7.2%	10.5%
Table Size	108	100
	257.1%	100.0%

## Q1.9 What would prevent your fund from moving into an umbrella offering?

	2019	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>
Loss of control of decision-making	69	70
	69.0%	70.0%
Cost	21	23
	21.0%	23.0%
Risk of having all services with one provider	8	13
	8.0%	13.0%
Don't believe one provider can offer best solution across all required areas	21	22
	21.0%	22.0%
Umbrella fund is too restrictive/limiting	0	4
	0.0%	4.0%
Company is big enough to be independent/We are too big	2	6
	2.0%	6.0%
In-house expertise	2	1
	2.0%	1.0%
Need approval from members/trade union/government	1	2
	1.0%	2.0%
Happy with the current fund/happy with benefits/risk	5	3
	5.0%	3.0%
In the process of moving	6	2
	6.0%	2.0%
No transparency	2	-
	2.0%	
Loss of control of assets	4	-
	4.0%	
Loss of closeness to employees/tailor made fund	5	-
	5.0%	
Other	5	4
	5.0%	4.0%
Nothing	3	1
	3.0%	1.0%
Not sure	1	-
	1.0%	
Table Size	155	100
	155.0%	100.0%

# Section 2

# Costs, expenses or fees

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

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Statutory commission paid annually in advance	7	2	4
	7.0%	2.0%	4.0%
Statutory commission paid monthly	15	20	14
	15.0%	20.0%	14.0%
Fee as negotiated between the employer and the advisor	66	64	71
	66.0%	64.0%	71.0%
Part of the admin fee	3	2	1
	3.0%	2.0%	1.0%
% of salary	0	0	2
	0.0%	0.0%	2.0%
Retainer	0	2	0
	0.0%	2.0%	0.0%
Flat fee	1	1	0
	1.0%	1.0%	0.0%
Fee negotiated between the fund and the advisor	4	-	-
	4.0%	-	-
Other	0	1	1
	0.0%	1.0%	1.0%
Not sure	0	2	2
	0.0%	2.0%	2.0%
Not applicable - no fund consultant	4	6	5
	4.0%	6.0%	5.0%
<b>Summary</b>			
Any statutory commission	22	22	18
	22.0%	22.0%	18.0%
Table Size	100	100	107
	100.0%	100.0%	107.0%

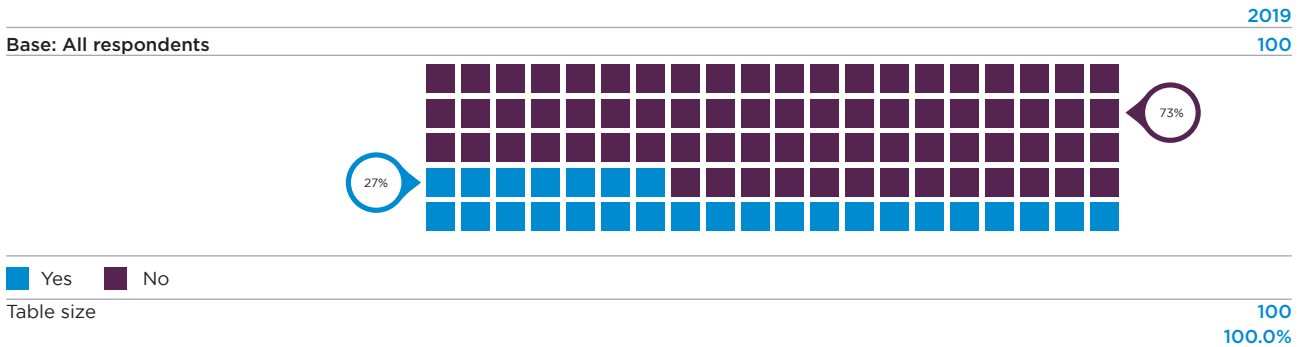
## Q2.2 How is the consulting fee expressed?

	2019	2017
<b>Base: All respondents</b>	<b>100</b>	100
Rand value per member per month	29.0%	33.0%
Percentage of salary	27.0%	32.0%
Percentage of contribution	6.0%	15.0%
Percentage of assets	4.0%	5.0%
Combination of the above	8.0%	10.0%
Fixed rate	9.0%	6.0%
Part of administration fee	1.0%	1.0%
Not sure	1.0%	4.0%
Not applicable	4.0%	5.0%
Table size	100	100
	100.0%	100.0%

### Q2.3 How is the fund's consultant or broker selected?

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
Company brand/ track record	59 59.0%	42 42.0%
Price/ cost of service	63 63.0%	11 11.0%
Independence of the broker	33 33.0%	15 15.0%
Range of advice offered which include EB, medical aid, short-term insurance, financial wellness	12 12.0%	13 13.0%
B-BBEE	15 15.0%	1 1.0%
Existing relationship	43 43.0%	0 0.0%
Infrastructure on a national basis	12 12.0%	0 0.0%
Size of the company to provide for continuity risk	18 18.0%	0 0.0%
Provided by the administrator	1 1.0%	0 0.0%
Not applicable - no fund consultant	4 4.0%	0 0.0%
None of the above	2 2.0%	18 18.0%
Table Size	262 262.0%	100 100.0%

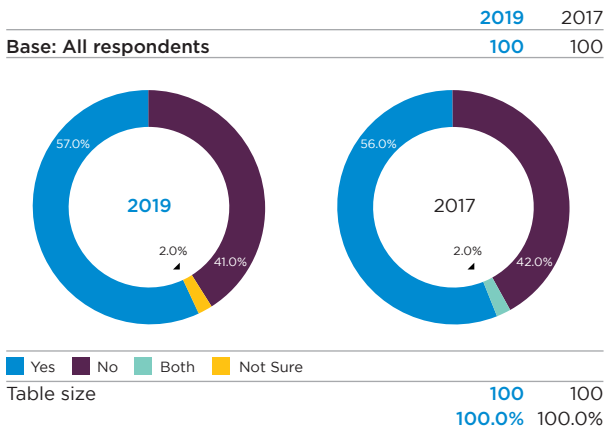
### Q2.4 Does the employer have different funds for different categories of member, i.e. separate funds for blue collar workers, management staff etc?



# 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)?

	2019	2017
Base: All respondents	100	100
Less than 70%	31	23
	31.0%	23.0%
70.1% to 80%	23	30
	23.0%	30.0%
80.1% to 90%	14	19
	14.0%	19.0%
90.1% to 100%	19	23
	19.0%	23.0%
Members can select their own PEAR percentage	1	0
	1.0%	0.0%
Depends on level/grade	0	1
	0.0%	1.0%
Basic salary	1	0
	1.0%	0.0%
Don't know/ Not sure	11	4
	11.0%	4.0%
Mean	76.05	78.25
Table Size	100	100
	100%	100.0%

# Section 4

## Contributions

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

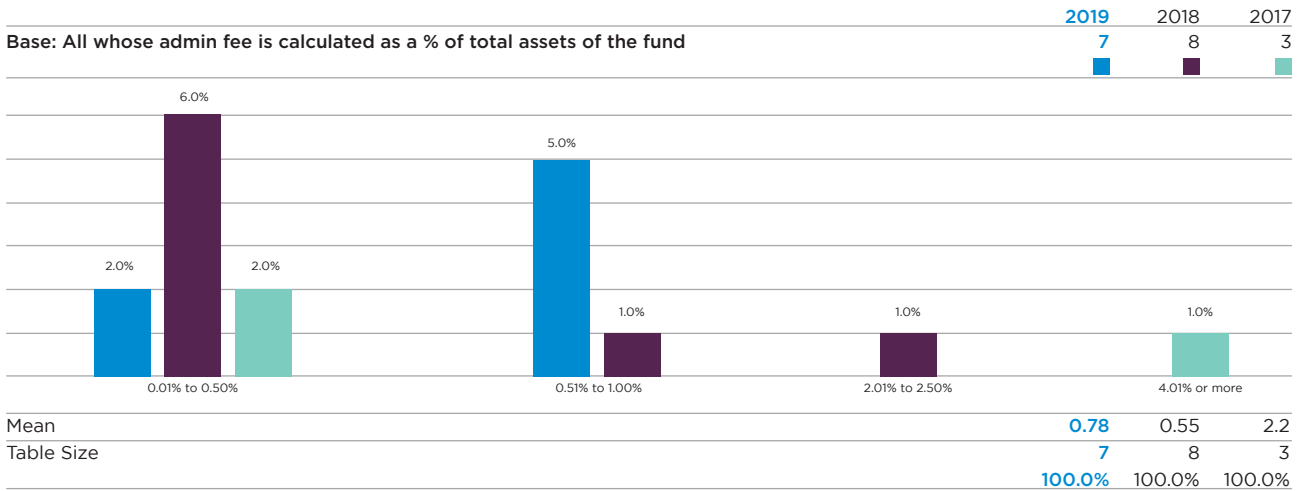
	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
As a % of the member's salary	50	52	61
	50.0	52.0	61.0%
As a % of the total asset value of the fund	7	8	3
	7.0	8.0	3.0%
As a fixed cost per member per month	38	36	34
	38.0	36.0	34.0%
As a % of the contribution	0	1	0
	0.0	1.0	0.0%
Combination of the above	4	0	0
	4.0	0.0	0.0%
Other	1	3	1
	1.0	3.0	1.0%
Don't know	0	0	1
	0.0	0.0	1.0
Table Size	100	100	100
	100.0	100.0	100.0

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

	2019	2018	2017
<b>Base: All whose admin fee is calculated as a % of member's salary</b>	<b>50</b>	<b>52</b>	<b>61</b>
0.01% to 0.50%	28.0	31.0	30.0
0.51% to 1.00%	15.0	18.0	19.0
1.01% to 1.50%	2.0	3.0	5.0
3.01% to 3.50%	1.0	1.0	
3.51% to 4.00%	2.0	1.0	
4.01% or more	1.0		
Other	2.0		
Not sure	1.0	1.0	
Confidential	1.0	1.0	
Mean	0.58	0.54	0.66
Table Size	50	52	61
	100.0	100.0	100.0



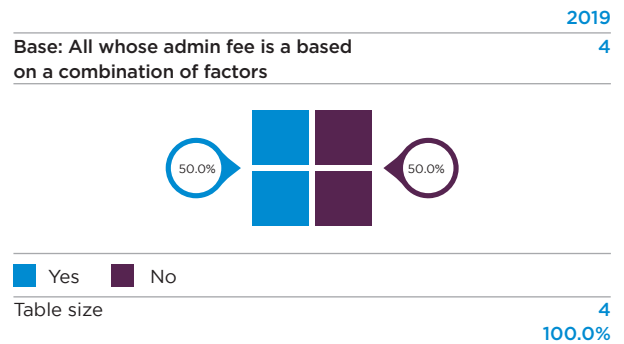
### Q4.2B What percentage of the asset value of the fund goes towards the pure administration costs (total fund management fees – excluding asset management fees/ consulting and risk cost)?



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

	2019	2018	2017
Base: All whose admin fee is calculated as a fixed cost per member per month	38	36	34
<R10	1 2.6%	0 0.0%	2 5.9%
R15 to R24	3 7.9%	2 5.6%	4 11.8%
R25 to R29	3 7.9%	4 11.1%	5 14.7%
R30 to R34	9 23.7%	4 11.1%	4 11.8%
R35 to R39	2 5.3%	5 13.9%	4 11.8%
R40 to R44	1 2.6%	3 8.3%	3 8.8%
R45 to R49	4 10.5%	1 2.8%	0 0.0%
R50 to R54	0 0.0%	1 2.8%	2 5.9%
R55 to R59	1 2.6%	2 5.6%	2 5.9%
R60 to R64	2 5.3%	1 2.8%	0 0.0%
R65 to R69	2 5.3%	2 5.6%	0 0.0%
R70 to R74	1 2.6%	1 2.8%	0 0.0%
R75 to R79	0 0.0%	1 2.8%	0 0.0%
R80 or more	5 13.2%	5 13.9%	7 20.6%
Not sure	4 10.5%	4 11.1%	1 2.9%
Mean	51.8	53.72	53.71
Table Size	38	36	34
	100.0%	100.0%	100.0%

### Q4.2D Are you able to quantify the combined cost of the fund's pure administration cost?

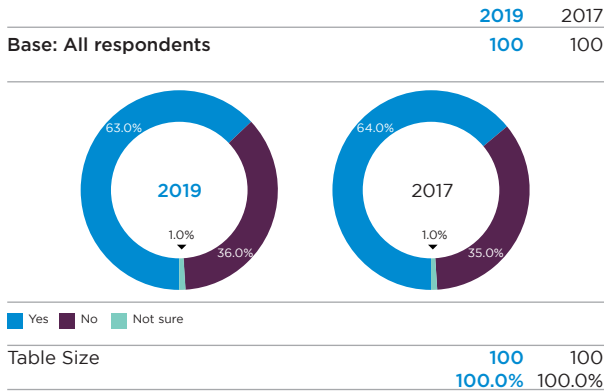


### Q4.2E Can you briefly explain how this is calculated?

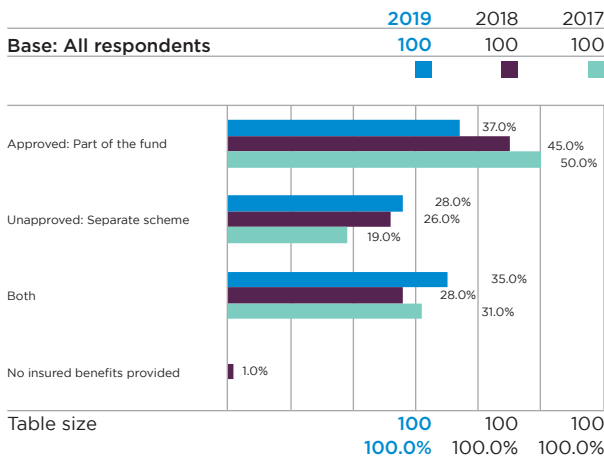
	2019
Base: All who can quantify the cost of the admin fee	2
% of members pensionable salary plus fixed cost per member / per month including indirect admin fees i.e. consulting , actuarial etc.	1
Admin is fixed annually, divided by number of employees and risk benefits are based on a	1
Table size	2
	100.0%

### Q4.3 Applicable to umbrella funds only.

**Q4.4 Does your fund operate a contingency reserve account/fund reserve/fund levy to manage costs, where all the other fund management costs (other than pure administration and consulting fees) are budgeted for?**



**Q4.5 Are risk benefits provided as part of the fund (approved) or are they provided through a separate scheme (unapproved)?**



**Q4.6 What percentage of salaries is applied to the total cost of death benefits/life cover under the fund and under a separate scheme?**

**Q4.6A Under the Fund**

	2019	2018	2017
Base: All respondents	100	100	100
0%	0	1	0
0.01% to 0.50%	6.0%	9.0%	8.0%
0.51% to 1.00%	21.0%	20.0%	27.0%
1.01% to 1.50%	14.0%	21.0%	17.0%
1.51% to 2.00%	8.0%	10.0%	10.0%
2.01% to 2.50%	8.0%	3.0%	8.0%
2.51% to 3.00%	4.0%	4.0%	3.0%
3.01% to 3.50%	1.0%	3.0%	2.0%
3.51% to 4.00%	0.0%	5.0%	1.0%
4.01% or more	3.0%	1.0%	0.0%
No benefit	29.0%	19.0%	18.0%
Other	0.0%	1.0%	0.0%
Confidential	0.0%	0.0%	1.0%
Not sure	6.0%	3.0%	5.0%
Mean	1.44	1.45	1.28
Table Size	100 (100.0%)	100 (100.0%)	100 (100.0%)

## Q4.6B Under a separate scheme

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	0	2	2
	0.0%	2.0%	2.0%
0.01% to 0.50%	9	6	6
	9.0%	6.0%	6.0%
0.51% to 1.00%	8	5	5
	8.0%	5.0%	5.0%
1.01% to 1.50%	14	7	9
	14.0%	7.0%	9.0%
1.51% to 2.00%	6	3	3
	6.0%	3.0%	3.0%
2.01% to 2.50%	4	2	4
	4.0%	2.0%	4.0%
2.51% to 3.00%	0	2	0
	0.0%	2.0%	0.0%
3.01% to 3.50%	1	2	0
	1.0%	2.0%	0.0%
3.51% to 4.00%	1	0	1
	1.0%	0.0%	1.0%
4.01% or more	0	0	1
	0.0%	0.0%	1.0%
Other	1	0	1
	1.0%	0.0%	1.0%
No benefit	49	69	65
	49.0%	69.0%	65.0%
Not sure	7	2	3
	7.0%	2.0%	3.0%
Mean	1.22	1.23	1.25
Table Size	100	100	100
	100.0%	100.0%	100.0%

## Q4.7 What percentage of salaries is applied to the total cost of disability income benefits (PHI)

	2019
<b>Base: All who provide risk benefits</b>	<b>100</b>
0%	2
	2.0%
0,01% to 0,50%	14
	14.0%
0,51% to 1,00%	37
	37.0%
1,01% to 1,50%	17
	17.0%
1,51% to 2,00%	15
	15.0%
2,01% to 2,50%	3
	3.0%
2,51% to 3,00%	1
	1.0%
3,51% to 4,00%	2
	2.0%
Once off payment - not paid every month	1
	1.0%
No benefit	2
	2.0%
Not sure	6
	6.0%
Mean	1
Table Size	100
	100.0%

#### Q4.8 What on average are the employer's total contributions (excluding any contributions made to an unapproved insurance benefit), expressed as a percentage of total average annual salary?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	4	8	4
	4.0%	8.0%	4.0%
0.1% to 5%	4	5	6
	4.0%	5.0%	6.0%
5.1% to 7.5%	25	18	18
	25.0%	18.0%	18.0%
7.6% to 10%	26	24	24
	26.0%	24.0%	24.0%
10.1% to 11%	8	8	5
	8.0%	8.0%	5.0%
11.1% to 12.5%	9	6	14
	9.0%	6.0%	14.0%
12.6% to 15%	8	6	8
	8.0%	6.0%	8.0%
15.1% or more	14	20	19
	14.0%	20.0%	19.0%
Varies	0	3	1
	0.0%	3.0%	1.0%
Not sure/ don't know	2	2	1
	2.0%	2.0%	1.0%
Mean	10.02	9.91	10.7
Table Size	100	100	100
	100.0%	100.0%	100.0%

#### Q4.9 Which of the following does the employer pay?

	2019	2017
<b>Base: All respondents</b>	<b>100</b>	100
Fixed contribution only (i.e. total cost to company - no additional costs)	52	58
	52.0%	58.0%
Fixed contribution plus the cost of administration	5	3
	5.0%	3.0%
Fixed contribution plus the cost of risk benefits	5	2
	5.0%	2.0%
Fixed contribution plus the cost of administration and the cost of risk benefits	35	37
	35.0%	37.0%
None	2	0
	2.0%	0.0%
Not sure	1	0
	1.0%	0.0%
Table Size	100	100
	100.0%	100.0%

### Q4.10 What contribution (as a percentage of salary, and excluding any additional voluntary contributions) is made by members on average?

	2019	2019	2019
<b>Base: All who provide risk benefits</b>	<b>100</b>	100	100
0%	15 15.0%	14 14.0%	11 11.0%
0.1% to 5%	7 7.0%	8 8.0%	4 4.0%
5.1% to 6%	8 8.0%	7 7.0%	6 6.0%
6.1% to 7.4%	10 10.0%	12 12.0%	15 15.0%
7.50%	44 44.0%	29 29.0%	45 45.0%
7.6% to 8%	5 5.0%	2 2.0%	3 3.0%
8.1% or more	11 11.0%	10 10.0%	14 14.0%
Other	0 0.0%	0 0.0%	2 2.0%
Varies	0 0.0%	13 13.0%	-
Not sure/ don't know	0 0.0%	5 5.0%	0 0.0%
Mean	6.63	5.68	7.84
Table Size	100 100.0%	100 100.0%	100 100.0%

# Section 5

## Risk benefits

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

	2019	2018	2017
<b>Base: All who provide approved risk benefits</b>	<b>72</b>	73	81
1 x Annual salary	0 0.0%	1 1.4%	1 1.2%
2 x Annual salary	6 8.3%	10 13.7%	12 14.8%
2.5 x Annual salary	3 4.2%	0 0.0%	1 1.2%
3 x Annual salary	20 27.8%	18 24.7%	19 23.5%
3.5 x Annual salary	0 0.0%	2 2.7%	1 1.2%
4 x Annual salary	15 20.8%	18 24.7%	21 25.9%
5 x Annual salary	5 6.9%	3 4.1%	5 6.2%
More than 5 x Annual salary	3 4.2%	0 0.0%	1 1.2%
Other multiple of salary	0 0.0%	1 1.3%	0 0.00%
Depending on years of service	1 1.4%	4 5.5%	2 2.5%
Scaled per age band	15 20.8%	10 13.7%	9 11.1%
Fixed amount	1 1.4%	0 0.0%	0 0.0%
Members have flexible benefits, so it varies from member to member	1 1.4%	6 8.2%	8 9.9%
No lump sum	0 0.0%	0 0.0%	1 1.2%
Not sure	2 2.8%	0 0.0%	0 0.0%
Mean	3.51	3.25	3.33
Table size	72 100.0%	73 100.0%	81 100.0%

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

	2019	2018	2017
<b>Base: All who provide approved risk benefits</b>	<b>63</b>	54	50
1 x Annual salary	2	1	1
	3.2%	1.9%	2.0%
1.5 x Annual salary	1	0	0
	1.6%	0.0%	0.0%
2 x Annual salary	4	1	1
	6.3%	1.9%	2.0%
2.5 x Annual salary	1	1	0
	1.6%	1.9%	0.0%
3 x Annual salary	10	7	12
	15.9%	13.0%	24.0%
3.5 x Annual salary	0	1	0
	0.0%	1.9%	0.0%
4 x Annual salary	10	6	7
	15.9%	11.1%	14.0%
5 x Annual salary	0	3	1
	0.0%	5.6%	2.0%
More than 5 x Annual salary	1	1	1
	1.6%	1.9%	2.0%
Scaled per age band	2	3	3
	3.2%	5.6%	6.0%
Fixed amount	2	0	2
	3.2%	0.0%	4.0%
Members have flexible benefits, so it varies from member to member	10	6	7
	15.9%	11.1%	14.0%
No lump sum	19	23	14
	30.2%	42.6%	28.0%
Not sure	1	1	1
	1.6%	1.9%	2.0%
Mean	3.1	3.57	3.39
Table size	63	54	50
	100.0%	100.0%	100.0%

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

	2019
<b>Base: All who provide approved risk benefits</b>	<b>100</b>
1 x Annual salary	5
	5.0%
1.5 x Annual salary	2
	2.0%
2 x Annual salary	3
	3.0%
3 x Annual salary	7
	7.0%
4 x Annual salary	3
	3.0%
5 x Annual salary	1
	1.0%
More than 5 x Annual salary	1
	1.0%
Scaled per age band	2
	2.0%
Fixed amount	7
	7.0%
Members have flexible benefits, so it varies from member to member	3
	3.0%
Other	1
	1.0%
No lump sum	65
	65.0%
Mean	2.64
Table size	100
	100.0%

### Q5.1D What is the size (replacement ratio) of the income benefit payable on disability?

	2019
<b>Base: All respondents</b>	<b>100</b>
60% - 64% of annual salary	2
	2.0%
65% - 69% of annual salary	3
	3.0%
70% - 74% of annual salary	3
	3.0%
75% - 79% of annual salary	71
	71.0%
80% - 84% of annual salary	5
	5.0%
85% - 89% of annual salary	2
	2.0%
100% or more of annual salary	2
	2.0%
Other	3
	3.0%
Not sure	2
	2.0%
No benefit	7
	7.0%
Mean	77.18
Table size	100
	100.0%

### Q5.1E What is the size of the critical illness (dread disease) benefit payable in the event of a severe illness?

	2019
<b>Base: All respondents</b>	<b>100</b>
R75,000	1
	1.0%
R150,000	2
	2.0%
R350,000	1
	1.0%
R500,000	1
	1.0%
Do not provide critical illness cover	95
	95.0%
Mean	245,000
Table size	100
	100.0%

### Q5.2 Applicable to umbrella funds only.

### Q5.3 Have you ever considered reducing the disability income benefits due to the changes in tax legislation on 1 March 2015 resulting in disability income benefits no longer being taxed?

	2019
<b>Base: All who provide risk benefits</b>	<b>100</b>
Yes	24
	24.0%
No	73
	73.0%
Not sure	1
	1.0%
N/A - don't pay monthly disability income	2
	2.0%
Table size	100
	100.0%

### Q5.4 Should age be a factor in determining the replacement ratio of a disability income benefit claimant e.g. should younger claimants get a higher benefit relative to older claimants?

	2019
<b>Base: All who provide risk benefits</b>	<b>100</b>
Yes	11
	11.0%
No	84
	84.0%
Not sure	3
	3.0%
N/A - don't pay monthly disability income	2
	2.0%
Table size	100
	100.0%

### Q5.5 Should the replacement ratio take into account the % of functional impairment that the claimant experiences, e.g. should a paraplegic or totally blind person get a higher benefit than someone who cannot work due to a lower back problem?

	2019
<b>Base: All who provide risk benefits</b>	<b>100</b>
Yes	20
	20.0%
No	71
	71.0%
Not sure	7
	7.0%
N/A - don't pay monthly disability income	2
	2.0%
Table size	100
	100.0%



**Q5.6 Do you support disability income benefits that are linked to the % of the job description that the employee cannot perform, e.g. should an employee who cannot perform 100% of his regular duties get a higher benefit than an employee who cannot perform 40% of his regular duties?**

	2019
Base: All who provide risk benefits	100
Yes	24
	24.0%
No	72
	72.0%
Not sure	2
	2.0%
N/A - don't pay monthly disability income	2
	2.0%
Table size	100
	100.0%

**Q5.7 Should employees that do not meet fitness for work criteria due to a diagnosis or medication, but who have no real impairment be compensated on a different benefit scale?**

	2019
Base: All who provide risk benefits	100

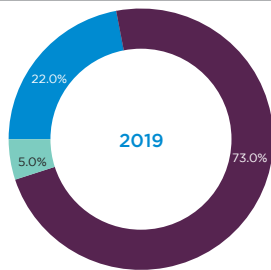


Table Size	100
	100.0%

**Q5.8 Should the level of pre-existing impairment/disability before joining the group scheme be considered in the replacement ratio of disability claim?**

	2019
Base: All who provide risk benefits	100

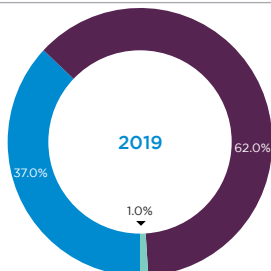


Table Size	100
	100.0%

**Q5.9 Should the replacement ratio be increased gradually over 5 years when an employee newly joins a group scheme?**

	2019
Base: All who provide risk benefits	100

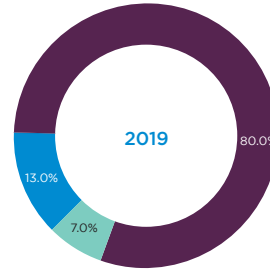


Table Size	100
	100.0%

**Q5.10 Should lifestyle factors and compliance with medical treatment be taken into consideration when determining the replacement ratio of the claimant, e.g. should an employee with a poor lifestyle (obese, smoker, inactive) or who does not comply with medication get a lower benefit than an employee who is fully compliant?**

	2019
Base: All who provide risk benefits	100

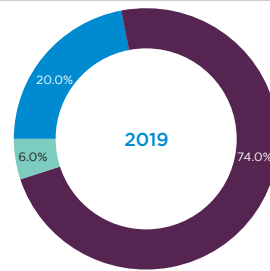
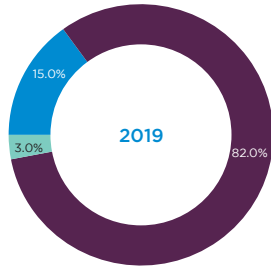


Table Size	100
	100.0%

**Q5.11 Should employees disabled for their work due to a terminal illness or poor prognosis get a higher replacement ratio than others with a condition that has a good prognosis or is not life-threatening?**

2019

Base: All who provide risk benefits 100



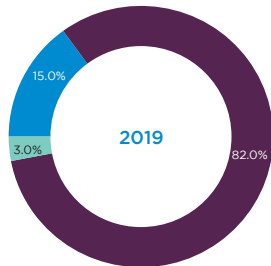
■ Yes ■ No ■ Not sure

Table Size 100 100.0%

**Q5.12 Should workplace related diseases and injuries get a higher level of compensation than diseases and injuries that are not related to the workplace?**

2019

Base: All who provide risk benefits 100



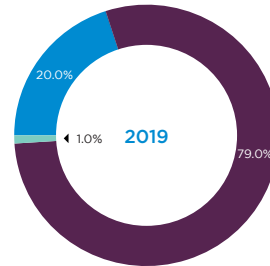
■ Yes ■ No ■ Not sure

Table Size 100 100.0%

**Q5.13 When employers take on new staff with disabilities, the employees are insured via the group scheme without exclusion of the disabilities. Do you believe that cover of newly appointed employees with disabilities should be restricted?**

2019

Base: All who provide risk benefits 100



■ Yes ■ No ■ Not sure

Table Size 100 100.0%

**Q5.14 Do you offer employees any of the following rewards?**

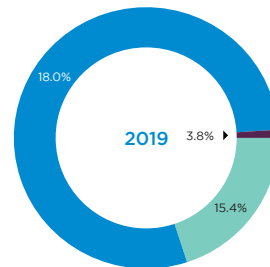
2019

Base: All who provide risk benefits	2019
Multiply by Momentum	7
Reality by Sanlam	0
Vitality by Discovery	20
Old Mutual Rewards	1
Do not offer any rewards programme	75
Table size	103
	103.0%

**Q5.15 Do you believe that the rewards programme adds value in the lives of members?**

2019

Base: All who offer a rewards programme 25



■ Yes ■ No ■ Not sure

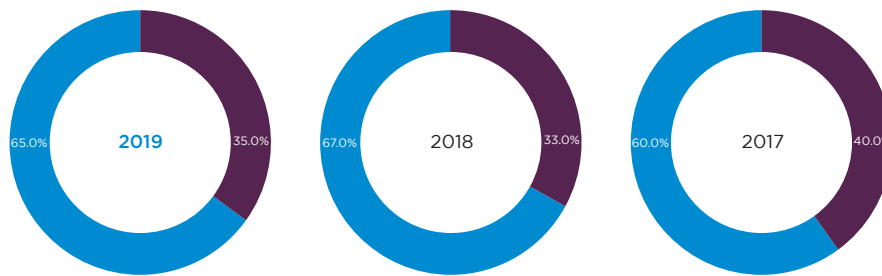
Table Size 100 100.0%

# Section 6

# Retirement

## Q6.1A Does your fund have a stated target pension (usually expressed as Net Replacement Ratio (NRR)) that the trustees actively work towards?

	2019	2018	2017
Base: All respondents	100	100	100



■ Yes ■ No

Table size	100	100	100
	100.0%	100.0%	100.0%

## Q6.1B Do you have a default contribution rate (Employer and Employee) that is aligned with the stated target pension?

	2019	2018	2017
Base: All who have a stated target pension	65	67	60

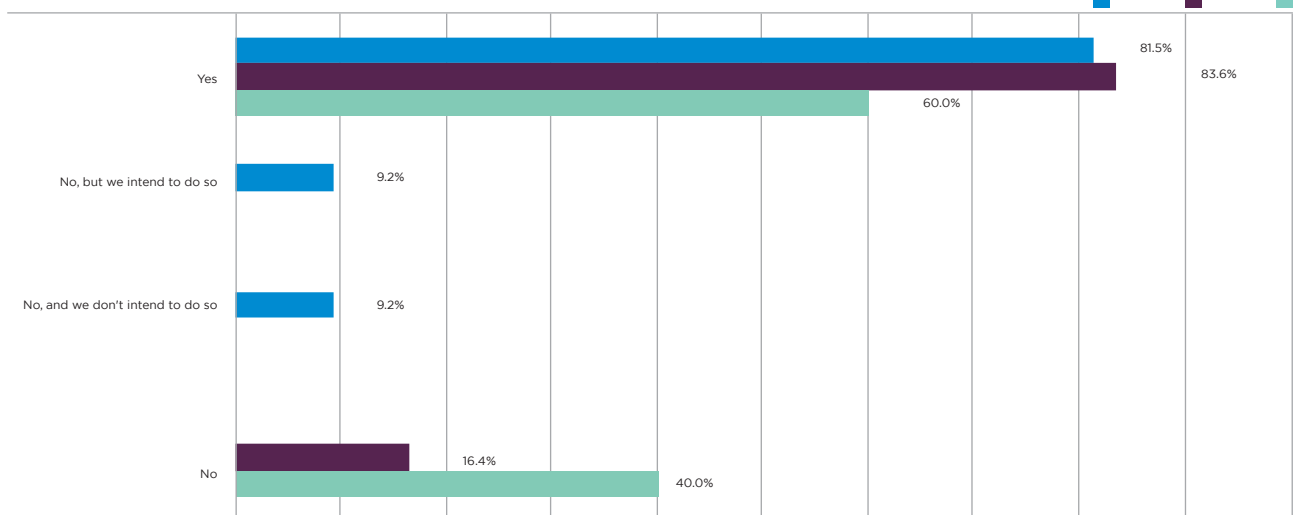


Table size	65	67	60
	100.0%	100.0%	100.0%

### Q6.1C What income replacement ratio does the fund target?

	2019	2018	2017
<b>Base: All who have a stated target pension</b>	<b>65</b>	67	60
Less than 25%	3 4.6%	2 3.0%	3 5.0%
25% - 49%	0 0.0%	0 0.0%	2 3.3%
50% - 59%	1 1.5%	0 0.0%	0 0.0%
60% - 69%	7 10.8%	7 10.4%	10 16.7%
70% - 75%	49 75.4%	50 74.6%	37 61.7%
76% or more	4 6.2%	3 4.5%	6 10.0%
Fund does not use a replacement ratio to target	1 1.5%	4 6.0%	0 0.0%
Don't know	0 0.0%	1 1.5%	2 3.3%
Mean	71.06	65.51	67.96
Table Size	65 100.0%	67 100.0%	60 100.0%

### Q6.2 Do you believe that NRR is a suitable measure for determining whether a member is on track for retirement?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Yes, completely suitable	38 38.0%	66 66.0%	59 59.0%
Yes, it is ok for now but we need a better solution	33 33.0%	-	-
Yes, but based on TCTC	0 0.0%	0 0.0%	1 1.0%
No, members do not understand the measure	9 9.0%	12 12.0%	10 10.0%
No, there are too many variables and assumptions used	17 17.0%	13 13.0%	21 21.0%
No, the trustees do not feel comfortable with the measure	1 1.0%	2 2.0%	3 3.0%
Other	2 2.0%	5 5.0%	6 6.0%
Not sure	0 0.0%	2 2.0%	0 0.0%
<b>Summary</b>			
Any yes	71 71.0%	66 66.0%	60 60.0%
Any no	27 27.0%	27 27.0%	40 40.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

**Q6.3 What percentage of your retirees would you estimate are able to retain their current standard of living in retirement (i.e. continue living in the same area and following similar leisure pursuits to those they engaged in pre-retirement, such as holidays, eating out etc.)?**

	2019	2018	2017
Base: All respondents	100	100	100
0%	2 2.0%	1 1.0%	1 1.0%
1%	5 5.0%	2 2.0%	3 3.0%
2%	5 5.0%	9 9.0%	4 4.0%
3%	0 0.0%	2 2.0%	1 1.0%
4%	1 1.0%	1 1.0%	2 2.0%
5%	9 9.0%	15 15.0%	9 9.0%
6%-10%	27 27.0%	14 14.0%	21 21.0%
11%-20%	15 15.0%	10 10.0%	13 13.0%
21%-30%	4 4.0%	9 9.0%	6 6.0%
31%-40%	4 4.0%	4 4.0%	3 3.0%
41%-50%	8 8.0%	2 2.0%	9 9.0%
51%-60%	10 10.0%	7 7.0%	5 5.0%
61%-70%	1 1.0%	3 3.0%	1 1.0%
71%-80%	2 2.0%	2 2.0%	3 3.0%
81%-90%	0 0.0%	1 1.0%	0 0.0%
91%-100%	1 1.0%	1 1.0%	1 1.0%
Don't know	6 6.0%	17 17.0%	18 18.0%
Mean	23.12	18.92	23.84
Table Size	100 100.0%	100 100.0%	100 100.0%

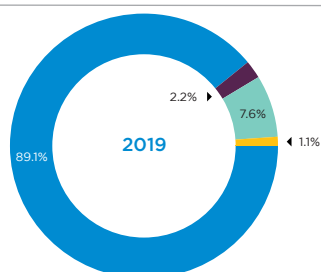
### Q6.4 Has your Fund implemented an appropriate Trustee-endorsed annuity strategy for your members?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Yes, we have already determined an appropriate Trustee-endorsed annuity product	77 77.0%	32 32.0%	22 22.0%
We are working on this and it will be done within the next 12 months	15 15.0%	34 34.0%	8 8.0%
We are working on this and it will be done within the next 24 months	-	15 15.0%	18 18.0%
No, we have not discussed/ considered this at all	7 7.0%	11 11.0%	10 10.0%
No, we are a Provident Fund and do not believe that this should be applicable to us	0 0.0%	4 4.0%	11 11.0%
No, we have discussed and considered and decided against it	-	-	1 1.0%
No, we are waiting for the Default Regulations to be finalised before we start	-	-	29 29.0%
Other	0 0.0%	2 2.0%	-
Not sure	1 1.0%	2 2.0%	0 0.0%
Not applicable	0 0.0%	0 0.0%	1 1.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q6.5 Is/(Will) the Fund's Trustee-endorsed annuity strategy (be) the same for all active members at retirement?

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 92



Legend: Yes (Blue), Maybe (Purple), No (Green), Not sure (Yellow)

Table Size 92  
100.0%

### Q6.6 If you wanted to distinguish this Trustee-endorsed annuity strategy for different categories of members what do you think would be an appropriate way to do so?

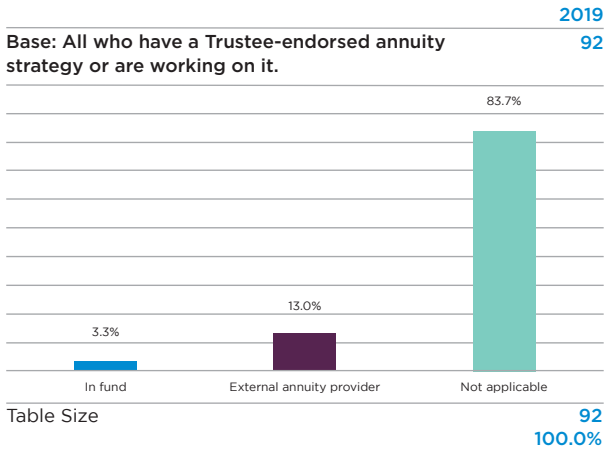
2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 92

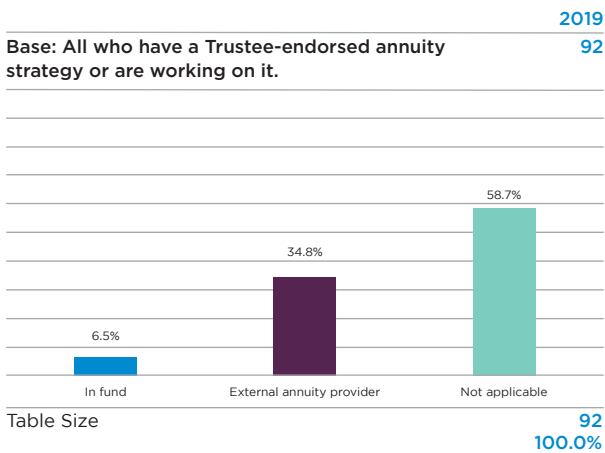
Demographic profiling (age, income group)	28 30.4%
Employee type (professional, blue collar, specialist)	25 27.2%
Size of the member share	53 57.6%
Contribution levels	9 9.8%
Don't want to distinguish between members	3 3.3%
Combination of all factors above	3 3.3%
Other	2 2.2%
Don't know	2 2.2%
None	5 5.4%
Table Size	130 141.3%

**Q6.7 What does (will) the Fund's Trustee-endorsed annuity strategy comprise of and how is (will) it (be) structured?**

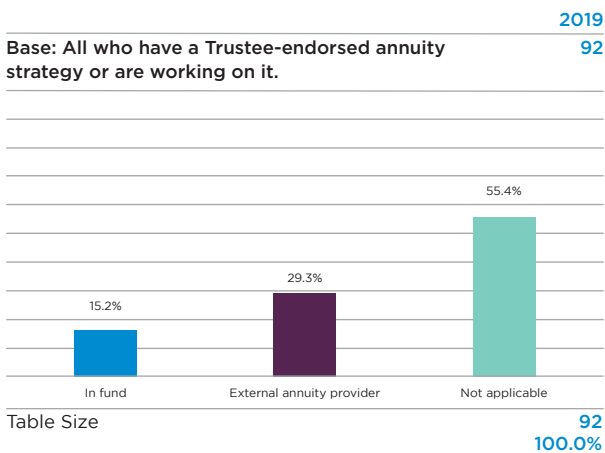
**Q6.7A Guaranteed annuity (level or increasing at a fixed percentage)**



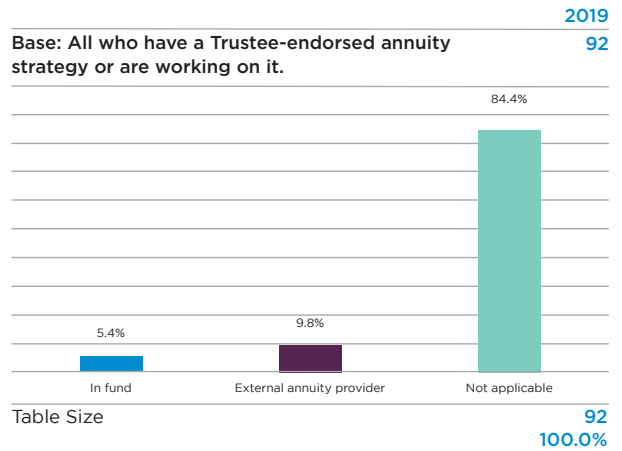
**Q6.7B With profit annuity**



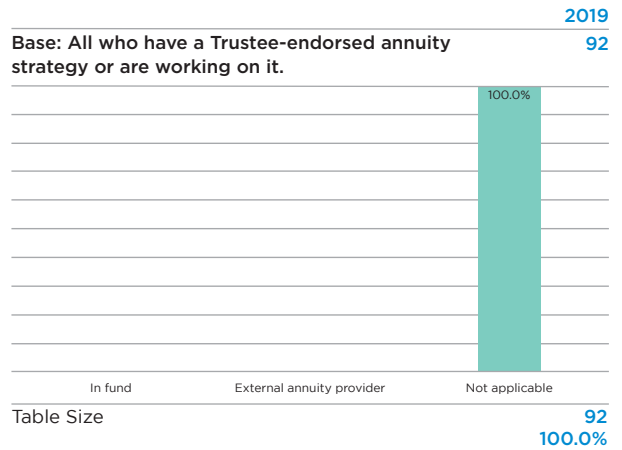
**Q6.7C Living annuity**



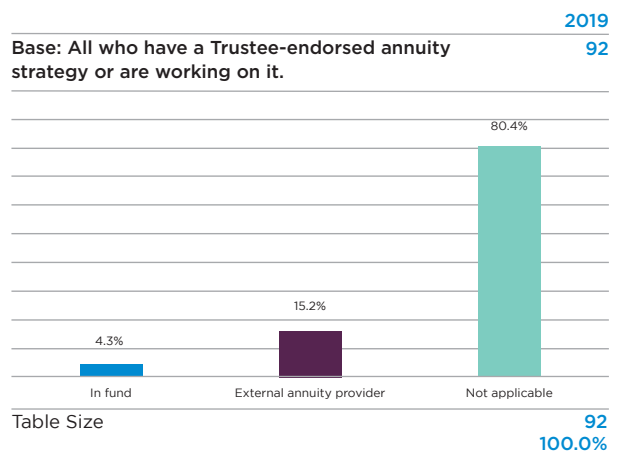
**Q6.7D Inflation linked annuity**



**Q6.7E Index linked annuity (increases are referenced to a published index, e.g. SWIX, ALSI, GOVI)**



**Q6.7F Combination of different annuities**



### Q6.7G A living annuity converting to a guaranteed annuity at predetermined ages

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 92

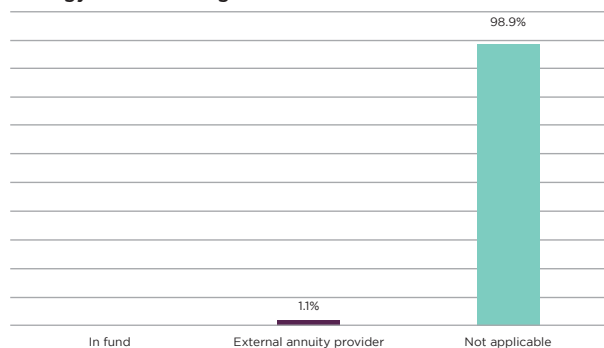


Table Size 92  
100.0%

### Q6.8 As a trustee what do you believe is the most important feature of a Trustee-endorsed annuity strategy?

	2019	2018	2017
Base 2019: All who have a Trustee-endorsed annuity strategy or are working on it.	92		
Base Pre 2019: All Respondents		100	100
Longevity protection (income for life)	39 42.4%	30 30.0%	32 32.0%
Ease of understanding	8 8.7%	9 9.0%	-
Allowing for pensioners to maintain their pre-retirement lifestyle as long as possible (even if not for the full duration of retirement)	9 9.8%	25 25.0%	13 13.0%
Ability to access the lump sum after the retiree's death (remaining assets are transferred to the deceased's estate)	4 4.3%	2 2.0%	1 1.0%
Annuity income which keeps pace with inflation	22 23.9%	30 30.0%	46 46.0%
Flexibility to vary the income levels year-on-year (flexible drawdown rate)	0 0.0%	2 2.0%	4 4.0%
Transparency of the increase calculation	1 1.1%	0 0.0%	0 0.0%
Cost effective	9 9.8%	-	-
Unsure	0 0.0%	2 2.0%	4 4.0%
Table Size	92 100.0%	100 100.0%	100 100.0%



**Q6.9A Which trustee-endorsed annuity product have you selected?**

	2019	2018	2017
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>77</b>	32	32
Guaranteed annuity (level or increasing at a fixed percentage)	7	3	3
	9.1%	9.4%	13.6%
With profit annuity	25	6	7
	32.5%	18.8%	31.8%
Living annuity	20	8	6
	26.0%	25.0%	27.3%
Inflation linked annuity	6	3	4
	7.8%	9.4%	18.2%
Index linked annuity (increases are referenced to a published index, e.g. SWIX, ALSI, GOVI)	0	1	0
	0.0%	3.1%	0.0%
Combination of different annuities	18	9	0
	23.4%	28.1%	0.0%
A living annuity converting to a guaranteed annuity at predetermined ages	1	0	0
	1.3%	0.0%	0.0%
Other	0	0	1
	0.0%	0.0%	4.6%
Unsure	0	2	1
	0.0%	6.3%	4.6%
Table Size	77	32	22
	100.0%	100.0%	100.0%

**Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?****First mention**

	2019	2018	2017
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>77</b>	32	32
Cost of the product	37	13	6
	48.1%	40.6%	27.3%
Security of the product	22	6	10
	28.6%	18.8%	45.5%
Advice from the EB consultant	1	0	-
	1.3%	0.0%	-
Investment fees (living annuity)	5	3	1
	6.5%	9.4%	4.6%
Good administration	3	2	0
	3.9%	6.3%	0.0%
Current relationship with the insurer	1	0	0
	1.3%	0.0%	0.0%
Simplistic product	5	1	0
	6.5%	3.1%	0.0%
Smooth transition from pre to post retirement	1	4	3
	1.3%	12.5%	13.6%
BEE credentials	0	-	-
	0.0%	-	-
Not applicable - Provided in fund	1	2	-
	1.3%	6.3%	-
Other	1	1	2
	1.3%	3.1%	9.1%
Table size	77	32	22
	100.0%	100.0%	100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Second mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>77</b>
Cost of the product	20 26.0%
Security of the product	15 19.5%
Advice from the EB consultant	1 1.3%
Investment fees (living annuity)	11 14.3%
Good administration	8 10.4%
Current relationship with the insurer	4 5.2%
Simplistic product	7 9.1%
Smooth transition from pre to post retirement	9 11.7%
BEE credentials	1 1.3%
Not applicable - Provided in fund	1 1.3%
Table Size	77 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Third mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>77</b>
Cost of the product	7 9.1%
Security of the product	9 11.7%
Advice from the EB consultant	2 2.6%
Investment fees (living annuity)	9 11.7%
Good administration	25 32.5%
Current relationship with the insurer	2 2.6%
Simplistic product	7 9.1%
Smooth transition from pre to post retirement	14 18.2%
BEE credentials	0 0.0%
Not applicable - Provided in fund	1 1.3%
No third mention	1 1.3%
Table Size	77 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Any mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>77</b>
Cost of the product	64 83.1%
Security of the product	46 59.7%
Advice from the EB consultant	4 5.2%
Investment fees (living annuity)	25 32.5%
Good administration	36 46.8%
Current relationship with the insurer	7 9.1%
Simplistic product	19 24.7%
Smooth transition from pre to post retirement	24 31.2%
BEE credentials	1 1.3%
Other	1 1.3%
Not applicable - Provided in fund	1 1.3%
Table Size	228 296.1%

# Section 7

## Investments

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

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Trustee Choice, i.e. there is no choice for members	34	26	44
	34.0%	26.0%	44.0%
Default investment portfolio, plus member choice	57	62	49
	57.0%	62.0%	49.0%
Member investment choice without a default	3	0	1
	3.0%	0.0%	1.0%
Combination of the above for different categories of members	6	12	6
	6.0%	12.0%	6.0%
Table Size	100	100	100
	100.0%	100.0%	100.0%

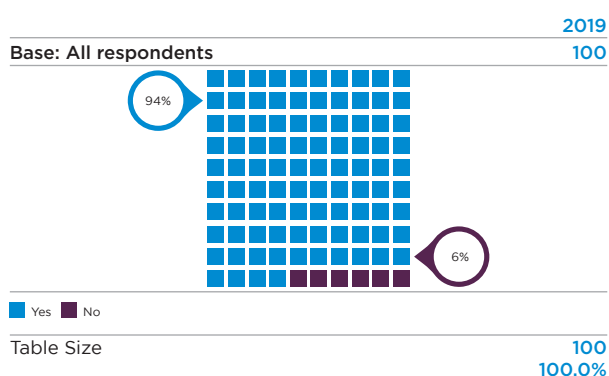
### Q7.2 Which of the following best describes the investment portfolio of the Trustees Choice/Default?

	2019	2018	2017
<b>Base: All who offer a Trustee Choice/Default</b>	<b>97</b>	100	99
Lifestage	64	59	58
	66.0%	59.0%	58.6%
Balanced active	22	23	27
	22.7%	23.0%	27.3%
Balanced passive	2	10	5
	2.1%	10.0%	5.1%
Guaranteed / Smoothed bonus	7	5	6
	7.2%	5.0%	6.1%
Cash / Money market	1	2	0
	1.0%	2.0%	0.0%
Combination of the above	1	0	3
	1.0%	0.0%	3.0%
Other	0	1	0
	0.0%	1.0%	0.0%
Table Size	97	100	99
	100.0%	100.0%	100.0%

### Q7.3 Please refer to Q8.9

### Q7.5 Who is responsible for consolidating investment reporting and performance as well as reconciling the investment amount?

### Q7.4 Does the fund make use of the services of a specialist investment/asset consultant?



	2019
<b>Base: All respondents</b>	<b>100</b>
Administrator	27
	27.0%
Multimanager	11
	11.0%
Specialist Investment / asset consultants	57
	57.0%
Combination of the above	4
	4.0%
Other	1
	1.0%
Table Size	100
	100.0%

## Q7.6 Which of the following best describes your expectations of the multi-manager and/ or specialist investment/ asset consultant?

	2019
<b>Base: All respondents</b>	<b>100</b>
The multi-manager is responsible for managing, reporting, implementing and reporting back on the investment strategy to the board of trustees	64 64.0%
The multi-manager should draft and distribute consolidated investment reports	36 36.0%
The multi-manager is responsible for managing the investment strategy	26 26.0%
The multi-manager is responsible for implementing the investment strategy	34 34.0%
The asset consultant is responsible for feedback to the trustees	64 64.0%
Other	3 3.0%
Table Size	227 227.0%

## Q7.7 Applicable to umbrella funds only.

### Q7.8 How many investment options does the fund offer to members?

	2019	2018	2017
<b>Base: All who offer MIC</b>	<b>66</b>	74	56
1	2 3.0%	0 0.0%	1 1.8%
2	4 6.1%	7 9.5%	4 7.1%
3	16 24.2%	14 18.9%	8 14.3%
4	18 27.3%	21 28.4%	13 23.2%
5	7 10.6%	13 17.6%	14 25.0%
6 or more	19 28.8%	19 25.7%	15 26.8%
Not sure	0 0.0%	0 0.0%	1 1.8%
Mean	4.76	4.66	4.87
Table Size	66 100.0%	74 100.0%	56 100.0%

### Q7.9 What gross investment returns do you expect to achieve in the next calendar year?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0.1 to 2.5 %	2 2.0%	0 0.0%	0 0.0%
2.6 to 5 %	21 21.0%	6 6.0%	14 14.0%
5.1 to 7.5 %	24 24.0%	7 7.0%	11 11.0%
7.6 to 10 %	38 38.0%	57 57.0%	52 52.0%
10.1 to 12.5 %	10 10.0%	24 24.0%	11 11.0%
12.6 to 15 %	4 4.0%	3 3.0%	8 8.0%
15.1 to 17.5%	1 1.0%	2 2.0%	2 2.0%
20.1 to 25%	0 0.0%	0 0.0%	1 1.0%
Don't know	0 0.0%	1 1.0%	1 1.0%
Mean	7.84	9.11	9.16
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q7.10 Against which benchmark do you assess an asset manager's performance?

	2019
<b>Base: All respondents</b>	<b>100</b>
Survey / peer group	26 26.0%
Indices / composite index	23 23.0%
CPI-related	38 38.0%
Our own fund benchmark	1 1.0%
Combination of benchmarks	9 9.0%
Other	3 3.0%
Table Size	100 100.0%

### Q7.11 Over what time period do you assess an asset manager's performance before deciding to fire / replace them?

	2019
<b>Base: All respondents</b>	<b>100</b>
1 year	12 12.0%
3 years	40 40.0%
5 years	26 26.0%
7 years	2 2.0%
More than 7 years	3 3.0%
We have not yet fired/replaced an asset manager	15 15.0%
Don't know	1 1.0%
Not applicable	1 1.0%
Mean	3.61
Table Size	100 100.0%

### Q7.12 Which of the following prompted your decision to fire your previous investment manager?

	2019
<b>Base: All respondents</b>	<b>100</b>
Performance	57 57.0%
Fees	16 16.0%
Change in personnel	11 11.0%
Inconsistency between philosophy and actions taken by the investment manager	15 15.0%
Change in business structure of the investment manager	13 13.0%
BEE rating	2 2.0%
Not applicable - we have only had one investment manager	31 31.0%
Other	2 2.0%
Table size	147 147.0%

### Q7.13 In times of volatile and negative return, how does the fund communicate this to members?

	2019
<b>Base: All respondents</b>	<b>100</b>
Updates on investment performance to members via email	38 38.0%
Updates on investment performance published on the intranet	32 32.0%
Regular member newsletter (monthly, quarterly)	68 68.0%
Member roadshows (quarterly, annually)	35 35.0%
Newsflash via member mobile app	4 4.0%
Annual feedback	5 5.0%
On request	2 2.0%
Other	8 8.0%
Table Size	192 192.0%

### Q7.14 How does the fund deal with switching within investment portfolios?

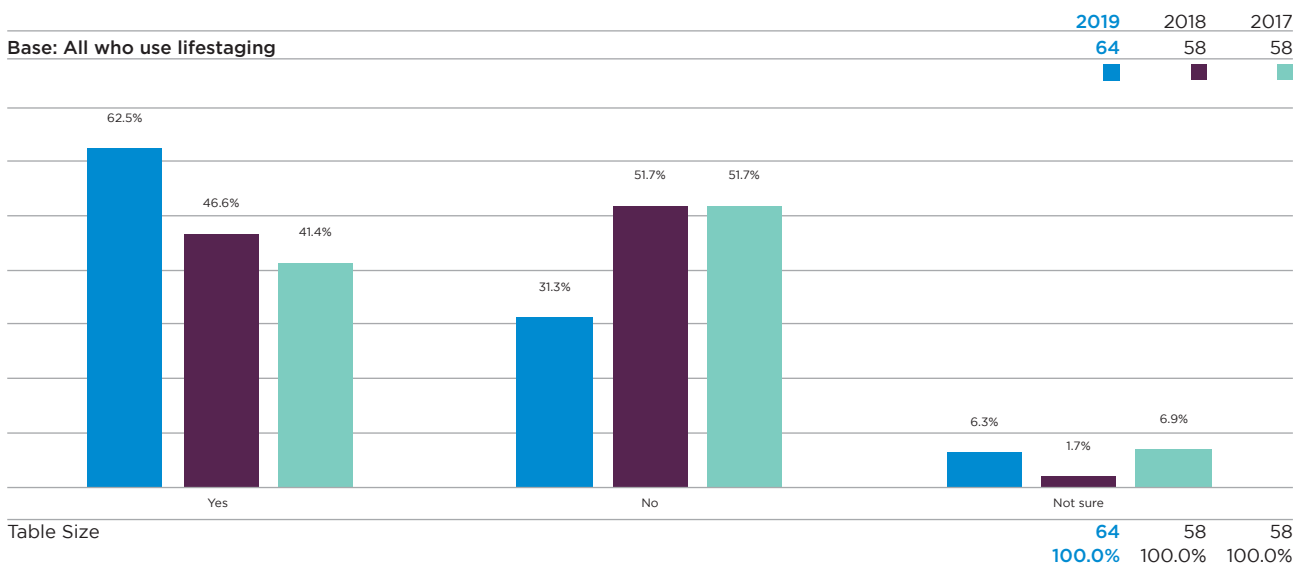
	2019
<b>Base: All respondents</b>	<b>100</b>
Free annual switches on member or fund anniversary	31 31.0%
Allow/enable monthly switches but only one switch per month is permitted	3 3.0%
Fund has member level investment choice and members can choose how often they want to switch	31 31.0%
Free quarterly switches	1 1.0%
No member choice is available	34 34.0%
Table Size	100 100.0%

# Lifestage Investment Strategies

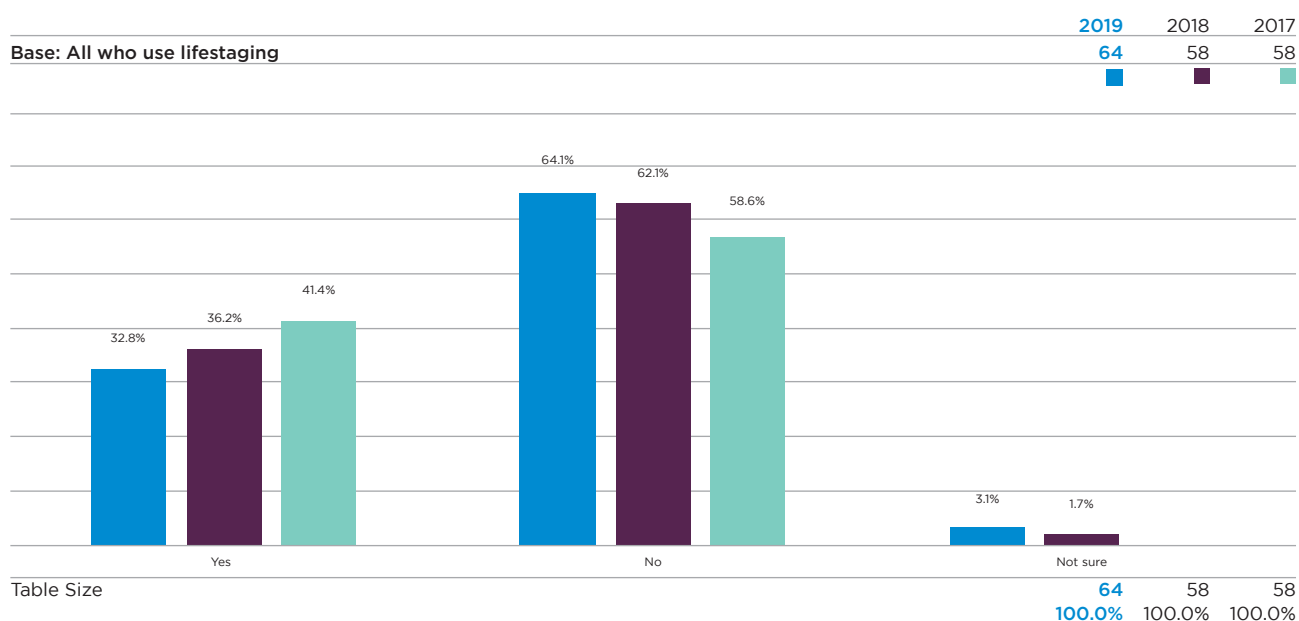
**Q7.15** In a life stage vehicle members are switched to a less volatile portfolio during the consolidation phase in the investment portfolios for the period just prior to normal retirement age. How many years prior to retirement do you does your fund start moving members to that phase, i.e. how long is the phase out period?

	2019	2018	2017
<b>Base: All who use lifestaging</b>	<b>64</b>	58	58
Less than 5 years	13 20.3%	3 5.2%	6 10.3%
5 years	25 39.1%	25 43.1%	25 43.1%
6-7 years	15 23.4%	22 37.9%	17 29.3%
8-10 years	11 17.2%	8 13.8%	9 15.5%
More than 10 years	0 0.0%	0 0.0%	1 1.7%
Mean	5.6	6.02	5.97
Table Size	64 100.0%	58 100.0%	58 100.0%

**Q7.16** Is your life stage investment strategy explicitly aligned to your annuity strategy?



### Q7.17 Is there more than one end stage portfolio intended to align with members' annuity selection?



### Q7.18 Which type of annuities/ pensions do the different final/ end stages allow for?

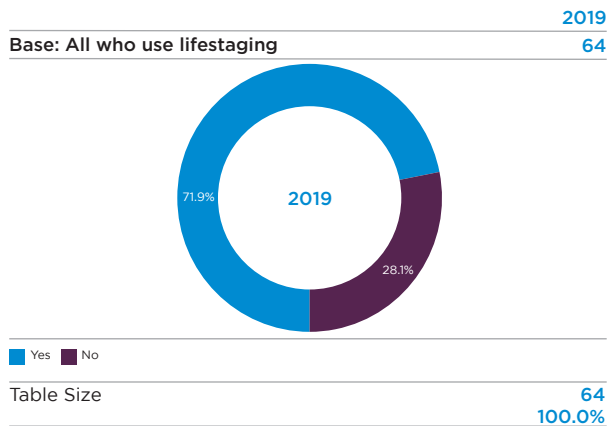
	2019	2018	2017
Base: All who use lifestaging	64	58	58
Guaranteed annuity (level or increasing at a fixed percentage)	16 25.0%	14 24.1%	17 29.3%
Inflation linked annuity (guaranteed to increase by a fixed percentage of inflation)	20 31.3%	13 22.4%	13 22.4%
Index linked annuity (guaranteed to increase by a measure linked to a published index, e.g. The Complete Picture Pension)	7 10.9%	7 12.1%	6 10.3%
With profit annuity, where pension increases are declared by an insurer	27 42.2%	11 19.0%	16 27.6%
Living annuity (ILLA), where a member can withdraw between 2.5% and 17.5% of his fund value per year	21 32.8%	18 31.0%	19 32.8%
A composite annuity (combination of a Living Annuity and another type of annuity offered by an insurer)	11 17.2%	6 10.3%	5 8.6%
Our end stages are not aligned with any annuity option at retirement	12 18.8%	18 31.0%	20 34.5%
Other	-	1 1.7%	-
Not sure	0 0.0%	3 5.2%	3 5.2%
Table Size	114	91	99
	178.1%	156.9%	170.7%



**Q7.19 Which of the following asset allocations best describes the portfolio in the final year before retirement in the lifestage option?**

	2019	2018	2017
<b>Base: All who use lifestaging</b>	<b>64</b>	58	58
Cash (100%)	29	24	23
	<b>45.3%</b>	41.4%	39.7%
Bonds (100%) (there is a capital guarantee)	12	6	5
	<b>18.8%</b>	10.3%	8.6%
Smooth bonus	8	7	6
	<b>12.5%</b>	12.1%	10.3%
Conservative equity (<40%)	31	27	27
	<b>48.4%</b>	46.6%	46.6%
Moderate equity (40%-65%)	5	6	6
	<b>7.8%</b>	10.3%	10.3%
Aggressive equity portfolio (66%+)	1	2	1
	<b>1.6%</b>	3.4%	1.7%
Absolute return	6	3	5
	<b>9.4%</b>	5.2%	8.6%
Liability matching portfolio	2	3	0
	<b>3.1%</b>	5.2%	0.0%
Other	4	2	0
	<b>6.3%</b>	3.4%	0.0%
Not sure	0	1	1
	<b>0.0%</b>	1.7%	1.7%
Table Size	<b>98</b>	81	74
	<b>153.1%</b>	139.7%	127.6%

**Q7.20 Do members receive retirement advice when they switch into the last / final phase of the life stage model before retirement?**



# Section 8

## Financial Resilience

### Q8.1 Do you anticipate that the Default Regulations will encourage the Board of Trustees and Employer to review their current structure and might consider migrating to a commercial umbrella fund?

	2019
<b>Base: All respondents</b>	<b>100</b>
Yes, definitely	9
	9.0%
Yes, probably	13
	13.0%
Might or might not	10
	10.0%
No, probably not	24
	24.0%
No, definitely not	44
	44.0%
<b>Summary</b>	
Any yes	22
	22.0%
Any no	68
	68.0%
Table Size	100
	100.0%

### Q8.2 To what extent do you believe the Default Regulations will increase the risks of being a trustee?

	2019
<b>Base: All respondents</b>	<b>100</b>
Definitely will	28
	28.0%
Probably will	25
	25.0%
Might or might not	22
	22.0%
Probably will not	20
	20.0%
Definitely will not	5
	5.0%
<b>Summary</b>	
Any will	53
	53.0%
Any will not	25
	25.0%
Table Size	100
	100.0%

### Q8.3 To what extent do you believe the Default Regulations will increase the risks of being a trustee?

	2019
<b>Base: All respondents</b>	<b>100</b>
Ensure that all trustees have the minimum qualifications to be a trustee	46
	46.0%
Implement regular upskilling via compulsory trustee training	80
	80.0%
Bring in new professional trustees	18
	18.0%
Not sure, we will have to wait and see	7
	7.0%
Migrating to Umbrella Fund	1
	1.0%
Table Size	152
	152.0%

### Q8.4 How confident are you that your fund can have everything in place by 1 March 2019 as required by the regulations in terms of having implemented the following?

#### Q8.4A Default investment strategy

	2019
<b>Base: All respondents</b>	<b>100</b>
Extremely likely	85
	85.0%
Somewhat likely	9
	9.0%
Neither likely nor unlikely	1
	1.0%
Somewhat unlikely	3
	3.0%
Extremely unlikely	1
	1.0%
Not applicable	1
	1.0%
<b>Summary</b>	
Any likely	94
	94.0%
Any unlikely	4
	4.0%
Table Size	100
	100.0%

**Q8.4B Default In-Fund Preservation**

	2019
<b>Base: All respondents</b>	<b>100</b>
Extremely likely	59 59.0%
Somewhat likely	9 9.0%
Neither likely nor unlikely	8 8.0%
Somewhat unlikely	9 9.0%
Extremely unlikely	15 15.0%
<b>Summary</b>	
Any likely	68 68.0%
Any unlikely	24 24.0%
Table Size	100 100.0%

**Q8.4C Trustee Endorsed Annuitisation Strategy**

	2019
<b>Base: All respondents</b>	<b>100</b>
Extremely likely	73 73.0%
Somewhat likely	9 9.0%
Neither likely nor unlikely	4 4.0%
Somewhat unlikely	7 7.0%
Extremely unlikely	7 7.0%
<b>Summary</b>	
Any likely	82 82.0%
Any unlikely	14 14.0%
Table Size	100 100.0%

**Q8.4D Retirement Benefit Counselling**

	2019
<b>Base: All respondents</b>	<b>100</b>
Extremely likely	80 80.0%
Somewhat likely	8 8.0%
Neither likely nor unlikely	4 4.0%
Somewhat unlikely	4 4.0%
Extremely unlikely	4 4.0%
<b>Summary</b>	
Any likely	88 88.0%
Any unlikely	8 8.0%
Table Size	100 100.0%

**Q8.5 How will the Board of Trustees go about meeting all the requirements of the Default Regulations?**

	2019
<b>Base: All respondents</b>	<b>100</b>
We are already fully compliant	74 74.0%
We have all the necessary expertise within the Board of Trustees to implement what is required	9 9.0%
We will engage with our current consultants for advice	16 16.0%
We are expecting the Administrator to assist or guide us	1 1.0%
Table size	100 100.0%

# Default Investment Strategy

## Q8.6 Do you currently have a Default Investment Strategy for members?

2019  
Base: All respondents 100

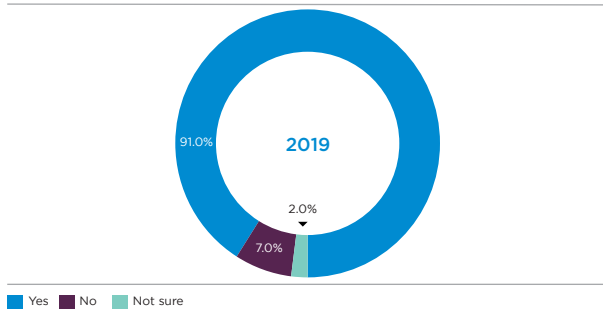


Table Size 100  
100.0%

## Q8.7 What if anything, needs to change in order for the Fund to comply with the conditions set out by the Default Regulations?

	2019
Base: All respondents	91
The Fund still has to demonstrate that the design of the Default Investment Strategy will be appropriate	12 13.2%
The Fund still has to adequately communicate the Default Investment Strategy to all members	25 27.5%
The Board of Trustees still needs to be satisfied that fees are reasonably priced and competitive	8 8.8%
More work still needs to be done to ensure that all fees are disclosed to members	19 20.9%
The Board of Trustees must still consider whether to include both active and passive investments in the Default Investment Strategy	8 8.8%
The Board of Trustees must still determine the frequency in which to review whether all prescribed conditions are being applied	9 9.9%
Other	1 1.1%
Nothing we are fully compliant	46 50.5%
Table Size	128 140.7%

### Q8.8 What proportion of your members (in terms of number of members) is invested in the Default Investment Strategy?

	2019	2018	2017
Base: All respondents	100	100	
Base pre 2018: All who believe their members can achieve the stated target pension if they remain in the default portfolio			74
0% to 10%	4 4.0%	4 4.0%	3 4.1%
10,1% to 20%	0 0.0%	1 1.0%	2 2.7%
20,1% to 30%	2 2.0%	0 0.0%	2 2.7%
30,1% to 40%	3 3.0%	0 0.0%	0 0.0%
40,1% to 50%	1 1.0%	1 1.0%	0 0.0%
50,1% to 60%	2 2.0%	3 3.0%	2 2.7%
60,1% to 70%	2 2.0%	4 4.0%	3 4.1%
70,1% to 80%	5 5.0%	9 9.0%	8 10.8%
80,1% to 90%	12 12.0%	16 16.0%	12 16.2%
90,1% to 100%	66 66.0%	62 62.0%	42 56.8%
Don't know	3 3.0%	0 0.0%	0 0.0%
Mean	83.8	84.3	81.22
Table Size	100 100.0%	100 100.0%	74 100.0%

### Q8.9 What percentage of your fund's assets is invested in the Default Investment Strategy?

	2019
Base: All respondents	100
0% to 10%	3 3.0%
20,1% to 30%	2 2.0%
30,1% to 40%	2 2.0%
50,1% to 60%	2 2.0%
60,1% to 70%	1 1.0%
70,1% to 80%	8 8.0%
80,1% to 90%	9 9.0%
90,1% to 100%	64 64.0%
Don't know	9 9.0%
Mean	85.2
Table Size	100 100.0%

### Q8.10 Do you think it's a good idea that members' withdrawal benefits cannot be paid in cash unless the member instructs the fund in writing after having been provided access to retirement benefit counselling?

	2019
Base: All respondents	100
Yes, this is a good idea as members might reconsider taking the withdrawal benefit in cash	82 82.0%
No, this is just an unnecessary step because members will still take the withdrawal benefit in cash	17 17.0%
Not sure	1 1.0%
Table Size	100 100.0%

### Q8.11 Do you anticipate a large increase in the number of paid-up benefits in the Fund?

	2019
<b>Base: All respondents</b>	100
Yes, because the additional requirement of submitting the cash option in writing will be too cumbersome such that it will be a deterrent	18 18.0%
Yes, more members will preserve their benefits as a consequence of having access to retirement benefit counselling	27 27.0%
No, members will do anything to access their withdrawal benefit in cash	49 49.0%
No, people will move paid up benefit to new employer	1 1.0%
Not sure	5 5.0%
<b>Summary</b>	
Any yes	45 45.0%
Table Size	100 100.0%

### Q8.12 Do you think it is a good idea to encourage members to remain paid-up in the Fund rather than making use of retail preservation products?

	2019
<b>Base: All respondents</b>	100
Yes, because it is more cost effective for members to preserve in the Fund	47 47.0%
Yes, because the assets can remain in the existing portfolios, i.e. there will be no interruption in the investment period and institutional pricing applies	4 4.0%
Yes, for both of these reasons above	30 30.0%
No, the retail solutions provide a greater selection of options	17 17.0%
Not sure	1 1.0%
Member does not have an option of withdrawal	1 1.0%
<b>Summary</b>	
Any yes	81 81.0%
Table Size	100 100.0%

### Q8.13 How will you provide Retirement Benefit Counselling to your members?

	2019
<b>Base: All respondents</b>	100
Written communication	51 51.0%
Human Resources (HR) to provide retirement benefit counselling	20 20.0%
Administrator to provide retirement benefit counselling	47 47.0%
Fund will use an Employee Benefits Advisor	25 25.0%
Fund will use an Independent Financial Advisor	22 22.0%
One on one presentation	1 1.0%
Not sure	1 1.0%
Don't do counselling	1 1.0%
Table Size	168 168.0%

### Q8.14 Why would Trustees opt not to implement Retirement Benefit Counselling with human interaction?

	2019
<b>Base: All respondents</b>	<b>100</b>
The fund / employer is not willing to pay for the service because it will not add enough value	23 23.0%
It will just create another layer of cost which will have to be carried by the member	46 46.0%
There is still some lack of clarity regarding exactly what retirement benefit counselling entails	31 31.0%
Setting up an infrastructure for retirement benefit counselling is too cumbersome	13 13.0%
There was not enough time to properly consider retirement benefit counselling offerings	4 4.0%
Not certified / qualified	1 1.0%
We already provide counselling with human interaction	10 10.0%
None of the above	1 1.0%
Not sure	19 19.0%
Table Size	148 148.0%

### Q8.15 Do you think that retirement benefit counselling will assist in improving retirement outcomes for members?

	2019
<b>Base: All respondents</b>	<b>100</b>
Yes, since members will be more aware of the options their fund put in place at withdrawal and retirement	75 75.0%
Yes, members will be incentivised to make use of cost-effective options available	39 39.0%
Yes, the retirement benefit counselling service available will raise general awareness of preparing adequately for retirement	58 58.0%
Yes, retirement benefit counselling will also assist advisors in becoming more aware of the fund's strategies	15 15.0%
No, retirement benefit counselling will not change the behaviour and attitude towards saving for retirement	11 11.0%
Not Sure	1 1.0%
<b>Summary</b>	
Any yes	88 88.0%
Table Size	199 199.0%

# Section 9

# Advice

## Q9.1 When do you provide advice?

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	
<b>Base pre 2019: All who use lifestaging</b>		58
When new members join the fund to assist members in selecting a suitable portfolio	52 52.0%	-
When switching investment portfolios	30 30.0%	27 46.6%
At withdrawal (when member needs to decide whether to preserve or withdraw)	58 58.0%	41 70.7%
At life events (marriage, divorce etc.)	22 22.0%	19 32.8%
Retirement	62 62.0%	2 3.4%
Available at the request of the member, no specific time	1 1.0%	2 3.4%
12 Months prior to retirement	-	1 1.7%
We do not provide advice	20 20.0%	1 1.7%
Table Size	245 245.0%	93 160.3%

## Q9.2 Does the fund have a formalised strategy for rendering financial advice to active members?

	2019	2018	2017
<b>Base: All respondents</b>	<b>78</b>		
<b>Base pre 2019: All who use lifestaging</b>		100	100
Yes	50 63.3%	49 49.0%	55 55.0%
No, members are advised to speak to their own financial advisor	29 36.7%	51 51.0%	45 45.0%
Table Size	79 100.0%	100 100.0%	100 100.0%

## Q9.3 Which of the following best describes the fund's strategy for rendering financial advice to active members via an individual financial advisor?

	2019	2018	2017
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>50</b>	49	55
The fund refers members to preferred financial advisors	33 66.0%	20 40.8%	23 41.8%
The fund offers advice services to members by way of an advisor paid for or subsidised by the fund, i.e. a salaried advisor	15 30.0%	11 22.4%	13 23.6%
The fund facilitates financial advice services to members by way of an advisor charging a negotiated special fee, i.e. a reduced advice fee	2 4.0%	2 4.1%	2 3.6%
Table Size	50 100.0%	49 100.0%	55 100.0%



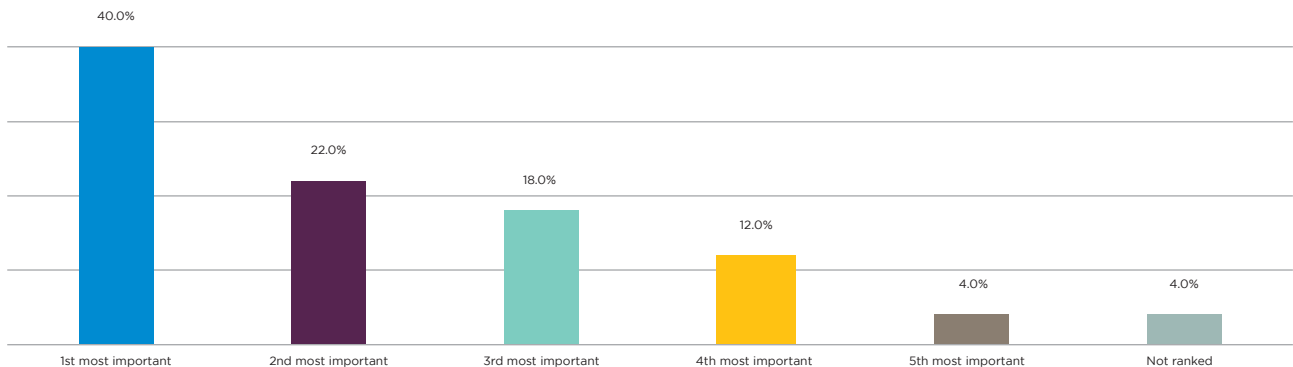
**Q9.4. Please consider the following criteria in terms of their importance when appointing/ referring an advisor and rank the top 5 in order of importance.**

**Q9.4.A Fee and compensation structure**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

2.1

Table Size

50

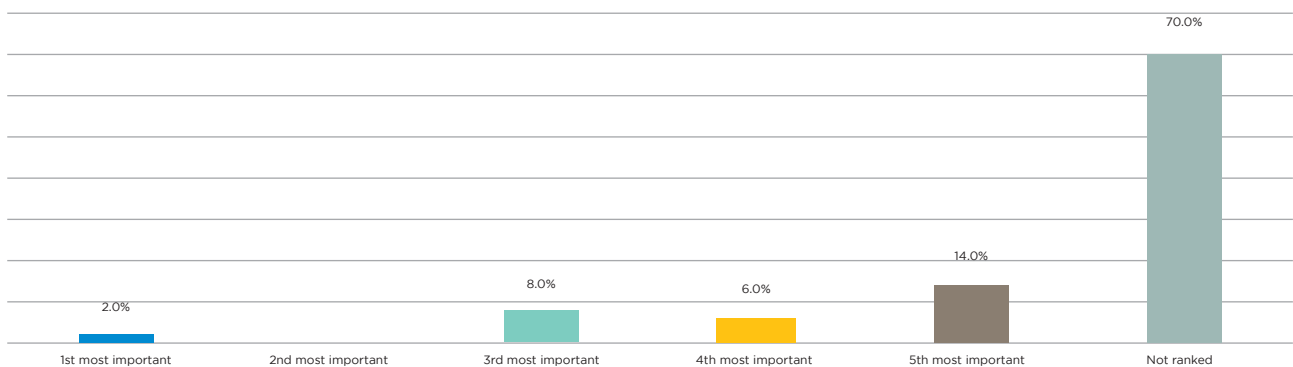
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**Q9.4.B Brand**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

4

Table Size

50

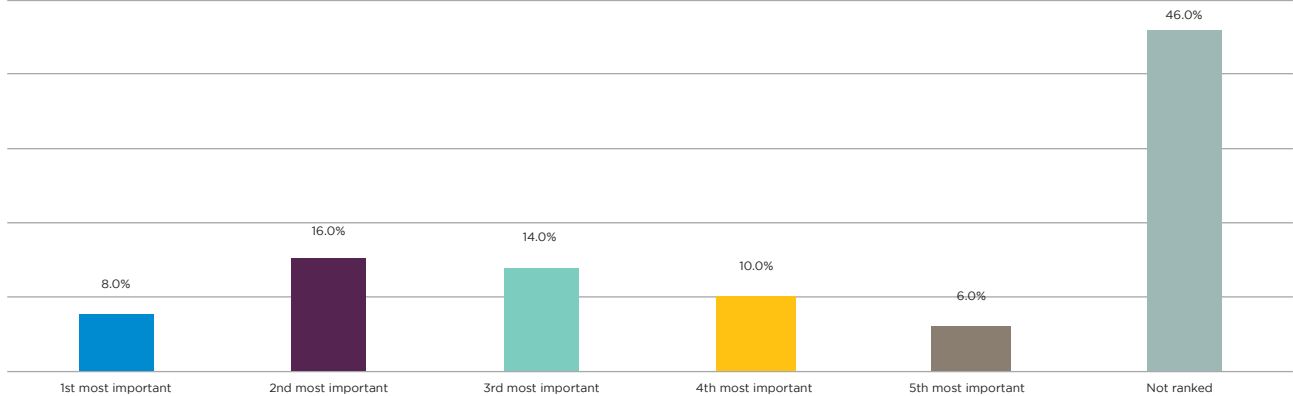
100.0%

**Q9.4.C Size and footprint of the advisory firm**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

4

Table Size

50

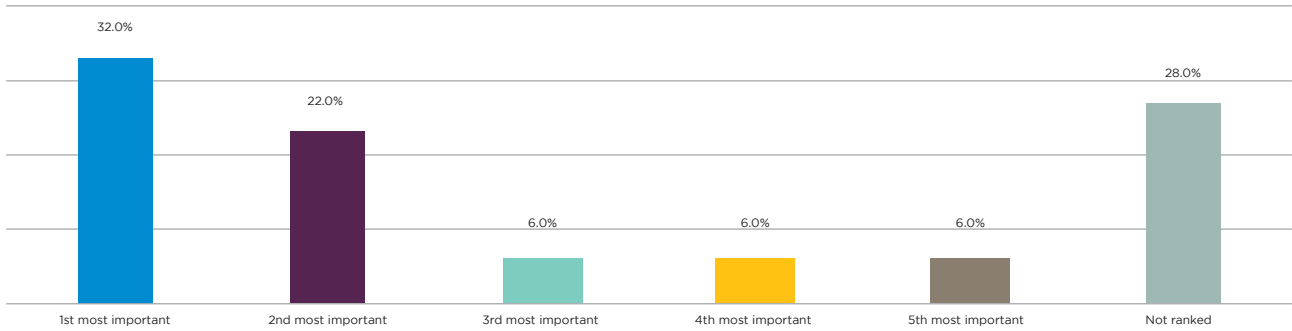
100.0%

**Q9.4.D Level of experience and regulatory compliance of the advisory team**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

2.1

Table Size

50

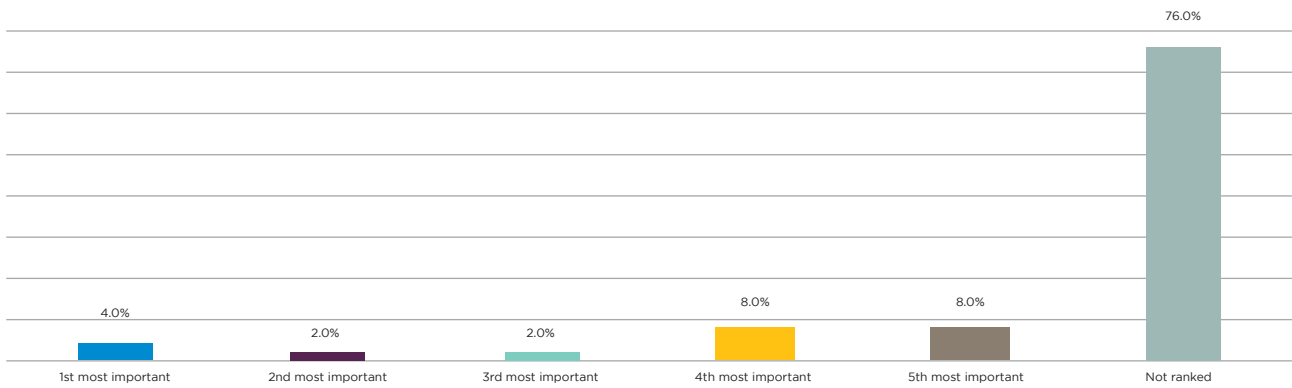
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**Q9.4.E Your relationship with the advisory team**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

3.6

Table Size

50

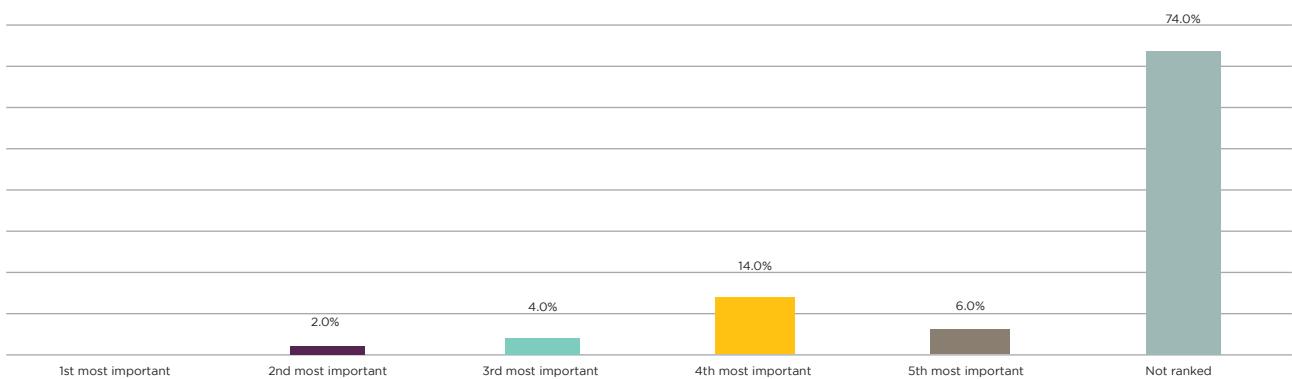
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**Q9.4.F The advisor's relationship with other service providers (e.g. administrators, investment managers and insurers)**

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

3.9

Table Size

50

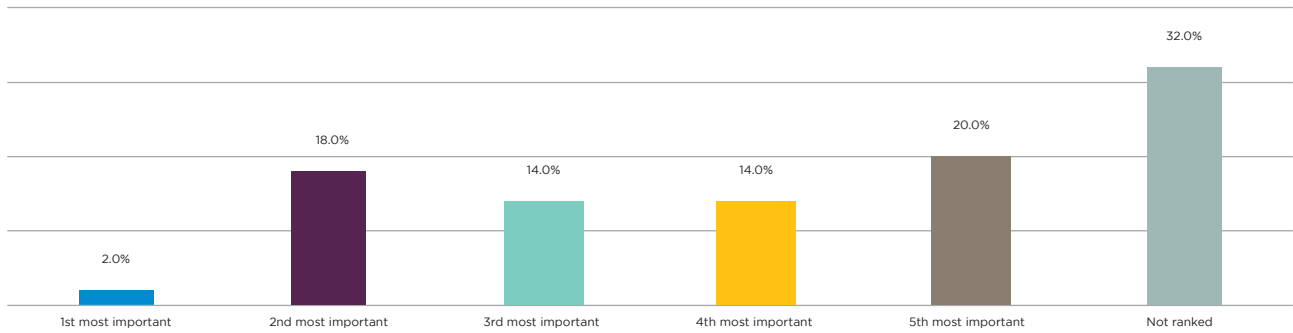
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### Q9.4.G Service levels of the advisory firm

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

3.5

Table Size

50

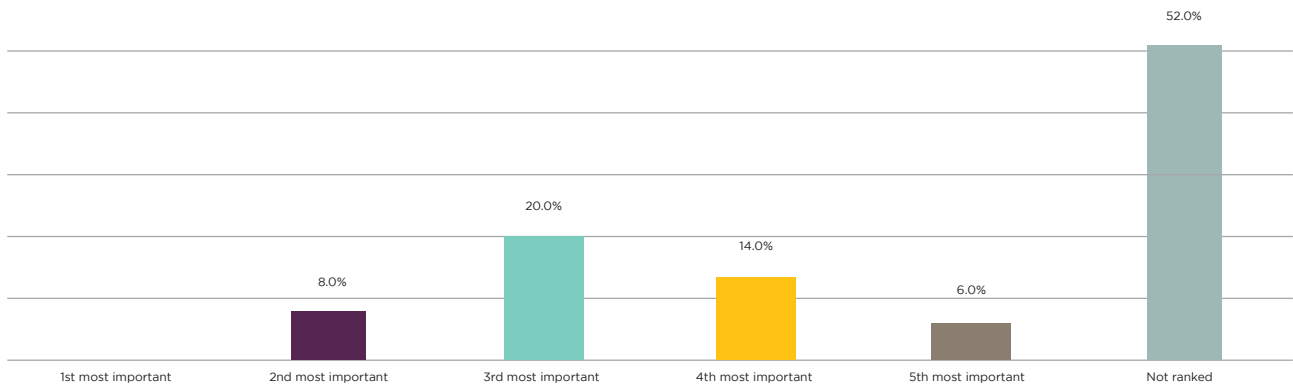
100.0%

### Q9.4.H Past performance and time in the industry of the Advisory team

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

3.4

Table Size

50

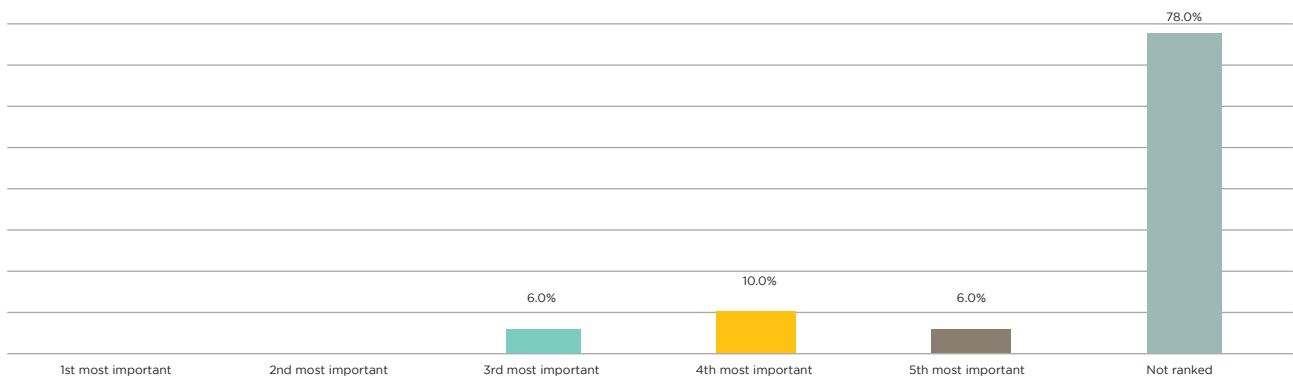
100.0%

### Q9.4.I Advisory service's B-BBEE level

2019

Base: All who have a formalised strategy for rendering financial advice to members

50



Mean

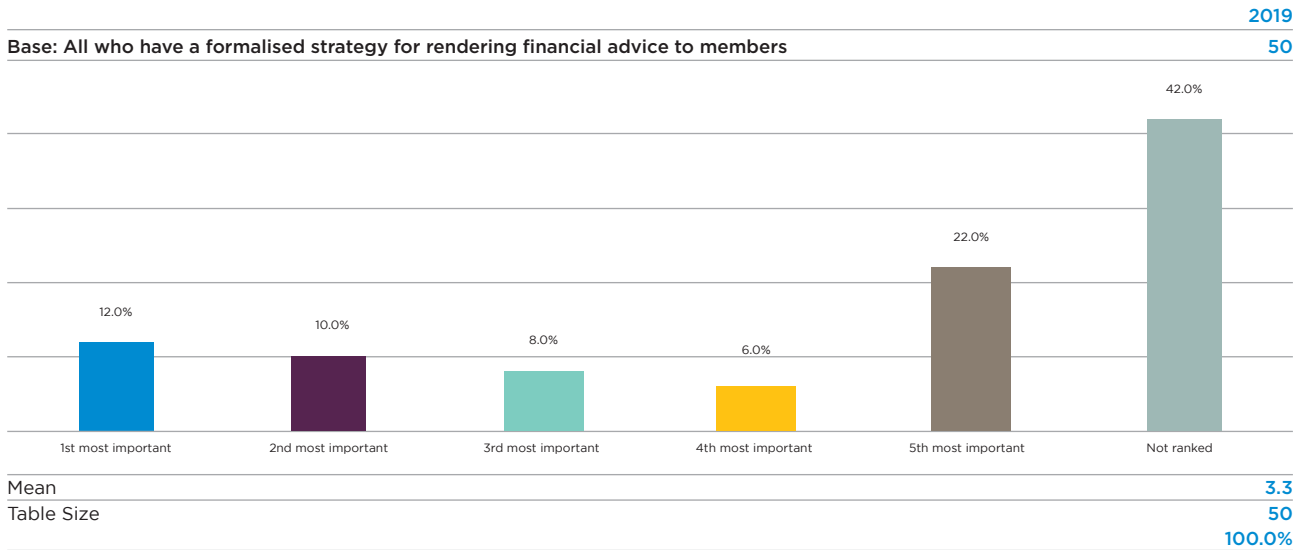
4

Table Size

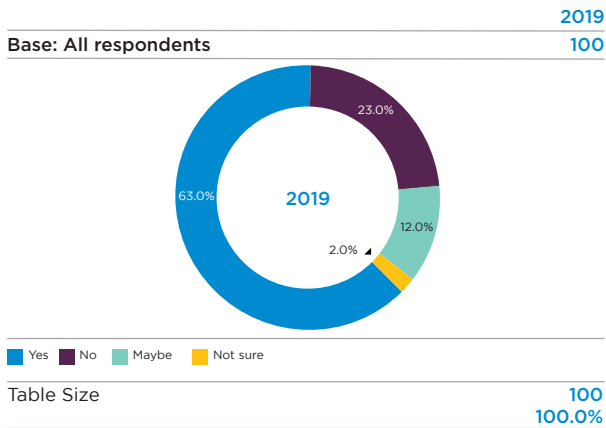
50

100.0%

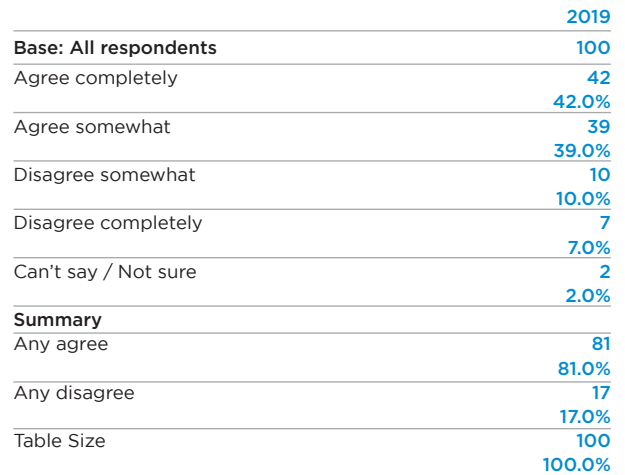
### Q9.4.J Independence of the advisor



### Q9.5 Do you believe that there is scope for a financial advisor to provide holistic financial advice to members of the fund via a worksite advice model?



### Q9.6A To what extent do you agree or disagree that members' priorities/ preferences for risk benefits vs retirement savings vary by income level, with lower income members prioritising higher risk benefits and higher income earners prioritising higher retirement savings?



### Q9.6B At approximately what income level would you say priorities shift from higher risk benefits to higher retirement savings?

	2019
<b>Base: All respondents</b>	<b>81</b>
R15,000 a month or less	11 13.6%
R15,001 to R20,000 a month	5 6.2%
R20,001 to R25,000 a month	9 11.1%
R25,001 to R30,000 a month	9 11.1%
R30,001 to R40,000 a month	15 18.5%
R40,001 to R50,000 a month	4 4.9%
R50,001 to R60,000 a month	6 7.4%
R60,001 to R75,000 a month	5 6.2%
R75,001 to R100,000 a month	2 2.5%
Can't say / Not sure	15 18.5%
<b>Mean</b>	<b>R33674</b>
Table Size	81 100.0%

### Q9.7 I would like you to think about the priorities of LOWER INCOME members first of all. Please would you rank these in order from 1 to 8 to indicate your understanding of LOWER INCOME members' priorities. Please use 1 for top priority, down to 8 for lowest priority.

#### Q9.7A.1 Retirement savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	6 6.0%
2nd priority	5 5.0%
3rd priority	7 7.0%
4th priority	20 20.0%
5th priority	21 21.0%
6th priority	18 18.0%
7th priority	17 17.0%
8th priority	6 6.0%
<b>Mean</b>	<b>5</b>
Table Size	100 100.0%

#### Q9.7A.2 Insurance: Life and disability

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	10 10.0%
2nd priority	26 26.0%
3rd priority	26 26.0%
4th priority	14 14.0%
5th priority	17 17.0%
6th priority	6 6.0%
7th priority	1 1.0%
8th priority	0 0.0%
<b>Mean</b>	<b>3.2</b>
Table Size	100 100.0%

### Q9.7A.3 Funeral cover

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	45
	45.0%
2nd priority	21
	21.0%
3rd priority	17
	17.0%
4th priority	7
	7.0%
5th priority	5
	5.0%
6th priority	3
	3.0%
7th priority	1
	1.0%
8th priority	1
	1.0%
<b>Mean</b>	<b>2.2</b>
Table Size	100
	100.0%

### Q9.7A.4 Tax free savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	1
	1.0%
2nd priority	2
	2.0%
3rd priority	1
	1.0%
4th priority	4
	4.0%
5th priority	4
	4.0%
6th priority	9
	9.0%
7th priority	41
	41.0%
8th priority	38
	38.0%
<b>Mean</b>	<b>6.9</b>
Table Size	100
	100.0%

### Q9.7A.5 Medical aid

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	3
	3.0%
2nd priority	17
	17.0%
3rd priority	18
	18.0%
4th priority	17
	17.0%
5th priority	18
	18.0%
6th priority	15
	15.0%
7th priority	10
	10.0%
8th priority	2
	2.0%
<b>Mean</b>	<b>4.3</b>
Table Size	100
	100.0%

### Q9.7A.6 Meeting long term debt obligations

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	1
	1.0%
2nd priority	16
	16.0%
3rd priority	8
	8.0%
4th priority	15
	15.0%
5th priority	27
	27.0%
6th priority	23
	23.0%
7th priority	6
	6.0%
8th priority	4
	4.0%
<b>Mean</b>	<b>4.6</b>
Table Size	100
	100.0%

### Q9.7A.7 Meeting short term debt obligations

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	34
	34.0%
2nd priority	12
	12.0%
3rd priority	18
	18.0%
4th priority	16
	16.0%
5th priority	5
	5.0%
6th priority	11
	11.0%
7th priority	3
	3.0%
8th priority	1
	1.0%
<b>Mean</b>	<b>3</b>
Table Size	100
	100.0%

### Q9.7A.8 Loyalty/rewards programme

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	0
	0.0%
2nd priority	2
	2.0%
3rd priority	5
	5.0%
4th priority	7
	7.0%
5th priority	3
	3.0%
6th priority	15
	15.0%
7th priority	19
	19.0%
8th priority	49
	49.0%
<b>Mean</b>	<b>6.8</b>
Table Size	100
	100.0%

**Q9.7 I would like you to think about the priorities of HIGHER INCOME members first of all. Please would you rank these in order from 1 to 8 to indicate your understanding of HIGHER INCOME members' priorities. Please use 1 for top priority, down to 8 for lowest priority.**

### Q9.7B.1 Retirement savings

	2019
Base: All respondents	100
1st priority	56
	56.0%
2nd priority	26
	26.0%
3rd priority	6
	6.0%
4th priority	8
	8.0%
5th priority	2
	2.0%
6th priority	1
	1.0%
7th priority	1
	1.0%
Mean	1.8
Table Size	100
	100.0%

### Q9.7B.2 Insurance: Life and disability

	2019
Base: All respondents	100
1st priority	11
	11.0%
2nd priority	17
	17.0%
3rd priority	38
	38.0%
4th priority	26
	26.0%
5th priority	4
	4.0%
6th priority	2
	2.0%
7th priority	2
	2.0%
Mean	3.1
Table Size	100
	100.0%

### Q9.7B.3 Funeral cover

	2019
Base: All respondents	100
2nd priority	2
	2.0%
3rd priority	2
	2.0%
4th priority	2
	2.0%
5th priority	12
	12.0%
6th priority	15
	15.0%
7th priority	30
	30.0%
8th priority	37
	37.0%
Mean	6.7
Table Size	100
	100.0%

### Q9.7B.4 Tax free savings

	2019
Base: All respondents	100
1st priority	6
	6.0%
2nd priority	16
	16.0%
3rd priority	13
	13.0%
4th priority	13
	13.0%
5th priority	15
	15.0%
6th priority	25
	25.0%
7th priority	9
	9.0%
8th priority	3
	3.0%
Mean	4.4
Table Size	100
	100.0%

### Q9.7B.5 Medical aid

	2019
Base: All respondents	100
1st priority	12
	12.0%
2nd priority	26
	26.0%
3rd priority	29
	29.0%
4th priority	18
	18.0%
5th priority	11
	11.0%
6th priority	2
	2.0%
7th priority	1
	1.0%
8th priority	1
	1.0%
Mean	3.1
Table Size	100
	100.0%

### Q9.7B.6 Meeting long term debt obligations

	2019
<b>Base: All respondents</b>	100
1st priority	12
	12.0%
2nd priority	7
	7.0%
3rd priority	10
	10.0%
4th priority	13
	13.0%
5th priority	29
	29.0%
6th priority	13
	13.0%
7th priority	12
	12.0%
8th priority	4
	4.0%
<b>Mean</b>	4.5
Table Size	100
	100.0%

### Q9.7B.7 Meeting short term debt obligations

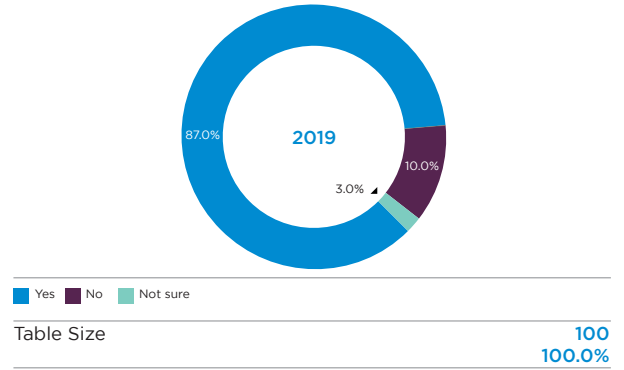
	2019
<b>Base: All respondents</b>	100
1st priority	4
	4.0%
2nd priority	5
	5.0%
3rd priority	2
	2.0%
4th priority	14
	14.0%
5th priority	18
	18.0%
6th priority	30
	30.0%
7th priority	22
	22.0%
8th priority	5
	5.0%
<b>Mean</b>	5.4
Table Size	100
	100.0%

### Q9.7B.8 Loyalty/rewards programme

	2019
<b>Base: All respondents</b>	100
2nd priority	1
	1.0%
4th priority	5
	5.0%
5th priority	9
	9.0%
6th priority	12
	12.0%
7th priority	23
	23.0%
8th priority	50
	50.0%
<b>Mean</b>	7
Table Size	100
	100.0%

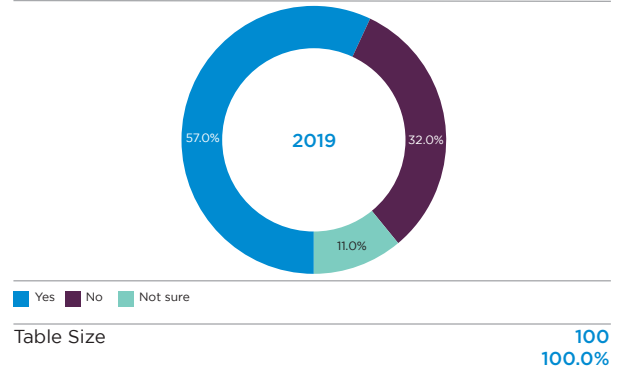
### Q9.8 Are you aware that as a result of the Default Regulations some members may consolidate the benefits which they may have with previous employers to one platform i.e. to their current employer's fund?

2019  
Base: All respondents 100



### Q9.9 Do you plan to encourage existing members (who may have joined the fund years ago) to transfer benefits preserved with a previous employer into the current fund as a result of the Default Regulations?

2019  
Base: All respondents 100





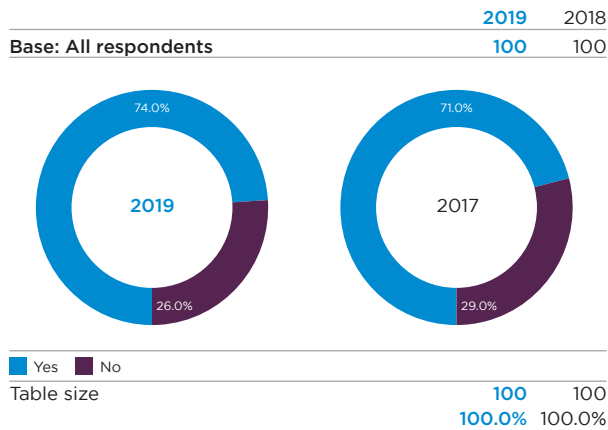
### Q9.10 To what extent would you support change in legislation to enable transfer of current preserved funds and Retirement Annuities into the employer sponsored retirement Fund?

	2019
<b>Base: All respondents</b>	<b>100</b>
Definitely will	44 44.0%
Probably will	27 27.0%
Might or might not	15 15.0%
Probably will not	7 7.0%
Definitely will not	7 7.0%
<b>Summary</b>	
Will	71 71.0%
Will not	14 14.0%
Table Size	100 100.0%

# Section 10

## Black Economic Empowerment

**Q10.1** Are you aware that the revised Financial Sector Code has a voluntary B-BBEE scorecard specifically for retirement funds?



**Q10.2** The scorecard covers both Management Control and Preferential Procurement. With regards management control, please can you indicate the following?

**Q10.2A** Total number of trustees

	2019	2018
Base: All respondents	100	100
2	0 0.0%	1 1.0%
3	1 1.0%	0 0.0%
4	9 9.0%	8 8.0%
5	2 2.0%	2 2.0%
6	21 21.0%	22 22.0%
7	2 2.0%	1 1.0%
8	25 25.0%	23 23.0%
9	5 5.0%	6 6.0%
10	8 8.0%	6 6.0%
11	1 1.0%	2 2.0%
12	12 12.0%	15 15.0%
13	2 2.0%	1 1.0%
14	5 5.0%	4 4.0%
15	1 1.0%	0 0.0%
16	1 1.0%	3 3.0%
18	1 1.0%	-
23	0 0.0%	1 1.0%
24	2 2.0%	1 1.0%
25	1 1.0%	1 1.0%
Other	0 0.0%	1 1.0%
Don't know	0 0.0%	1 1.0%
Refused	1 1.0%	1 1.0%
<b>Mean</b>	<b>8.96</b>	<b>8.99</b>
Table Size	100 100.0%	100 100.0%

**Q10.2B Number of black trustees**

	2019	2018
Base: All respondents	100	100
0	7 7.0%	9 9.0%
1	17 17.0%	15 15.0%
2	13 13.0%	14 14.0%
3	14 14.0%	14 14.0%
4	15 15.0%	9 9.0%
5	10 10.0%	8 8.0%
6	6 6.0%	9 9.0%
7	7 7.0%	5 5.0%
8	3 3.0%	2 2.0%
9	0 0.0%	3 3.0%
10	0 0.0%	1 1.0%
11	0 0.0%	2 2.0%
12	2 2.0%	1 1.0%
13	1 1.0%	1 1.0%
14	0 0.0%	0 0.0%
15	1 1.0%	1 1.0%
18	1 1.0%	0 0.0%
19	0 0.0%	1 1.0%
20	0 0.0%	1 1.0%
Other	2 2.0%	1 1.0%
Don't know	0 0.0%	1 1.0%
Refused	1 1.0%	2 2.0%
Mean	4.24	4.21
Table Size	100 100.0%	100 100.0%

**Q10.2C Number of female trustees**

	2019	2018
Base: All respondents	100	100
0	12 12.0%	11 11.0%
1	24 24.0%	21 21.0%
2	30 30.0%	31 31.0%
3	12 12.0%	16 16.0%
4	10 10.0%	4 4.0%
5	5 5.0%	9 9.0%
6	3 3.0%	2 2.0%
7	0 0.0%	1 1.0%
8	2 2.0%	1 1.0%
Other	1 1.0%	1 1.0%
Don't know	0 0.0%	1 1.0%
Refused	1 1.0%	2 2.0%
Mean	2.31	2.28
Table Size	100 100.0%	100 100.0%

**Q10.2D Number of black female trustees**

	2019
Base: All respondents	100
0	34 34.0%
1	34 34.0%
2	24 24.0%
3	2 2.0%
4	2 2.0%
5	0 0.0%
6	2 2.0%
7	1 1.0%
Refused	1 1.0%
Mean	1.16
Table Size	100 100.0%

### Q10.3 How many trustees hold management (PO, deputy PO and other senior management) positions on the Board of Trustees?

#### Q10.3A Total management positions

	2019	2018
Base: All respondents	100	100
0	20 20.0%	18 18.0%
1	18 18.0%	16 16.0%
2	13 13.0%	14 14.0%
3	8 8.0%	10 10.0%
4	10 10.0%	9 9.0%
5	8 8.0%	9 9.0%
6	6 6.0%	8 8.0%
7	4 4.0%	2 2.0%
8	8 8.0%	4 4.0%
9	0 0.0%	1 1.0%
10	1 1.0%	-
12	2 2.0%	2 2.0%
14	0 0.0%	3 3.0%
Don't know	1 1.0%	2 2.0%
Refused	1 1.0%	2 2.0%
Mean	3.16	3.38
Table Size	100 100.0%	100 100.0%

#### Q10.3B Number of black trustees in management positions

	2019	2018
Base: All respondents	100	100
0	52 52.0%	48 48.0%
1	25 25.0%	19 19.0%
2	11 11.0%	10 10.0%
3	2 2.0%	6 6.0%
4	6 6.0%	3 3.0%
5	1 1.0%	5 5.0%
6	0 0.0%	2 2.0%
8	1 1.0%	0 0.0%
9	0 0.0%	1 1.0%
10	0 0.0%	1 1.0%
13	0 0.0%	1 1.0%
Don't know	1 1.0%	2 2.0%
Refused	1 1.0%	2 2.0%
Mean	0.92	1.44
Table Size	100 100.0%	100 100.0%

#### Q10.3C Number of female trustees in management positions

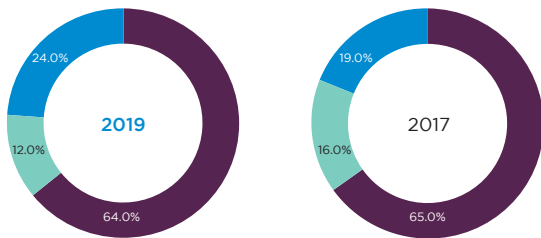
	2019	2018
Base: All respondents	100	100
0	54 54.0%	50 50.0%
1	27 27.0%	26 26.0%
2	12 12.0%	14 14.0%
3	3 3.0%	4 4.0%
4	2 2.0%	1 1.0%
7	0 0.0%	1 1.0%
Don't know	1 1.0%	2 2.0%
Refused	1 1.0%	2 2.0%
Mean	0.69	0.8
Table Size	100 100.0%	100 100.0%

**Q10.3D Number of black female trustees in management positions**

	2019
Base: All respondents	100
0	78 78.0%
1	15 15.0%
2	4 4.0%
3	1 1.0%
Don't know	1 1.0%
Refused	1 1.0%
Mean	0.27
Table Size	100 100.0%

**Q10.4 With regards Preferential Procurement, have you measured what percentage of the fund's total procurement spend (which includes fees to service providers, asset management fees, and group risk premiums) is directed towards firms that are at least Level 1 B-BBEE black owned?**

	2019	2018
Base: All respondents	100	100



	2019	2018
Table size	100	100
	100.0%	100.0%

**Q10.5 Regarding Preferential Procurement: What percentage of the Fund's total procurement spend, (which includes fees to service providers, asset management fees and group risk premiums) is spent on firms that are at least Level 1 B-BBEE black owned?**

	2019	2018
Base: All respondents	100	100
0% to 10%	16 16.0%	24 24.0%
11% to 20%	3 3.0%	5 5.0%
21% to 30%	1 1.0%	7 7.0%
31% to 40%	4 4.0%	1 1.0%
41% to 50%	5 5.0%	5 5.0%
51% to 60%	3 3.0%	3 3.0%
61% to 70%	2 2.0%	1 1.0%
71% to 80%	4 4.0%	0 0.0%
81% to 90%	0 0.0%	0 0.0%
91% to 100%	1 1.0%	4 4.0%
Don't know	61 61.0%	48 48.0%
Refused	0 0.0%	2 2.0%
Mean	32.64	25.08
Table Size	100 100.0%	100 100.0%

## Q10.6 What percentage of the Funds procurement spend with each of the following types of service provider is with firms that are at least Level 1 B-BBEE black owned?

### Q10.6A Asset Management

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
0% to 10%	17 17.0%	28 28.0%
11% to 20%	4 4.0%	2 2.0%
21% to 30%	2 2.0%	4 4.0%
31% to 40%	2 2.0%	2 2.0%
41% to 50%	4 4.0%	6 6.0%
61% to 70%	0 0.0%	1 1.0%
71% to 80%	2 2.0%	1 1.0%
81% to 90%	1 1.0%	0 0.0%
91% to 100%	0 0.0%	4 4.0%
Don't know	68 68.0%	50 50.0%
Refused	0 0.0%	2 2.0%
Mean	22.5	23.16
Table Size	100 100.0%	100 100.0%

### Q10.6B Group Risk

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
0% to 10%	13 13.0%	29 29.0%
11% to 20%	1 1.0%	1 1.0%
21% to 30%	0 0.0%	1 1.0%
31% to 40%	0 0.0%	2 2.0%
41% to 50%	1 1.0%	4 4.0%
61% to 70%	0 0.0%	1 1.0%
71% to 80%	1 1.0%	1 1.0%
81% to 90%	1 1.0%	0 0.0%
91% to 100%	5 5.0%	4 4.0%
Don't know	78 78.0%	52 52.0%
Not applicable	0 0.0%	3 3.0%
Refused	0 0.0%	2 2.0%
Mean	35.91	20.74
Table Size	100 100.0%	100 100.0%

### Q10.6C Fund Administration

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
0% to 10%	15 15.0%	28 28.0%
21% to 30%	1 1.0%	1 1.0%
31% to 40%	0 0.0%	3 3.0%
41% to 50%	3 3.0%	4 4.0%
51% to 60%	0 0.0%	1 1.0%
81% to 90%	1 1.0%	1 1.0%
91% to 100%	6 6.0%	8 8.0%
Don't know	74 74.0%	51 51.0%
Not applicable	0 0.0%	1 1.0%
Refused	0 0.0%	2 2.0%
Mean	35.73	28.37
Table Size	100 100.0%	100 100.0%

### Q10.6D Consulting

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
0% to 10%	16 16.0%	28 28.0%
11% to 20%	1 1.0%	0 0.0%
21% to 30%	0 0.0%	1 1.0%
31% to 40%	0 0.0%	1 1.0%
41% to 50%	2 2.0%	5 5.0%
51% to 60%	0 0.0%	3 3.0%
81% to 90%	1 1.0%	1 1.0%
91% to 100%	7 7.0%	7 7.0%
Don't know	73 73.0%	48 48.0%
Not applicable	0 0.0%	3 3.0%
Refused	0 0.0%	2 2.0%
Mean	35.7	28.65
Table Size	100 100.0%	100 100.0%

**Q10.6E Actuarial Services**

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
0% to 10%	14 14.0%	30 30.0%
11% to 20%	1 1.0%	0 0.0%
31% to 40%	0 0.0%	2 2.0%
41% to 50%	4 4.0%	6 6.0%
51% to 60%	0 0.0%	1 1.0%
81% to 90%	1 1.0%	1 1.0%
91% to 100%	5 5.0%	3 3.0%
Don't know	75 75.0%	50 50.0%
Not applicable	0 0.0%	5 5.0%
Refused	0 0.0%	2 2.0%
Mean	34.28	19.49
Table Size	100 100.0%	100 100.0%

**Q10.7 Do you believe that the revised Financial Sector Code (FSC) will stimulate transformation in the retirement industry?**

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
Definitely yes	15 15.0%	14 14.0%
Probably yes	27 27.0%	33 33.0%
Might or might not	37 37.0%	35 35.0%
Probably not	16 16.0%	12 12.0%
Definitely not	4 4.0%	6 6.0%
Don't know	1 1.0%	-
<b>Summary</b>		
Any yes	42 42.0%	47 47.0%
Any no	20 20.0%	18 18.0%
Table Size	100 100.0%	100 100.0%

# Section 11

## Threat of Cybersecurity on Retirement Funds and Employers

**Q11.1 Funds and members are increasingly being placed at risk from cyber-related crime. What steps has the fund admin/ employer recently applied/ implemented to protect itself or members from the threat of cyber-related crime?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Admin has upgraded and implemented revised IT policies and procedures	64 64.0%
Our systems protocols and applications have been revised	40 40.0%
We have invested in our IT infrastructure to make it more secure and to mitigate any potential risks or the threat of risks	39 39.0%
We have instituted shared accountability and responsibility across the fund/employer	15 15.0%
We have rolled out extensive education and training programmes for staff	19 19.0%
We are providing more frequent communication and notifications for fund members on how to protect themselves against online risk of fraudulent activities	22 22.0%
We have done nothing yet	11 11.0%
It is handled by our administrator	10 10.0%
Other	2 2.0%
Not sure	2 2.0%
Table Size	224 224.0%

**Q11.2 Has the fund/ employer experienced an increase in the level of governance required in order to future-proof administration platforms?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Yes	71.0%
No	20.0%
Not sure	9.0%
Table Size	100 100.0%



# Section 12

## Healthcare Provision

### Q12.1 What proportion of employees do you estimate has taken up the medical aid gap cover?

	2019
<b>Base: All respondents</b>	100
Less than 5%	34 34.0%
6% to 10%	7 7.0%
11% to 20%	5 5.0%
More than 20%	17 17.0%
Not sure	36 36.0%
None	1 1.0%
Mean	10.44
Table Size	100 100.0%

### Q12.2 If National Health Insurance (NHI) is implemented with compulsory contribution rates do you expect?

	2019
<b>Base: All respondents</b>	100
Members to cancel their membership with their medical aid scheme	20 20.0%
Members to cancel their medical aid gap cover	7 7.0%
Members to continue with medical aid contributions to a private medical aid as well as contribute to the NHI	55 55.0%
Response will depend on income level	4 4.0%
Other	1 1.0%
Not sure	13 13.0%
Table Size	100 100.0%

### Q12.3 In the event that members continue with medical aid contributions to a private medical aid scheme as well as contribute to the NHI and they struggle financially do you anticipate that members will?

	2019
<b>Base: All respondents</b>	100
Reduce contributions to retirement savings	32 32.0%
Reduce risk benefit contributions	18 18.0%
Members have no power to reduce contributions	18 18.0%
Downgrade medical aid to reduce cost	8 8.0%
Cancel medical aid	6 6.0%
Spend less money else where	3 3.0%
Not sure	24 24.0%
None	2 2.0%
Table Size	111 111.0%

# Section 13

## Directive 8

### Q13.1 How is your fund implementing Directive 8?

	2019
<b>Base: All respondents</b>	<b>100</b>
Board members are not allowed to take any gifts from any service provider	40 40.0%
All gifts regardless of value have to be declared and approved by all Board members	54 54.0%
R500 or less does not have to be declared	6 6.0%
R500 and above to be declared	6 6.0%
Gifts up to R500 need to be declared other than that no gifts acceptable	2 2.0%
Other	3 3.0%
Table Size	111 111.0

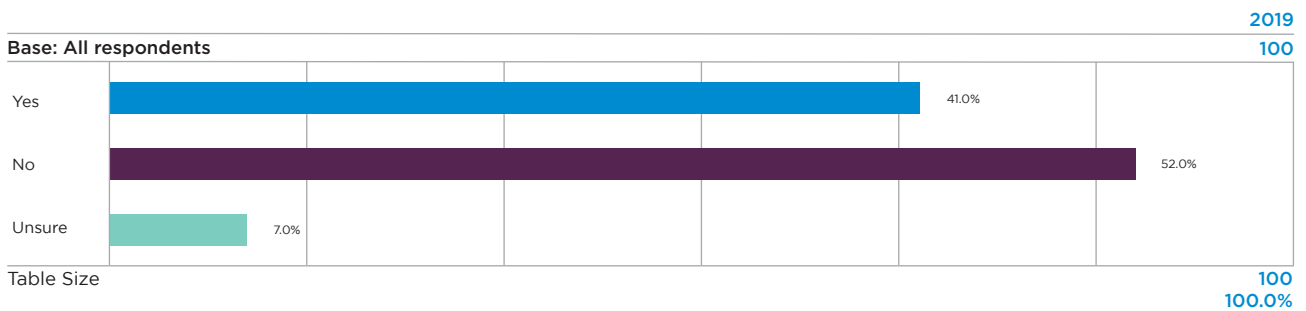
### Q13.2 What is your feeling regarding whistle blowing should you become aware of a person accepting gifts which are in contravention of Directive 8?

	2019
<b>Base: All respondents</b>	<b>100</b>
I have no problem informing compliance of the transgression	53 53.0%
I will approach the person first and inform him/ her of the contravention, failing that I shall inform compliance	35 35.0%
There is a lack of clarity on Directive 8 therefore I would be hesitant to blow the whistle unless more guidance is provided	10 10.0%
I have not thought about it yet	1 1.0%
Prefer not to answer	1 1.0%
Table Size	100 100.0%

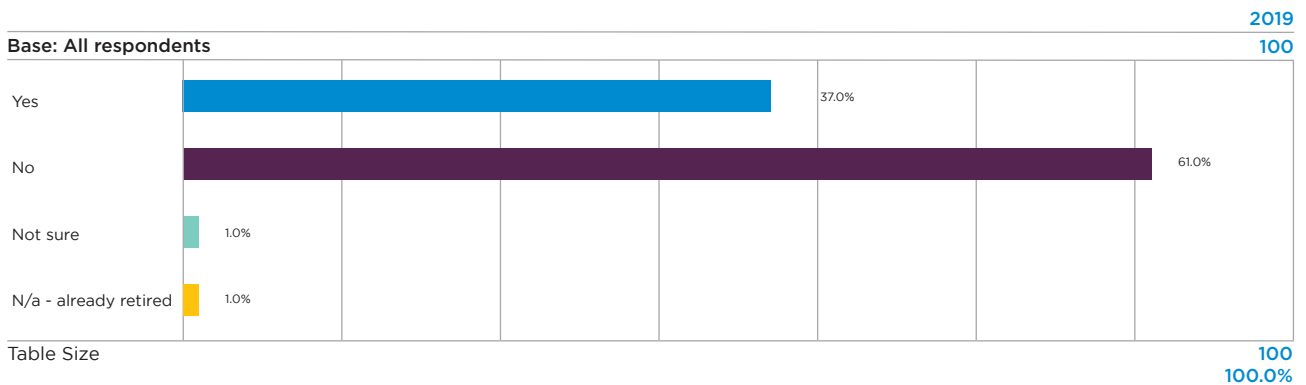
# Section 14

# Retirement Readiness of Trustees and Principal Officers




**Q14.1 Are you personally financially, emotionally and psychologically ready for retirement?**



**Q14.2 Have you decided already whether you will consider retiring earlier?**



### Q14.3 Should you desire to work beyond normal retirement age do you think there would be any suitable post retirement contract opportunities with the employer?

		2019
<b>Base: All respondents</b>		<b>100</b>
Yes		61.0%
No		22.0%
I have not thought about it yet		17.0%
Table Size		100 100.0%

### Q14.4.1 Why do you say that?

		2019
<b>Base: All who say there WILL be contract opportunities with the employer</b>		<b>61</b>
Employer needs to retain skills/expertise/ experience/specialised skills		32 52.5%
I am already working beyond my retirement age / company allows working beyond retirement age		17 27.9%
Opportunities will only be on a part time basis		5 8.2%
There is flexibility of roles		3 4.9%
Contracts are renewable		2 3.3%
I'm self employed and an employer		2 3.3%
As a professor at an educational institution		1 1.6%
When you give your best, your efforts are recognised		1 1.6%
There are limited jobs available for my role		1 1.6%
Savings will never be enough		1 1.6%
There is flexibility of upskilling other employees		1 1.6%
Will depend on the employer		1 1.6%
The chairman wants a pension member on the fund		1 1.6%
Change work environment		1 1.6%
Respondent is an independant P/O of the fund		1 1.6%
Table size		70 114.8%

### Q14.4.2 Why do you say that?

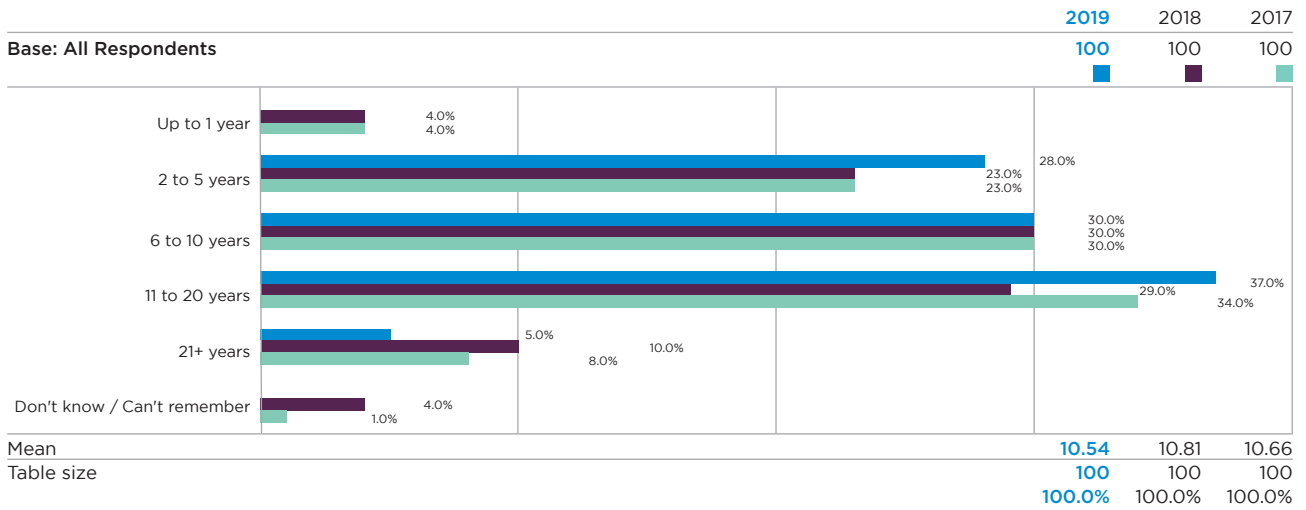
	2019
<b>Base: All who say there will NOT be contract opportunities with the employer</b>	<b>22</b>
None - we do not offer anything beyond that age/company policy	8 36.4%
Affirmative action does not favour me	4 18.2%
65 years is the best age for retirement	2 9.1%
It will be too much stress	2 9.1%
Company prefers younger people	2 9.1%
I am already working beyond my retirement age / company allows working beyond retirement age	1 4.5%
Opportunities will only be on a part time basis	1 4.5%
As a professor at an educational institution	1 4.5%
At that age I will have started my own business	1 4.5%
Too young to think of retirement	1 4.5%
Employer needs to retain skills/expertise/ experience/ specialised skills	1 4.5%
The state of economy is against keeping people on post retirement	1 4.5%
Table size	25 113.6%

## Q14.5 What is the number one industry change you would like to see?

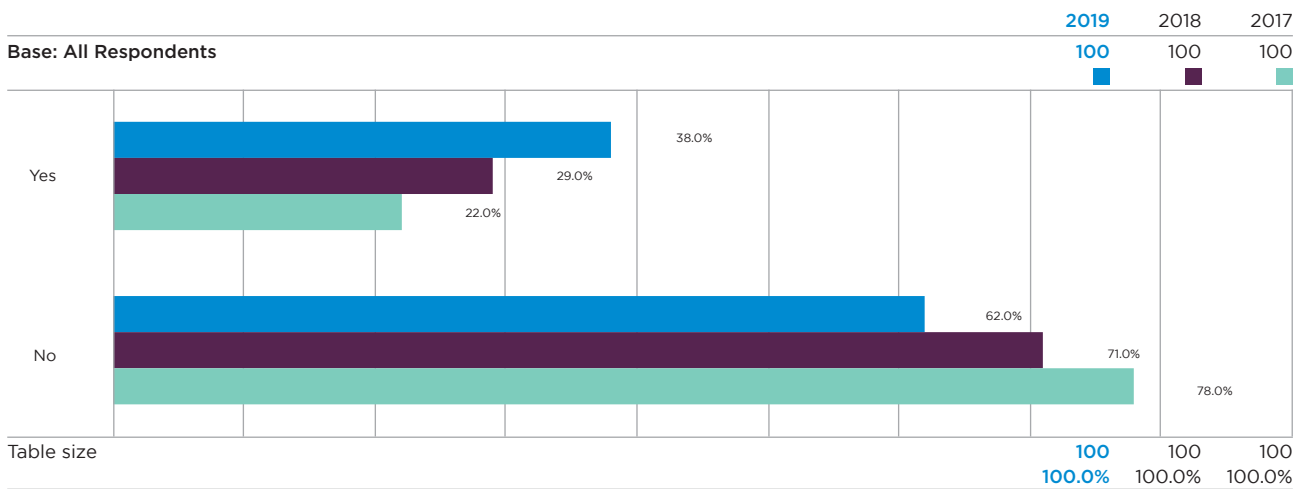
	2019
<b>Base: All respondents</b>	<b>100</b>
Compulsory preservation of retirement funds	22 22.0%
Simplification of regulations / legislation / compliance to reduce costs	11 11.0%
Better leadership, efficiency and commitment from the FSCA	10 10.0%
Better communication and education on retirement saving and preservation	9 9.0%
Less Tax	7 7.0%
More transparency/ disclosure of broker fees/ not commission based	5 5.0%
Better training and qualification of trustees	4 4.0%
Retirement Fund should be mandatory in all business regardless of size	3 3.0%
Stable investment returns	3 3.0%
No compulsory preservation/restrictions on industry related umbrella funds	3 3.0%
Annuitization of Provident Fund benefits	3 3.0%
Product pricing should be competitive	2 2.0%
Change in retirement age	2 2.0%
Need only one consultant to deal with both employer and employee	2 2.0%
Level the playing field between pension and provident funds in all aspects	2 2.0%
Feasible access to retirement fund products	1 1.0%
Reporting across all service providers should be standardised	1 1.0%
Efficient services when submitting new members	1 1.0%
Corruption needs to be curbed	1 1.0%
Less involvement from the top down about the funds	1 1.0%
Asset Managers taking more responsibility in their performance	1 1.0%
Increased member representation	1 1.0%
Improved data systems	1 1.0%
Better balance of BBBEE from 5% to 20%	1 1.0%
More flexibility in Investments	1 1.0%
Freedom to change funds whilst employed	1 1.0%
Expats should be able to take their Retirement Fund in full upon retiring	1 1.0%
Lower Administration costs	1 1.0%
Enforcement of cost and service price - must keep track of it	1 1.0%
Exemption of employer fund members from National Savings Fund	1 1.0%
Access should be given to all online facilities	1 1.0%
Blue collar workers paying less on advisory fees	1 1.0%
Nothing	6 6.0%
Table size	111 111.0%

# Demographics

## D1 For how long have you performed the duties of a Principal Officer or Trustee on a retirement fund?



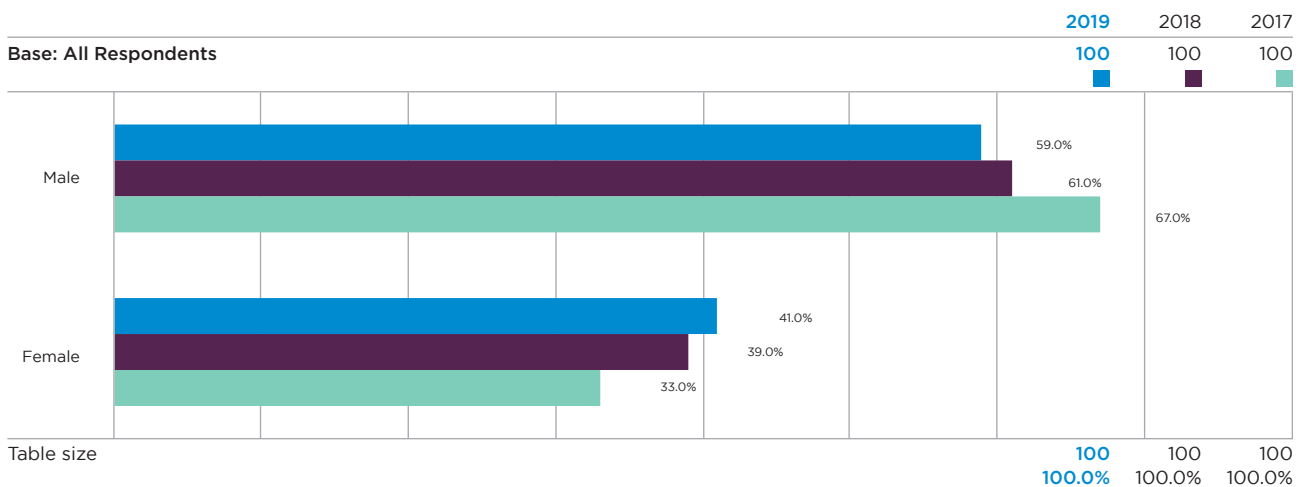
## D2 Are you an independent Principal Officer or an independent Trustee of the retirement fund?



### D3 What is the highest level of qualification that you hold?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Degree	28 28.0%	18 18.0%	25 25.0%
Honours degree	20 20.0%	25 25.0%	17 17.0%
Diploma	12 12.0%	11 11.0%	17 17.0%
National certificate	3 3.0%	6 6.0%	1 1.0%
Chartered accountant	12 12.0%	11 11.0%	11 11.0%
Chartered secretary	0 0.0%	0 0.0%	1 1.0%
MBA	2 2.0%	4 4.0%	2 2.0%
Matric	6 6.0%	6 6.0%	10 10.0%
Masters degree	11 11.0%	9 9.0%	8 8.0%
Post graduate	1 1.0%	4 4.0%	3 3.0%
SAIPA	0 0.0%	1 1.0%	0 0.0%
Did not attain matric	1 1.0%	0 0.0%	1 1.0%
CFA/CFP	3 3.0%	1 1.0%	3 3.0%
Other	1 1.0%	4 4.0%	1 1.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

### D4 Gender



### D5 Which of the following best describes your age group?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
25-34	5 5.0%	3 3.0%	4 4.0%
35-44	16 16.0%	18 18.0%	15 15.0%
45-54	33 33.0%	36 36.0%	42 42.0%
55-64	35 35.0%	31 31.0%	29 29.0%
65 or older	11 11.0%	12 12.0%	10 10.0%
Table Size	100 100.0%	100 100.0%	100 100.0%



**D6 Ethnic group**

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Black	10 10.0%	10 10.0%	13 13.0%
Coloured	7 7.0%	7 7.0%	7 7.0%
Asian/Indian	12 12.0%	9 9.0%	7 7.0%
White	71 71.0%	74 74.0%	73 73.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

**D7 Which of the following media do you consume?**

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
ETV	21 21.0%	33 33.0%	30 30.0%
SABC	31 31.0%	44 44.0%	38 38.0%
CNBC	20 20.0%	29 29.0%	27 27.0%
Bloomberg	29 29.0%	42 42.0%	36 36.0%
Supersport	61 61.0%	61 61.0%	71 71.0%
Today's Trustee	76 76.0%	82 82.0%	81 81.0%
Pensions World	38 38.0%	43 43.0%	42 42.0%
Financial Mail	61 61.0%	66 66.0%	73 73.0%
Moneyweb	54 54.0%	57 57.0%	46 46.0%
EBNet	27 27.0%	29 29.0%	26 26.0%
Fin24	65 65.0%	67 67.0%	65 65.0%
BizNews	28 28.0%	29 29.0%	28 28.0%
Personal Finance	40 40.0%	48 48.0%	38 38.0%
DStv	1 1.0%	0 0.0%	3 3.0%
Other	25 25.0%	9 9.0%	8 8.0%
None	0 0.0%	0 0.0%	2 2.0%
Table Size	577 577.0%	639 639.0%	614 614.0%

# **Umbrella Funds Data**

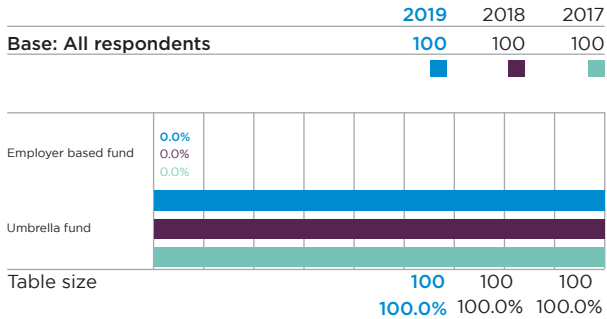
# Section 1

# General employer statistics

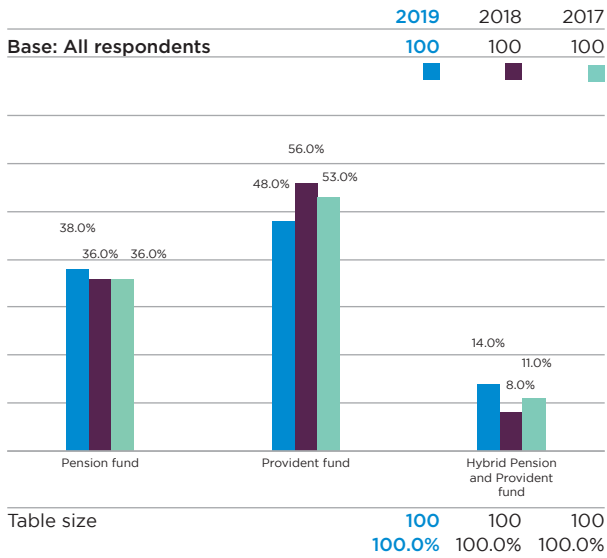
## Q1.1a How would you classify the principal employer, using one of the following business categories?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Financial Services	6	4	3
	6.0%	4.0%	3.0%
Manufacturing	27	30	27
	27.0%	30.0%	27.0%
Agriculture, forestry or fishing	9	10	9
	9.0%	10.0%	9.0%
Professional or business services	3	5	9
	3.0%	5.0%	9.0%
Building or construction	5	4	3
	5.0%	4.0%	3.0%
Wholesale and retail	15	15	21
	15.0%	15.0%	21.0%
Government, semi-government /parastatal	4	3	1
	4.0%	3.0%	1.0%
Chemical or pharmaceutical	0	1	1
	0.0%	1.0%	1.0%
Engineering	4	2	3
	4.0%	2.0%	3.0%
Healthcare	2	1	1
	2.0%	1.0%	1.0%
Hospitality	5	6	5
	5.0%	6.0%	5.0%
IT or telecoms	3	3	3
	3.0%	3.0%	3.0%
Printing and publishing	0	0	1
	0.0%	0.0%	1.0%
Transport /Logistics	10	8	7
	10.0%	8.0%	7.0%
Energy or petrochemical	1	0	1
	1.0%	0.0%	1.0%
NGO	1	2	0
	1.0%	2.0%	0.0%
Property / Property Management	2	2	1
	2.0%	2.0%	1.0%
Security	1	2	-
	1.0%	2.0%	-
Other	2	2	4
	2.0%	2.0%	4.0%
Table Size	100	100	100
	100.0%	100.0%	100.0%

### 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?



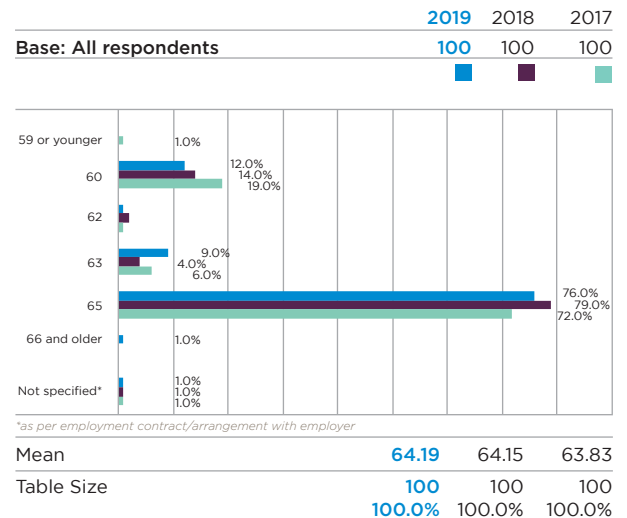
### Q1.3a How many of your employees belong to the fund? (i.e. are active members of the fund?)

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
21 to 40	8	7	6
41 to 100	8.0%	7.0%	6.0%
101 to 300	19	23	26
	19.0%	23.0%	26.0%
301 to 500	25	29	23
	25.0%	29.0%	23.0%
501 to 1 000	14	12	12
	14.0%	12.0%	12.0%
1 001 to 1 000	17	14	17
	17.0%	14.0%	17.0%
1 001 or more	17	15	16
	17.0%	15.0%	16.0%
Mean	614	533	500
Table Size	100	100	100
	100.0%	100.0%	100.0%

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

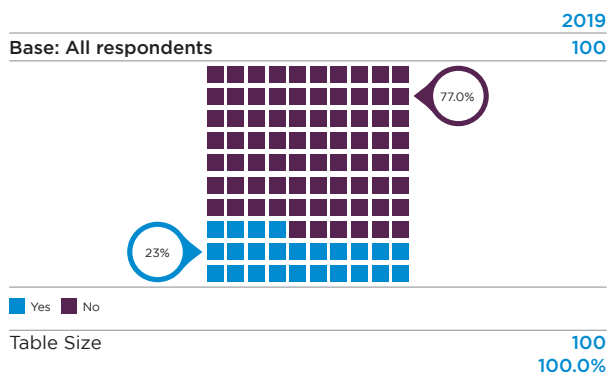
	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	<b>100</b>	<b>100</b>
Less than R3m	2	2	3
	2.0%	2.0%	3.0%
R3.1M to R12M	7	15	11
	7.0%	15.0%	11.0%
R12.1m to R30	14	18	11
	14.0%	18.0%	11.0%
R30.1m to R50m	14	6	8
	14.0%	6.0%	8.0%
R50.1Mto R120m	19	18	21
	19.0%	18.0%	21.0%
R120.1m to R300m	20	23	25
	20.0%	23.0%	25.0%
R300.1m to R500m	6	6	3
	6.0%	6.0%	3.0%
R500.1m to R1bn	6	2	7
	6.0%	2.0%	7.0%
R1.1 bn to R5bn	6	4	6
	6.0%	4.0%	6.0%
Not sure	5	0	1
	5.0%	0.0%	1.0%
Refused	1	6	4
	1.0%	6.0%	4.0%
Mean (millions)	R256	R200	R257
Table Size	100	100	100
	100.0%	100.0%	100.0%

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



\*as per employment contract/arrangement with employer

### Q1.5 Has the potential impact of increased longevity resulted in the employer considering an increase in normal retirement age?



### Q1.6 What were the factors that influenced this decision?

	2019
Base: All who HAVE considered an increase in normal retirement age	23
Only for select employees with specialist knowledge	7
	30.4%
Lower retirement age is an enabler of transformation	3
	13.0%
People at normal retirement age are not contributing to the business commensurate with their cost to the company (i.e. their salary package at that point)	1
	4.3%
To retain skillset/ knowledge	11
	47.8%
The nature of our industry increases the risk for individuals who work beyond the normal retirement age	1
	4.3%
There are very few opportunities for individuals who opt to work beyond normal retirement age	1
	4.3%
The legal retirement age is 65 vs the industry	1
	4.3%
60 is not old anymore so we increased retirement age to 65	1
	4.3%
I bought a business	1
	4.3%
Improve NRR/build more retirement capital as people are living longer	4
	17.4%
Moved to a new fund and the new age moved from 63 to 65 years of age	1
	4.3%
Don't know what the factors will be in line with the motor industry	1
	4.3%
We are discussing it, but no final decision has been reached	1
	4.3%
Table Size	34
	147.8%

### Q1.7, 1.8 & 1.9 Applicable to standalone funds

## Q1.6 What were the factors that influenced this decision?

	2019
<b>Base: All who have NOT considered an increase in normal retirement age</b>	<b>77</b>
Only for select employees with specialist knowledge	9 11.7%
Not aware of any impact on longevity	7 9.1%
Lower retirement age is an enabler of transformation	6 7.8%
People at normal retirement age are not contributing to the business commensurate with their cost to the company (i.e. their salary package at that point)	3 3.9%
To retain skillset/ knowledge	6 7.8%
There has not been sufficient demand from employees	27 35.1%
Increases group risk and disability will be cost prohibitive	2 2.6%
The nature of our industry increases the risk for individuals who work beyond the normal retirement age	3 3.9%
There is no need to increase the retirement date because most members opt for early retirement	13 16.9%
There are very few opportunities for individuals who opt to work beyond normal retirement age	14 18.2%
65 is a good year to retire	2 2.6%
Training of new staff	1 1.3%
The legal retirement age is 65 vs the industry	2 2.6%
Legacy retirement fund rules	1 1.3%
There is no discretion to change retirement age	5 6.5%
Improve NRR/build more retirement capital as people are living longer	1 1.3%
It works well for us	1 1.3%
Some members stay on for a fixed term contract at their own request	2 2.6%
It is the standard age of 65 to retire	1 1.3%
Not applicable due to low age of work force / staff churn	1 1.3%
Table Size	107 139.0%

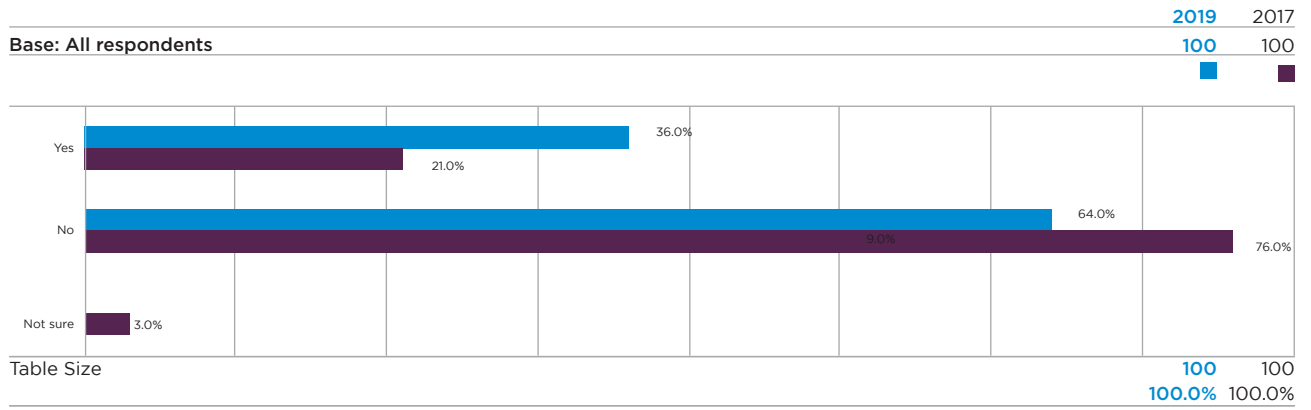
**Q1.10 How long has the employer been in an umbrella fund?**

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Less than 1 year	1 1.0%	-	-
1 year	1 1.0%	4 4.0%	2 2.0%
2 years	1 1.0%	4 4.0%	4 4.0%
3 years	5 5.0%	5 5.0%	12 12.0%
4 years	4 4.0%	8 8.0%	7 7.0%
5 years	12 12.0%	7 7.0%	5 5.0%
6 years	7 7.0%	5 5.0%	5 5.0%
7 years	3 3.0%	13 13.0%	9 9.0%
8 years	10 10.0%	7 7.0%	3 3.0%
9 years	3 3.0%	4 4.0%	3 3.0%
10 years	8 8.0%	4 4.0%	11 11.0%
11 - 15 years	20 20.0%	17 17.0%	16 16.0%
16-20 years	13 13.0%	11 11.0%	15 15.0%
More than 20 years	12 12.0%	11 11.0%	8 8.0%
Mean	12.07	10.59	10.72
Table Size	100 100.0%	100 100.0%	100 100.0%

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

	2019	2017
<b>Base: All respondents</b>	<b>100</b>	100
Annually	34 34.0%	16 16.0%
Every 2 years	6 6.0%	17 17.0%
Every 3 years	8 8.0%	25 25.0%
Every 4 years	5 5.0%	1 1.0%
Every 5 years	9 9.0%	13 13.0%
Never	33 33.0%	21 21.0%
Ad hoc	2 2.0%	4 4.0%
Other	3 3.0%	0 0.0%
Don't know	0 0.0%	3 3.0%
Mean	1.6	2.09
Table Size	100 100.0%	100 100.0%

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





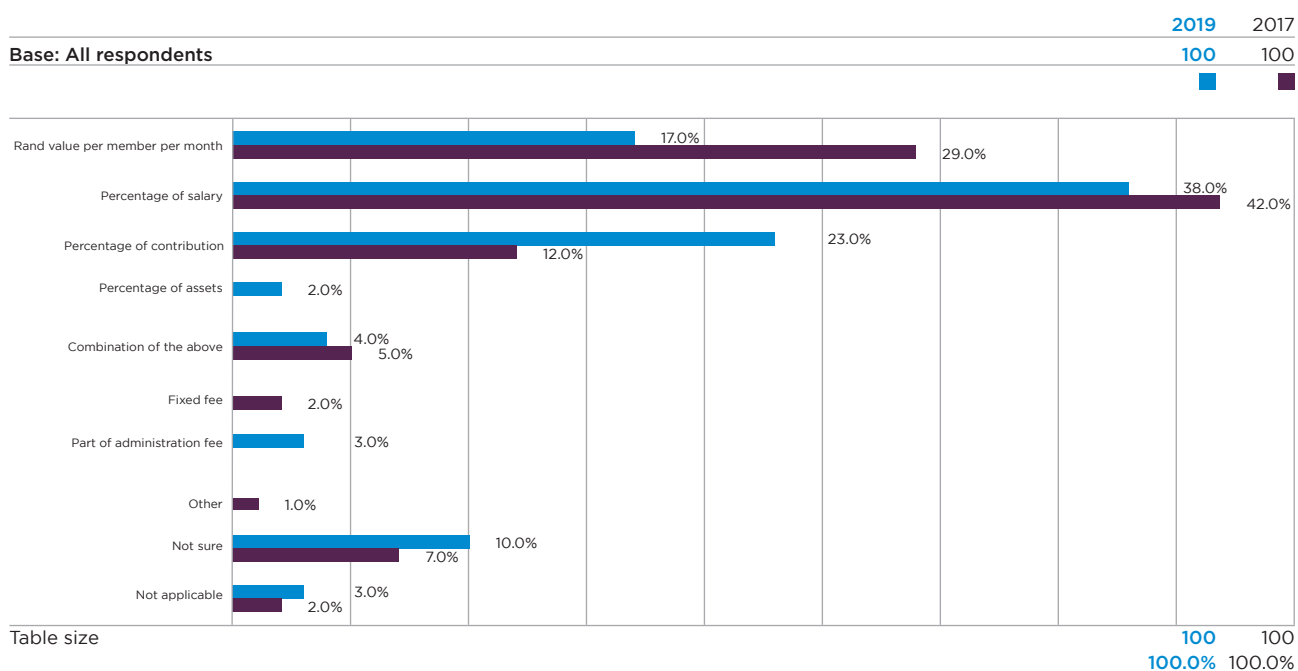
# Section 2

# Costs, expenses or fees

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

	2019	2018	2019
<b>Base: All respondents</b>	<b>100</b>	100	100
Statutory commission paid annually in advance	5 5.0%	4 4.0%	5 5.0%
Statutory commission paid monthly	32 32.0%	21 21.0%	20 20.0%
Fee as negotiated between the employer and the advisor	50 50.0%	61 61.0%	62 62.0%
Part of the admin fee	3 3.0%	2 2.0%	3 3.0%
Part of the umbrella fund package	1 1.0%	3 3.0%	-
Other	0 0.0%	3 3.0%	2 2.0%
None	0 0.0%	0 0.0%	2 2.0%
Not sure	6 6.0%	5 5.0%	5 5.0%
Not applicable	3 3.0%	1 1.0%	0 0.0%
Refused	0 0.0%	0 0.0%	1 1.0%
Summary:			
Any statutory commission	37 37.0%	25 25.0%	25 25.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

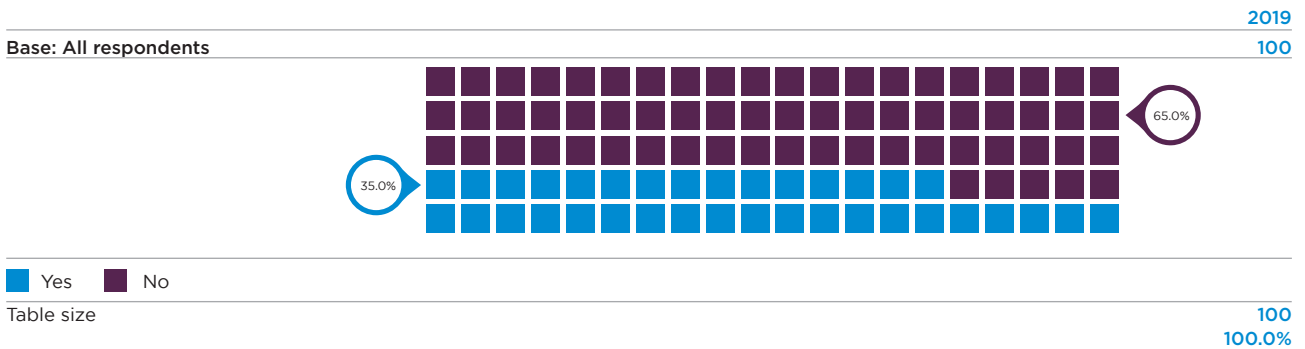
## Q2.2 How is the consulting fee expressed?



**Q2.3 How is the fund's consultant or broker selected?**

	2019	2018
<b>Base: All respondents</b>	<b>100</b>	100
Company brand/ track record	53 53.0%	31 31.0%
Price/ cost of service	51 51.0%	27 27.0%
Independence of the broker	27 27.0%	12 12.0%
Range of advice offered which includes EB, medical aid, short-term insurance, financial wellness	22 22.0%	13 13.0%
B-BBEE	5 5.0%	1 1.0%
Existing relationship	55 55.0%	-
Infrastructure on a national basis	3 3.0%	-
Size of the company to provide for continuity risk	18 18.0%	-
None of the above	3 3.0%	12 12.0%
Range of different criteria used	0 0.0%	1 1.0%
Other	1 1.0%	-
Don't know	0 0.0%	3 3.0%
Not applicable - no fund consultant	3 3.0%	-
Table Size	241 241.0%	100 100.0%

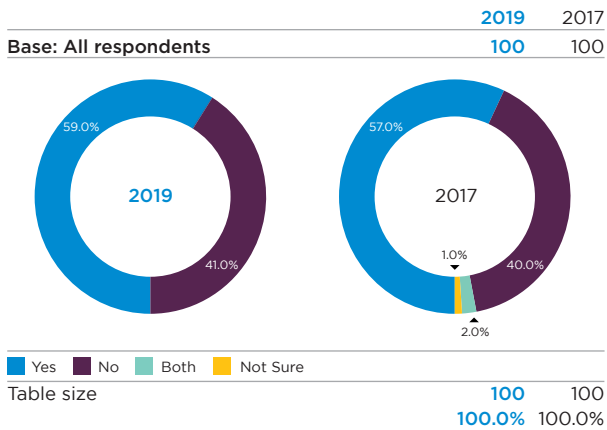
**Q2.4 Does the employer have different funds for different categories of member, i.e. separate funds for blue collar workers, management staff etc?**



# 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)?

	2019	2017
Base: All respondents	100	100
Less than 70%	19	18
	19.0%	18.0%
70.1% to 80%	34	22
	34.0%	22.0%
80.1% to 90%	16	14
	16.0%	14.0%
90.1% to 100%	23	43
	23.0%	43.0%
Other	2	1
	2.0%	1.0%
Don't know	4	2
	4.0%	2.0%
Not applicable	2	2
	2.0%	2.0%
Mean	77.36	80.11
Table Size	100	100
	100.0%	100.0%

# Section 4

# Contributions

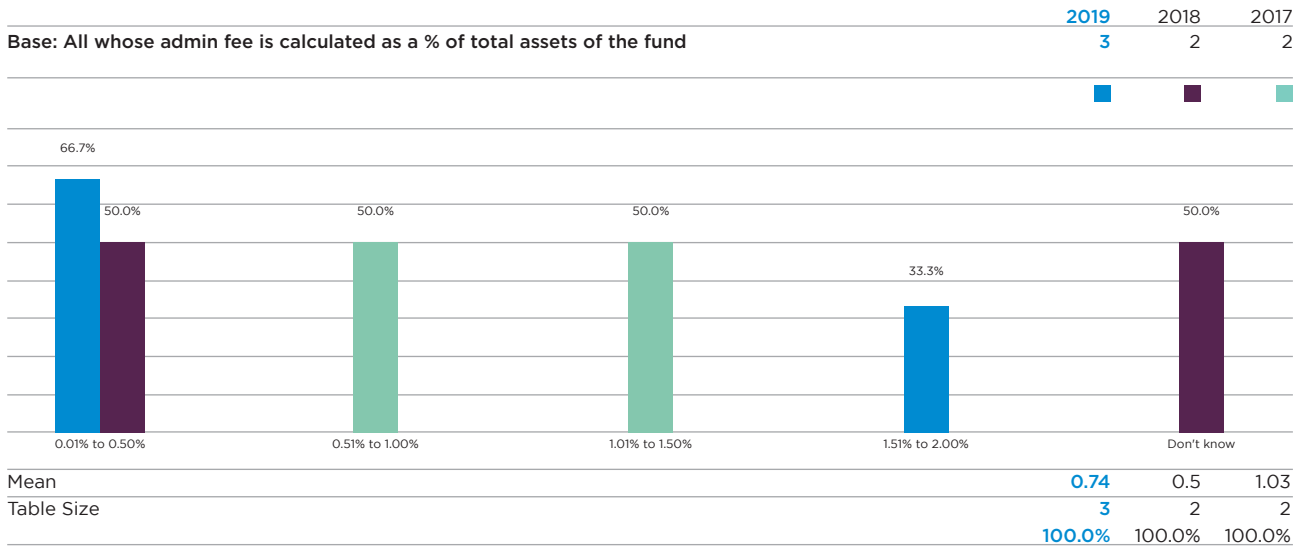
## Q4.1 How is the cost of the pure administration fee of the sub-fund expressed?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
As a % of the member's salary	65	68	60
	65.0%	68.0%	60.0%
As a % of the total asset value of the fund	3	2	2
	3.0%	2.0%	2.0%
As a fixed cost per member per month	28	28	36
	28.0%	28.0%	36.0%
As a % of the contribution	0	1	0
	0.0%	1.0%	0.0%
Combination of the above	4	1	0
	4.0%	1.0%	0.0%
Not sure	0	0	1
	0.0%	0.0%	1.0%
Refused	0	0	1
	0.0%	0.0%	1.0%
Table Size	100	100	100
	100.0%	100.0%	100.0%

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

	2019	2018	2017
<b>Base: All whose admin fee is calculated as a % of member's salary</b>	<b>65</b>	42	29
0.01% to 0.50%	55.4%	48.3%	61.8%
0.51% to 1.00%	29.2%	23.5%	31.7%
1.01% to 1.50%	7.7%	8.8%	5.0%
1.51% to 2.00%	3.1%	1.5%	10.0%
2.01% to 2.50%	1.5%	1.7%	1.5%
2.51% to 3.00%	3.1%	1.5%	1.7%
3.51% to 4.00%	1.7%		
4.01% or more	1.5%		
Not sure	1.5%		
Mean	0.59	0.64	0.76
Table Size	65	68	60
	100.0%	100.0%	100.0%

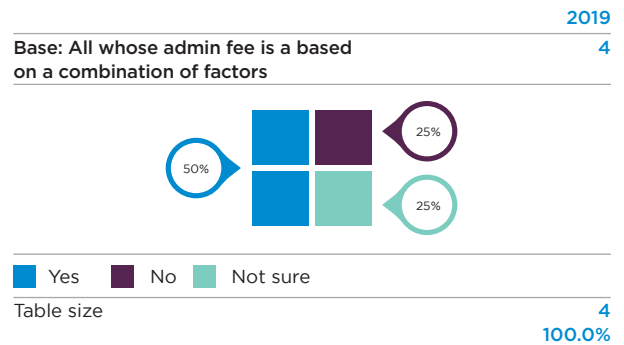
### Q4.2B What percentage of the asset value of the sub-fund goes towards the pure administration costs (total fund management fees – excluding asset management fees/ consulting and risk cost)?



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

	2019	2018	2017
Base: All whose admin fee is calculated as a fixed cost per member per month	28	28	36
Less than R10	1 3.6%	3 10.7%	3 8.3%
R10 to R14	0 0.0%	0 0.0%	1 2.8%
R15 to R24	7 25.0%	5 17.9%	14 38.9%
R25 to R29	6 21.4%	4 14.3%	6 16.7%
R30 to R34	1 3.6%	0 0.0%	2 5.6%
R35 to R39	2 7.1%	2 7.1%	2 5.6%
R40 to R44	2 7.1%	2 7.1%	0 0.0%
R45 to R49	1 3.6%	1 3.6%	1 2.8%
R50 to R54	1 3.6%	1 3.6%	2 5.6%
R55 to R59	0 0.0%	1 3.6%	2 5.6%
R60 to R64	1 3.6%	0 0.0%	1 2.8%
R65 to R69	1 3.6%	1 3.6%	0 0.0%
R70 to R74	1 3.6%	1 3.6%	0 0.0%
R80 or more	3 10.7%	6 21.4%	1 2.8%
Not sure	1 3.6%	1 3.6%	1 2.8%
Mean	R40	R43	R30
Table Size	28	28	36
	100.0%	100.0%	100.0%

### Q4.2D Are you able to quantify the combined cost of the sub-fund's pure administration cost?



### Q4.2E Can you briefly explain how this is calculated?

	2019
Base: All who can quantify the cost of the admin fee	2
Standard 0.67% administration costs	1
Agreed percentage of members salary which is 0.65%	1
Table size	2
	100%

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

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Up to R300,000	2 2.0%	5 5.0%	5 5.0%
R300,001 to R500,000	6 6.0%	4 4.0%	7 7.0%
R500,001 to R1,000,000	4 4.0%	5 5.0%	9 9.0%
R1,000,001 to R5,000,000	32 32.0%	45 45.0%	37 37.0%
R5,000,001 to R10,000,000	16 16.0%	14 14.0%	13 13.0%
R10,000,001 to R50,000,000	29 29.0%	19 19.0%	17 17.0%
R50,000,001 to R70,000,000	2 2.0%	2 2.0%	3 3.0%
R70,000,001 to R90,000,000	2 2.0%	0 0.0%	1 1.0%
R90,000,001 +	1 1.0%	1 1.0%	0 0.0%
Don't know	1 1.0%	2 2.0%	1 1.0%
Refused/ Confidential	5 5.0%	3 3.0%	7 7.0%
Mean (in millions)	R13	R9	R9
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q4.4 Only applies to Standalone Funds.

### Q4.5 Are risk benefits provided as part of the umbrella fund product package (approved) or are they provided through a separate scheme (unapproved)?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Approved: Part of the umbrella fund product package	66.0%	68.0%	67.0%
Unapproved: Separate scheme	21.0%	25.0%	17.0%
Both	6.0%	12.0%	16.0%
No insured benefits provided	1.0%	1.0%	0.0%
Table size	100 100.0%	100 100.0%	100 100.0%

### Q4.6 What percentage of salaries is applied to the total cost of death benefits/life cover under the umbrella fund and under a separate scheme?

#### Q4.6A Under the Umbrella Fund

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0.01% to 0.50%	8 8.0%	5 5.0%	4 4.0%
0.51% to 1.00%	22 22.0%	21 21.0%	20 20.0%
1.01% to 1.50%	22 22.0%	19 19.0%	32 32.0%
1.51% to 2.00%	13 13.0%	12 12.0%	12 12.0%
2.01% to 2.50%	6 6.0%	5 5.0%	3 3.0%
2.51% to 3.00%	2 2.0%	2 2.0%	3 3.0%
3.01% to 3.50%	1 1.0%	1 1.0%	1 1.0%
3.51% to 4.00%	1 1.0%	0 0.0%	0 0.0%
4.01% or more	1 1.0%	6 6.0%	1 1.0%
No benefit	21 21.0%	24 24.0%	21 21.0%
Not sure	3 3.0%	5 5.0%	2 2.0%
Refused	0 0.0%	0 0.0%	1 1.0%
Mean	1.29%	1.51%	1.31%
Table Size	100 100.0%	100 100.0%	100 100.0%

#### Q4.6B Under a separate scheme?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	0 0.0%	7 7.0%	0 0.0%
0.01% to 0.50%	4 4.0%	3 3.0%	5 5.0%
0.51% to 1.00%	7 7.0%	7 7.0%	5 5.0%
1.01% to 1.50%	7 7.0%	5 5.0%	10 10.0%
1.51% to 2.00%	8 8.0%	7 7.0%	5 5.0%
2.01% to 2.50%	1 1.0%	1 1.0%	2 2.0%
2.51% to 3.00%	1 1.0%	0 0.0%	1 1.0%
3.01% to 3.50%	1 1.0%	0 0.0%	0 0.0%
3.51% to 4.00%	0 0.0%	1 1.0%	0 0.0%
4.01% or more	0 0.0%	1 1.0%	0 0.0%
No benefit	69 69.0%	66 66.0%	71 71.0%
Other	0 0.0%	0 0.0%	1 1.0%
Not sure	2 2.0%	2 2.0%	0 0.0%
Mean	1.24%	1.09%	1.20%
Table Size	100 100.0%	100 100.0%	100 100.0%

#### Q4.7 What percentage of salaries is applied to the total cost of disability income benefits (PHI)

	2019
<b>Base: All who provide risk benefits</b>	<b>99</b>
0%	1
	1.0%
0.01% to 0.50%	14
	14.1%
0.51% to 1.00%	34
	34.3%
1.01% to 1.50%	25
	25.3%
1.51% to 2.00%	10
	10.1%
2.01% to 2.50%	3
	3.0%
3.01% to 3.50%	2
	2.0%
3.51% to 4.00%	1
	1.0%
4.01 or more	1
	1.0%
No benefit	6
	6.1%
Not sure	2
	2.0%
Mean	1.0%
Table Size	99
	100.0%

#### Q4.8 What on average are the employer's total contributions (excluding any contributions made to an unapproved insurance benefit), expressed as a percentage of total average annual salary?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	6	4	5
	6.0%	4.0%	5.0%
0.1% to 5%	11	13	6
	11.0%	13.0%	6.0%
5.1% to 7.5%	26	26	18
	26.0%	26.0%	18.0%
7.6% to 10%	18	23	30
	18.0%	23.0%	30.0%
10.1% to 11%	9	4	4
	9.0%	4.0%	4.0%
11.1% to 12.5%	7	7	11
	7.0%	7.0%	11.0%
12.6% to 15%	14	11	11
	14.0%	11.0%	11.0%
15.1% or more	9	6	12
	9.0%	6.0%	12.0%
Varies	0	4	2
	0.0%	4.0%	2.0%
Not sure	0	2	1
	0.0%	2.0%	1.0%
Mean	9.06%	8.36%	9.95%
Table Size	100	100	100
	100.0%	100.0%	100.0%

#### Q4.9 Which of the following does the employer pay?

	2019	2017
<b>Base: All respondents</b>	<b>100</b>	100
Fixed contribution only (i.e. total cost to company - no additional costs)	49 49.0%	46 46.0%
Fixed contribution plus the cost of administration	4 4.0%	8 8.0%
Fixed contribution plus the cost of risk benefits	7 7.0%	2 2.0%
Fixed contribution plus the cost of administration and the cost of risk benefits	34 34.0%	39 39.0%
Other	1 1.0%	0 0.0%
None	3 3.0%	0 0.0%
Not sure	2 2.0%	5 5.0%
Table Size	100 100.0%	100 100.0%

#### Q4.10 What contribution (as a percentage of salary and excluding any additional voluntary contributions) is made by members on average?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	13 13.0%	15 15.0%	8 8.0%
0.1% to 5%	9 9.0%	16 16.0%	8 8.0%
5.1% to 6%	5 5.0%	9 9.0%	8 8.0%
6.1% to 7.4%	18 18.0%	15 15.0%	29 29.0%
7.5%	33 33.0%	28 28.0%	30 30.0%
7.6% to 8%	1 1.0%	2 2.0%	2 2.0%
8.1% or more	17 17.0%	7 7.0%	14 14.0%
Varies	0 0.0%	5 5.0%	0 0.0%
Not sure/ Don't know	4 4.0%	3 3.0%	1 1.0%
Mean	7.00%	5.49%	7.27%
Table Size	100 100.0%	100 100.0%	100 100.0%



# Section 5

## Risk benefits

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

	2019	2018	2017
<b>Base: All who provide approved risk benefits</b>	<b>78</b>	74	83
1 x annual salary	2 2.6%	3 4.1%	2 2.4%
1.5 x annual salary	1 1.3%	2 2.7%	2 2.4%
2 x annual salary	13 16.7%	15 20.3%	17 20.5%
2.5 x annual salary	1 1.3%	0 0.0%	6 7.2%
3 x annual salary	25 32.1%	19 25.7%	21 25.3%
4 x annual salary	19 24.4%	15 20.3%	13 15.7%
5 x annual salary	4 5.1%	4 5.4%	6 7.2%
More than 5 x annual salary	0 0.0%	1 1.4%	3 3.6%
Depending on years of service	0 0.0%	0 0.0%	2 2.4%
Scaled per age band	12 15.4%	2 2.7%	4 4.8%
Fixed amount	0 0.0%	0 0.0%	1 1.2%
Members have flexible benefits, so it varies from member to member	1 1.3%	10 13.5%	4 4.8%
Depends on employee level (Executive vs other staff)	0 0.0%	1 1.4%	-
No lump sum	0 0.0%	2 2.7%	1 1.2%
Not sure	0 0.0%	0 0.0%	1 1.2%
Mean	3.12	3.03	3.1
Table size	78 100.0%	74 100.0%	83 100.0%

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

	2019	2018	2017
<b>Base: All who provide approved risk benefits</b>	<b>33</b>	31	33
1 x annual salary	1	0	2
	3.0%	0.0%	6.1%
1.5 x annual salary	0	0	2
	0.0%	0.0%	6.1%
2 x annual salary	5	2	4
	15.2%	6.5%	12.1%
3 x annual salary	8	5	8
	24.2%	16.1%	24.2%
4 x annual salary	6	9	5
	18.2%	29.0%	15.2%
5 x annual salary	2	1	2
	6.1%	3.2%	6.1%
Scaled per age band	2	2	0
	6.1%	6.5%	0.0%
Fixed Amount	0	1	0
	0.0%	3.2%	0.0%
Members have flexible benefits, so it varies from member to member	3	6	1
	9.1%	19.4%	3.0%
Depends on employee level (Executive vs other staff)	0	1	-
	0.0%	3.2%	
No lump sum	6	4	9
	18.2%	12.9%	27.3%
Mean	3.14	3.53	2.91
Table size	33	31	33
	100.0%	100.0%	100.0%

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

	2019
<b>Base: All who provide approved risk benefits</b>	<b>99</b>
1 x Annual salary	1
	1.0%
1.5 x Annual salary	1
	1.0%
2 x Annual salary	5
	5.1%
3 x Annual salary	4
	4.0%
3.5 x Annual salary	1
	1.0%
5 x Annual salary	1
	1.0%
More than 5 x Annual salary	1
	1.0%
75% of pensionable salary	2
	2.0%
Scaled per age band	1
	1.0%
Fixed amount	2
	2.0%
Members have flexible benefits, so it varies from member to member	1
	1.0%
No lump sum	78
	78.8%
Not sure	1
	1.0%
Mean	2.79
Table size	99
	100.0%

### Q5.1D What is the size (replacement ratio) of the income benefit payable on disability?

	2019
<b>Base: All respondents</b>	<b>100</b>
<60% of annual salary	1 1.0%
60% - 64% of annual salary	1 1.0%
65% - 69% of annual salary	5 5.0%
70% - 74% of annual salary	4 4.0%
75% - 79% of annual salary	69 69.0%
85% - 89% of annual salary	2 2.0%
90% - 94% of annual salary	1 1.0%
100% or more of annual salary	5 5.0%
Not sure	3 3.0%
No benefit	9 9.0%
Mean	77.55
Table size	100 100.0%

### Q5.1E What is the size of the critical illness (dread disease) benefit payable in the event of a severe illness?

	2019
<b>Base: All respondents</b>	<b>100</b>
R17,500	1 1.0%
R50,000	2 2.0%
R100,000	1 1.0%
R140,000	1 1.0%
R180,000	1 1.0%
R200,000	1 1.0%
R500,000	1 1.0%
Do not provide critical illness cover	92 92.0%
Mean	154,688
Table size	100 100.0%

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

	2019	2018	2017
<b>Base: All who provide risk benefits</b>	<b>78</b>	74	83
Death benefits	75 96.2%	73 98.6%	80 96.4%
Lump sum disability benefits	17 21.8%	-	-
Disability income benefits	60 76.9%	-	-
Disability benefits	-	71 95.9%	77 92.8%
Funeral cover	54 69.2%	50 67.6%	37 44.6%
Critical illness / Dread disease	13 16.7%	11 14.9%	-
Medical aid premium waiver	-	0 0.0%	7 8.4%
Other	3 3.8%	3 4.1%	4 4.8%
None	2 2.6%	0 0.0%	1 1.2%
Table Size	224 287.2%	208 281.1%	206 248.2%

**Q5.3 Have you ever considered reducing the disability income benefits due to the changes in tax legislation on 1 March 2015 resulting in disability income benefits no longer being taxed?**

	2019
Base: All who provide risk benefits	99
Yes	7
	7.1%
No	89
	89.9%
Not sure	2
	2.0%
N/A - don't pay monthly disability income	1
	1.0%
Table size	99
	100.0%

**Q5.4 Should age be a factor in determining the replacement ratio of a disability income benefit claimant e.g. should younger claimants get a higher benefit relative to older claimants?**

	2019
Base: All who provide risk benefits	99

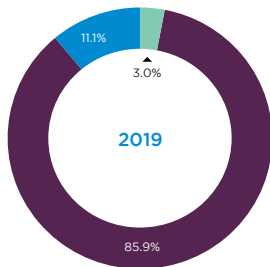


Table Size	99
	100.0%

**Q5.5 Should the replacement ratio take into account the % of functional impairment that the claimant experiences, e.g. should a paraplegic or totally blind person get a higher benefit than someone who cannot work due to a lower back problem?**

	2019
Base: All who provide risk benefits	99

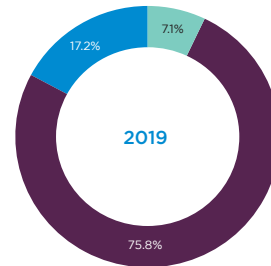


Table Size	99
	100.0%

**Q5.6 Do you support disability income benefits that are linked to the % of the job description that the employee cannot perform, e.g. should an employee who cannot perform 100% of his regular duties get a higher benefit than an employee who cannot perform 40% of his regular duties?**

	2019
Base: All who provide risk benefits	99

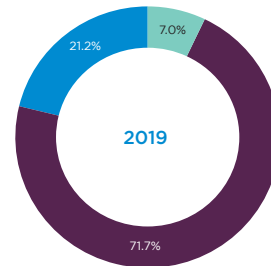
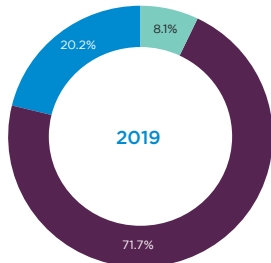


Table Size	99
	100.0%

**Q5.7 Should employees that do not meet fitness for work criteria due to a diagnosis or medication, but who have no real impairment be compensated on a different benefit scale?**

2019

Base: All who provide risk benefits 99



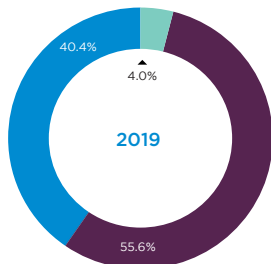
■ Yes ■ No ■ Not sure

Table Size 99 100.0%

**Q5.8 Should the level of pre-existing impairment/disability before joining the group scheme be considered in the replacement ratio of disability claim?**

2019

Base: All who provide risk benefits 99



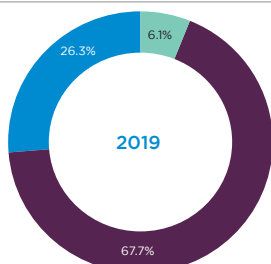
■ Yes ■ No ■ Not sure

Table Size 99 100.0%

**Q5.9 Should the replacement ratio be increased gradually over 5 years when an employee newly joins a group scheme?**

2019

Base: All who provide risk benefits 99



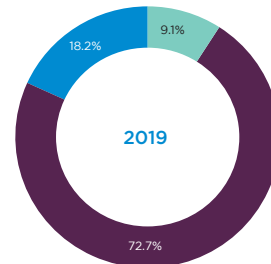
■ Yes ■ No ■ Not sure

Table Size 99 100.0%

**Q5.10 Should lifestyle factors and compliance with medical treatment be taken into consideration when determining the replacement ratio of the claimant, e.g. should an employee with a poor lifestyle (obese, smoker, inactive) or who does not comply with medication get a lower benefit than an employee who is fully compliant?**

2019

Base: All who provide risk benefits 99



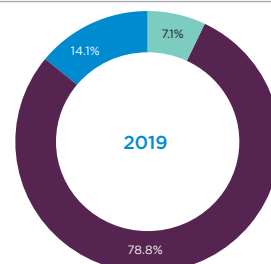
■ Yes ■ No ■ Not sure

Table Size 99 100.0%

**Q5.11 Should employees disabled for their work due to a terminal illness or poor prognosis get a higher replacement ratio than others with a condition that has a good prognosis or is not life-threatening?**

2019

Base: All who provide risk benefits 99



■ Yes ■ No ■ Not sure

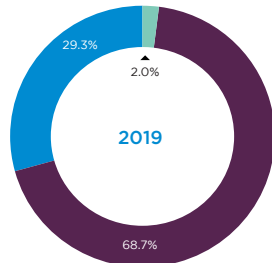
Table Size 99 100.0%

**Q5.12 Should workplace related diseases and injuries get a higher level of compensation than diseases and injuries that are not related to the workplace?**

2019

Base: All who provide risk benefits

99



■ Yes ■ No ■ Not sure

Table Size

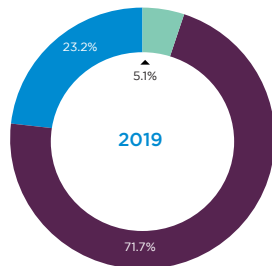
99  
100.0%

**Q5.13 When employers take on new staff with disabilities, the employees are insured via the group scheme without exclusion of the disabilities. Do you believe that cover of newly appointed employees with disabilities should be restricted?**

2019

Base: All who provide risk benefits

99



■ Yes ■ No ■ Not sure

Table Size

99  
100.0%

**Q5.14 Do you offer employees any of the following rewards?**

2019

Base: All who provide risk benefits

99

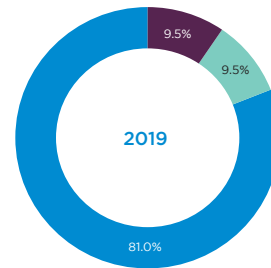
Multiply by Momentum	8	8.1%
Reality by Sanlam	2	2.0%
Vitality by Discovery	38	38.4%
Old Mutual Rewards	2	2.0%
Do not offer any rewards programme	57	57.6%
Table size	107	108.0%

**Q5.15 Do you believe that the rewards programme adds value in the lives of members?**

2019

Base: All who offer a rewards programme

42



■ Yes ■ No ■ Not sure

Table Size

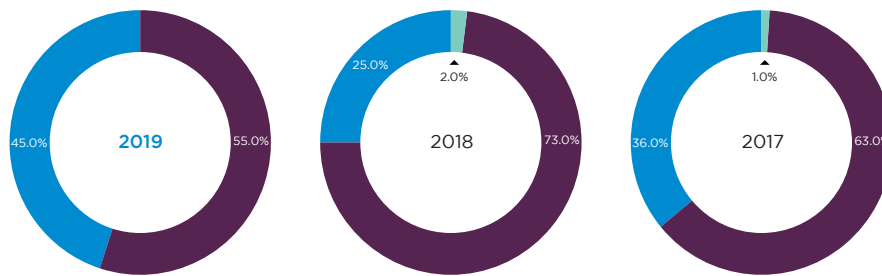
42  
100.0%

# Section 6

# Retirement

## Q6.1A Does your sub-fund have a stated target pension (usually expressed as Net Replacement Ratio (NRR)) that the trustees actively work towards?

	2019	2018	2017
Base: All respondents	100	100	100



■ Yes ■ No

Table size	100	100	100
	100.0%	100.0%	100.0%

## Q6.1B Do you have a default contribution rate (Employer and Employee) that is aligned with the stated target pension?

	2019	2018	2017
Base: All who have a stated target pension	45	25	36

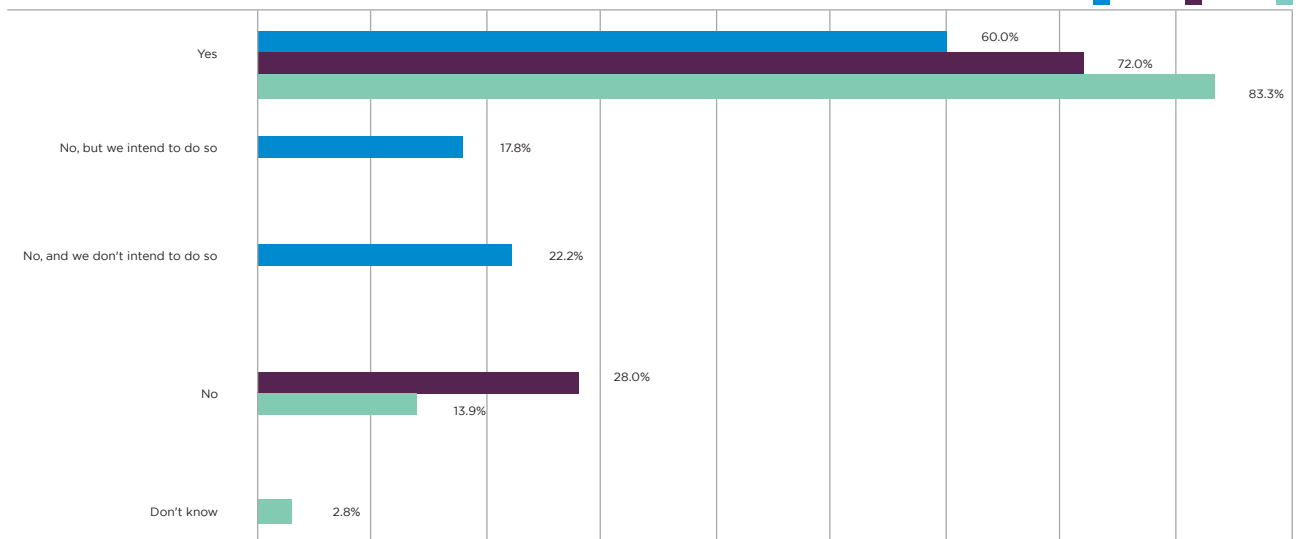


Table size	45	25	36
	100.0%	100.0%	100.0%

### Q6.1C What income replacement ratio does the sub-fund target?

	2019	2018	2017
<b>Base: All who have a stated target pension</b>	<b>45</b>	25	36
Less than 25%	3 6.7%	1 4.0%	1 2.8%
25% - 49%	1 2.2%	0 0.0%	0 0.0%
50% - 59%	1 2.2%	1 4.0%	0 0.0%
60% - 69%	2 4.4%	0 0.0%	6 16.7%
70% - 75%	32 71.1%	21 84.0%	15 41.7%
76% or more	1 2.2%	1 4.0%	9 25.0%
Fund does not use a replacement ratio to target	1 2.2%	0 0.0%	0 0.0%
Don't know	4 8.9%	1 4.0%	5 13.9%
Mean	67.89%	67.80%	73.61%
Table Size	45 100.0%	25 100.0%	36 100.0%

### Q6.2 Do you believe that NRR is a suitable measure for determining whether a member is on track for retirement?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Yes, completely suitable	36 36.0%	50 50.0%	62 62.0%
Yes, it is ok for now but we need a better solution	25 25.0%	-	-
No, members do not understand the measure	17 17.0%	22 22.0%	19 19.0%
No, there are too many variables and assumptions used	16 16.0%	16 16.0%	16 16.0%
No, the employer does not feel comfortable with the measure	1 1.0%	6 6.0%	1 1.0%
Other	2 2.0%	1 1.0%	0 0.0%
Not sure	3 3.0%	5 5.0%	2 2.0%
<b>Summary</b>			
Any yes	61 61.0%	50 50.0%	62 62.0%
Any no	34 34.0%	44 44.0%	36 36.0%
Table Size	100 100.0%	100 100.0%	100 100.0%



### Q6.3 What percentage of your retirees would you estimate are able to retain their current standard of living in retirement (i.e. continue living in the same area and following similar leisure pursuits to those they engaged in pre-retirement, such as holidays, eating out etc.)?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0%	6 6.0%	12 12.0%	14 14.0%
1%	2 2.0%	8 8.0%	9 9.0%
2%	7 7.0%	6 6.0%	4 4.0%
3%	2 2.0%	1 1.0%	2 2.0%
4%	2 2.0%	0 0.0%	0 0.0%
5%	17 17.0%	15 15.0%	9 9.0%
6% to 10%	18 18.0%	21 21.0%	18 18.0%
11% to 20%	16 16.0%	12 12.0%	15 15.0%
21% to 30%	5 5.0%	4 4.0%	11 11.0%
31% to 40%	2 2.0%	4 4.0%	3 3.0%
41% to 50%	6 6.0%	4 4.0%	3 3.0%
51% to 60%	2 2.0%	1 1.0%	3 3.0%
61% to 70%	4 4.0%	2 2.0%	3 3.0%
71% to 80%	5 5.0%	2 2.0%	2 2.0%
81% to 90%	0 0.0%	0 0.0%	1 1.0%
91% to 100%	0 0.0%	1 1.0%	1 1.0%
Don't know	6 6.0%	7 7.0%	2 2.0%
Mean	20.17%	14.37%	18.46%
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q6.4 Have the Trustees of the umbrella fund implemented an appropriate Trustee-endorsed annuity strategy for your members?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Yes, we have already determined an appropriate Trustee-endorsed annuity product	30 30.0%	33 33.0%	29 29.0%
We are working on this and it will be done within the next 12 months	14 14.0%	12 12.0%	8 8.0%
We are working on this and it will be done within the next 24 months	-	4 4.0%	5 5.0%
No, we are waiting for the Default Regulations to be finalised before we start	-	0 0.0%	17 17.0%
No, we have not discussed/ considered this at all	26 26.0%	24 24.0%	23 23.0%
No, we are a Provident Fund and do not believe that this should be applicable to us	20 20.0%	17 17.0%	9 9.0%
Not sure	10 10.0%	10 10.0%	9 9.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q6.5 Is/(Will) the Fund's Trustee-endorsed annuity strategy (be) the same for all active members at retirement?

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

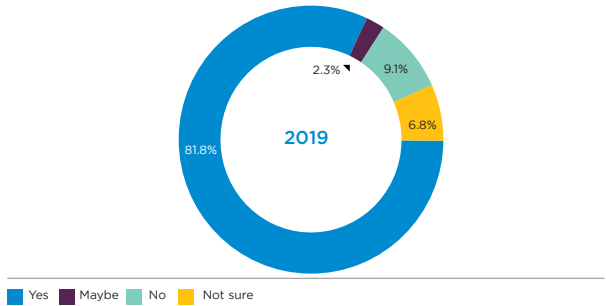


Table Size 44  
100.0%

### Q6.6 If you wanted to distinguish this Trustee-endorsed annuity strategy for different categories of members what do you think would be an appropriate way to do so?

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

Demographic profiling (age, income group)	13
Employee type (professional, blue collar, specialist)	29.5%
Size of the member share	13
Contribution levels	29.5%
Don't want to distinguish between members	19
Other	43.2%
	8
	18.2%
	2
	4.5%
	1
	2.3%
Table Size	56
	127.3%

### Q6.7 What does (will) the Fund's Trustee-endorsed annuity strategy comprise of and how is (will) it (be) structured?

#### Q6.7A Guaranteed annuity (level or increasing at a fixed percentage)

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

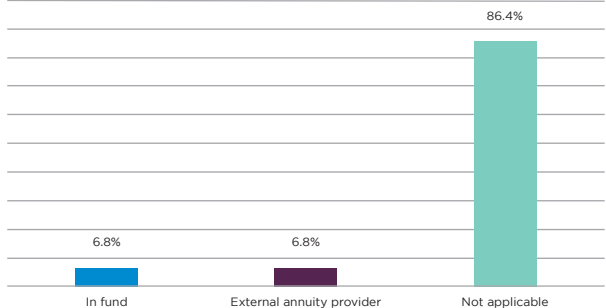


Table Size 44  
100.0%

#### Q6.7C Living annuity

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

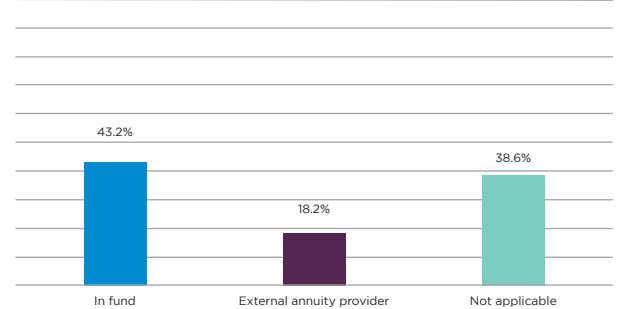


Table Size 44  
100.0%

#### Q6.7B With profit annuity

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

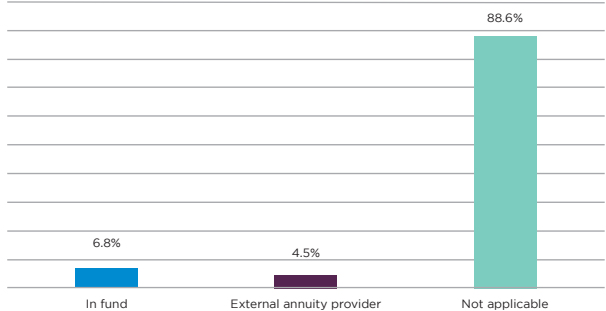


Table Size 44  
100.0%

#### Q6.7D Inflation linked annuity

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

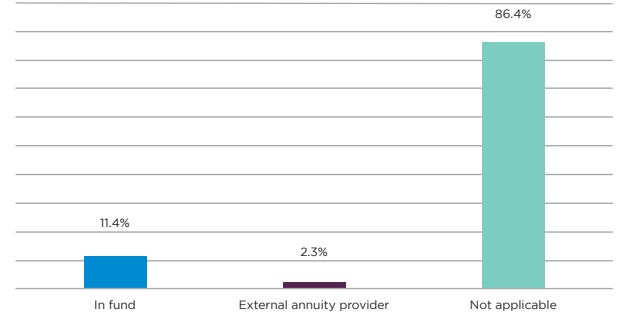


Table Size 44  
100.0%

### Q6.7E Index linked annuity (increases are referenced to a published index, e.g. SWIX, ALSI, GOVI)

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

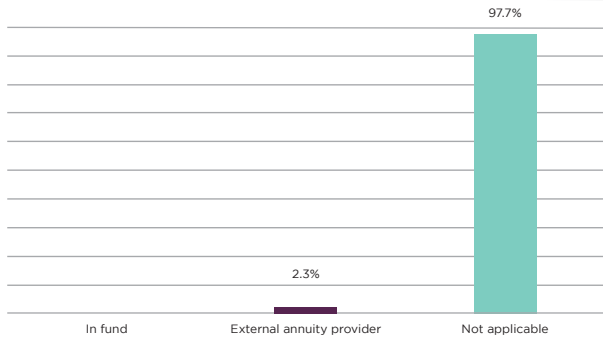


Table Size 44  
100.0%

### Q6.7F Combination of different annuities

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

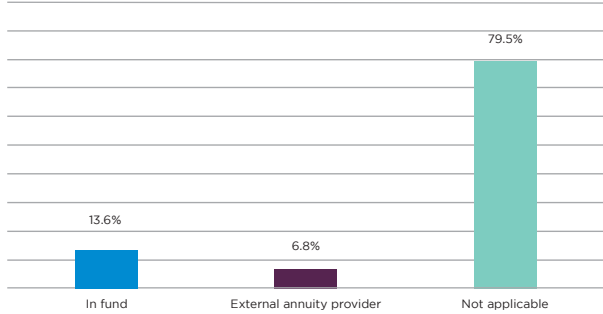


Table Size 44  
100.0%

### Q6.7G A living annuity converting to a guaranteed annuity at predetermined ages

2019

Base: All who have a Trustee-endorsed annuity strategy or are working on it. 44

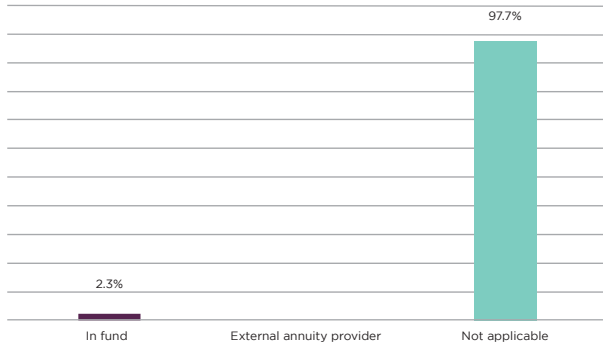


Table Size 44  
100.0%

### Q6.8 As a participating employer what do you believe is the most important feature of a Trustee-endorsed annuity strategy?

	2019	2018	2017
<b>Base 2019: All who have a Trustee-endorsed annuity strategy or are working on it.</b>	<b>44</b>		
<b>Base Pre 2019: All Respondents</b>		100	100
Longevity protection (income for life)	15 34.1%	30 30.0%	25 25.0%
Ease of understanding	7 15.9%	8 8.0%	-
Allowing for pensioners to maintain their pre-retirement lifestyle as long as possible (even if not for the full duration of retirement)	4 9.1%	28 28.0%	32 32.0%
Ability to access the lump sum after the retiree's death (remaining assets are transferred to the deceased's estate)	1 2.3%	2 2.0%	3 3.0%
Annuity income which keeps pace with inflation	11 25.0%	24 24.0%	30 30.0%
Flexibility to vary the income levels year-on-year (flexible drawdown rate)	5 11.4%	3 3.0%	4 4.0%
Transparency of the increase calculation	0 0.0%	1 1.0%	0 0.0%
Cost effective	1 2.3%	-	-
Other	0 0.0%	0 0.0%	1 1.0%
Unsure	0 0.0%	4 4.0%	5 5.0%
Table Size	44 100.0%	100 100.0%	100 100.0%

### Q6.9A Which trustee-endorsed annuity product have the Trustees of the umbrella fund selected?

	2019	2018	2017
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>30</b>	33	29
Guaranteed annuity (level or increasing at a fixed percentage)	1 3.3%	6 18.2%	5 17.2%
With profit annuity	3 10.0%	1 3.0%	1 3.5%
Living annuity	16 53.3%	4 12.1%	13 44.8%
Inflation linked annuity	1 3.3%	6 18.2%	5 17.2%
Index linked annuity (increases are referenced to a published index, e.g.SWIX, ALSI, GOVI)	0 0.0%	3 9.1%	1 3.5%
Combination of different annuities	8 26.7%	9 27.3%	0 0.0%
A living annuity converting to a guaranteed annuity at predetermined ages	0 0.0%	0 0.0%	2 6.9%
Unsure	1 3.3%	4 12.1%	2 6.9%
Table Size	30 100.0%	33 100.0%	29 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### First mention

	2019	2018	2017
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>30</b>	33	29
Cost of the product	13 43.3%	10 30.3%	7 24.1%
Security of the product	4 13.3%	11 33.3%	13 44.8%
Advice from EB consultant	2 6.7%	2 6.1%	-
Investment fees (living annuity)	3 10.0%	1 3.0%	2 6.9%
Good administration	1 3.3%	0 0.0%	1 3.5%
Simplistic product	4 13.3%	0 0.0%	0 0.0%
Smooth transition from pre to post retirement	2 6.7%	7 21.2%	6 20.7%
Unsure	1 3.3%	-	-
Combination of factors/Combination of the above	0 0.0%	2 6.1%	-
Table Size	30 100.0%	33 100.0%	29 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Second mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>30</b>
Cost of the product	3 10.0%
Security of the product	6 20.0%
Advice from the EB consultant	1 3.3%
Investment fees (living annuity)	6 20.0%
Good administration	1 3.3%
Current relationship with the insurer	1 3.3%
Simplistic product	2 6.7%
Smooth transition from pre to post retirement	8 26.7%
Flexibility	1 3.3%
No second mention	1 3.3%
Table Size	30 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Third mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>30</b>
Cost of the product	4 13.3%
Security of the product	10 33.3%
Advice from the EB consultant	1 3.3%
Investment fees (living annuity)	6 20.0%
Good administration	6 20.0%
Current relationship with the insurer	1 3.3%
Smooth transition from pre to post retirement	1 3.3%
No third mention	1 3.3%
Table Size	30 100.0%

## Q6.9B In selecting a trustee-endorsed annuity provider, which factors are most important to you?

### Any mention

	2019
<b>Base: All who have determined an appropriate Trustee endorsed annuity product</b>	<b>30</b>
Cost of the product	20 66.7%
Security of the product	20 66.7%
Advice from the EB consultant	4 13.3%
Investment fees (living annuity)	15 50.0%
Good administration	8 26.7%
Current relationship with the insurer	2 6.7%
Simplistic product	6 20.0%
Smooth transition from pre to post retirement	11 36.7%
Flexibility	1 3.3%
Unsure	1 3.3%
Table Size	88 293.3%

# Section 7

## Investments

### Q7.1 Which of the following best describes your sub-fund's investment strategy?

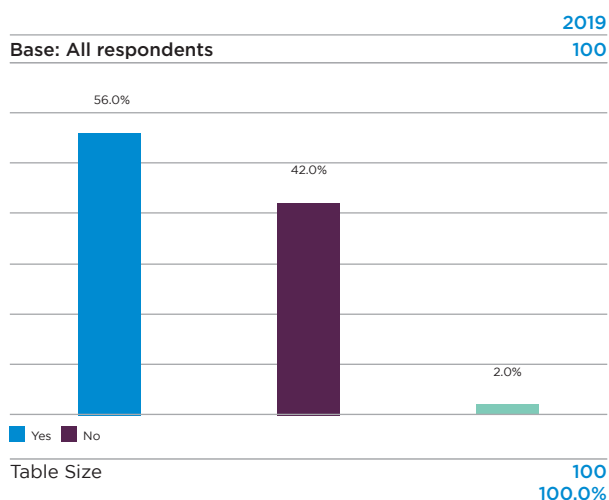
	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Trustees Choice, i.e. there is no choice for members	27 27.0%	29 29.0%	36 36.0%
Default investment portfolio, plus member choice	65 65.0%	61 61.0%	62 62.0%
Member investment choice without a default	5 5.0%	3 3.0%	0 0.0%
Combination of the above for different categories of members	3 3.0%	7 7.0%	2 2.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

### Q7.2 Which of the following best describes the investment portfolio of the Trustees Choice/Default?

	2019	2018	2017
<b>Base: All who are offered a Trustees choice/ Default</b>	<b>95</b>	97	100
Lifestage	53 55.8%	47 48.5%	60 60.0%
Balanced active	16 16.8%	18 18.6%	10 10.0%
Balanced passive	10 10.5%	10 10.3%	4 4.0%
Guaranteed / Smoothed bonus	15 15.8%	19 19.6%	22 22.0%
Cash/Money market	0 0.0%	1 1.0%	3 3.0%
Growth portfolio	1 1.1%	-	-
Don't know	0 0.0%	2 2.1%	1 1.0%
Table Size	95 100.0%	97 100.0%	100 100.0%

### Q7.3 Applicable to Standalone Funds

#### Q7.4 Does the employer make use of the services of a specialist investment/asset consultant?



### Q7.5 & 7.6 Applicable to Standalone Funds

### Q7.7 Does your sub-fund make use of the member investment choice facility offered by the umbrella fund?

	2019	2018	2017
<b>Base: All who have MIC available</b>	<b>73</b>	71	64
Yes, to all members	<b>66</b>	59	47
	<b>90.4%</b>	83.1%	73.4%
Yes, to certain categories of member only	<b>5</b>	10	17
	<b>6.8%</b>	14.1%	26.6%
No	<b>2</b>	2	0
	<b>2.7%</b>	2.8%	0.0%
Not sure	<b>0</b>	0	0
	<b>0.0%</b>	0.0%	0.0%
<b>Summary</b>			
Any yes	<b>71</b>	69	64
	<b>97.3%</b>	97.2%	100.0%
<b>Table Size</b>	<b>73</b>	71	64
	<b>100.0%</b>	100.0%	100.0%

### Q7.8 How many investment options does the sub-fund offer to members?

	2019	2018	2017
<b>Base: All who offer MIC</b>	<b>71</b>	69	56
1	<b>1</b>	4	1
	<b>1.4%</b>	5.8%	1.6%
2	<b>3</b>	4	7
	<b>4.2%</b>	5.8%	10.9%
3	<b>14</b>	15	13
	<b>19.7%</b>	21.7%	20.3%
4	<b>13</b>	8	8
	<b>18.3%</b>	11.6%	12.5%
5	<b>2</b>	11	9
	<b>2.8%</b>	15.9%	14.1%
6 to 10	<b>14</b>	8	10
	<b>19.7%</b>	11.6%	15.6%
11 to 15	<b>6</b>	3	4
	<b>8.5%</b>	4.3%	6.3%
More than 15	<b>12</b>	10	4
	<b>16.9%</b>	14.5%	6.3%
Unlimited	<b>6</b>	1	6
	<b>8.5%</b>	1.4%	9.4%
Not sure	<b>0</b>	5	2
	<b>0.0%</b>	7.2%	3.1%
Mean	<b>15.54</b>	14.52	6.34
<b>Table Size</b>	<b>71</b>	69	64
	<b>100.0%</b>	100.0%	100.0%

### Q7.9 What gross investment returns do you expect to achieve in the next calendar year?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
0.1% to 2.5%	<b>7</b>	1	3
	<b>7.0%</b>	1.0%	3.0%
2.6% to 5%	<b>20</b>	9	13
	<b>20.0%</b>	9.0%	13.0%
5.1% to 7.5%	<b>35</b>	23	12
	<b>35.0%</b>	23.0%	12.0%
7.6% to 10%	<b>33</b>	42	45
	<b>33.0%</b>	42.0%	45.0%
10.1% to 12.5%	<b>1</b>	11	12
	<b>1.0%</b>	11.0%	12.0%
12.6% to 15%	<b>3</b>	5	5
	<b>3.0%</b>	5.0%	5.0%
15.1% or more	<b>0</b>	2	3
	<b>0.0%</b>	2.0%	3.0%
Depends on the growth of the economy	<b>1</b>	-	-
	<b>1.0%</b>		
Negative return	<b>0</b>	0	1
	<b>0.0%</b>	0.0%	1.0%
Not sure/ don't know	<b>0</b>	7	4
	<b>0.0%</b>	7.0%	4.0%
Confidential	<b>0</b>	0	2
	<b>0.0%</b>	0.0%	2.0%
Mean	<b>6.79%</b>	7.99%	8.66%
<b>Table Size</b>	<b>100</b>	100	100
	<b>100.0%</b>	100.0%	100.0%

### Q7.10 Against which benchmark do you assess an asset manager's performance?

	2019
<b>Base: All respondents</b>	<b>100</b>
Survey / peer group	<b>25</b>
	<b>25.0%</b>
Indices / composite index	<b>20</b>
	<b>20.0%</b>
CPI-related	<b>49</b>
	<b>49.0%</b>
Follow umbrella fund's recommendation	<b>1</b>
	<b>1.0%</b>
Not applicable	<b>2</b>
	<b>2.0%</b>
None	<b>3</b>
	<b>3.0%</b>
<b>Table Size</b>	<b>100</b>
	<b>100.0%</b>



## Q7.11 & 12 Applicable to Standalone Funds

### Q7.13 In times of volatile and negative return, how does the sub-fund communicate this to members?

	2019
<b>Base: All respondents</b>	<b>100</b>
Updates on investment performance to members via email	45
	45.0%
Updates on investment performance published on the intranet	16
	16.0%
Regular member newsletter (monthly, quarterly)	58
	58.0%
Member roadshows (quarterly, annually)	24
	24.0%
Newsflash via member mobile app	5
	5.0%
Annual feedback	4
	4.0%
Face to face meetings	3
	3.0%
Company presentations on investments	2
	2.0%
On request	1
	1.0%
Other	3
	3.0%
None	2
	2.0%
Table Size	163
	163.0%

### Q7.14 How does the sub-fund deal with switching within investment portfolios?

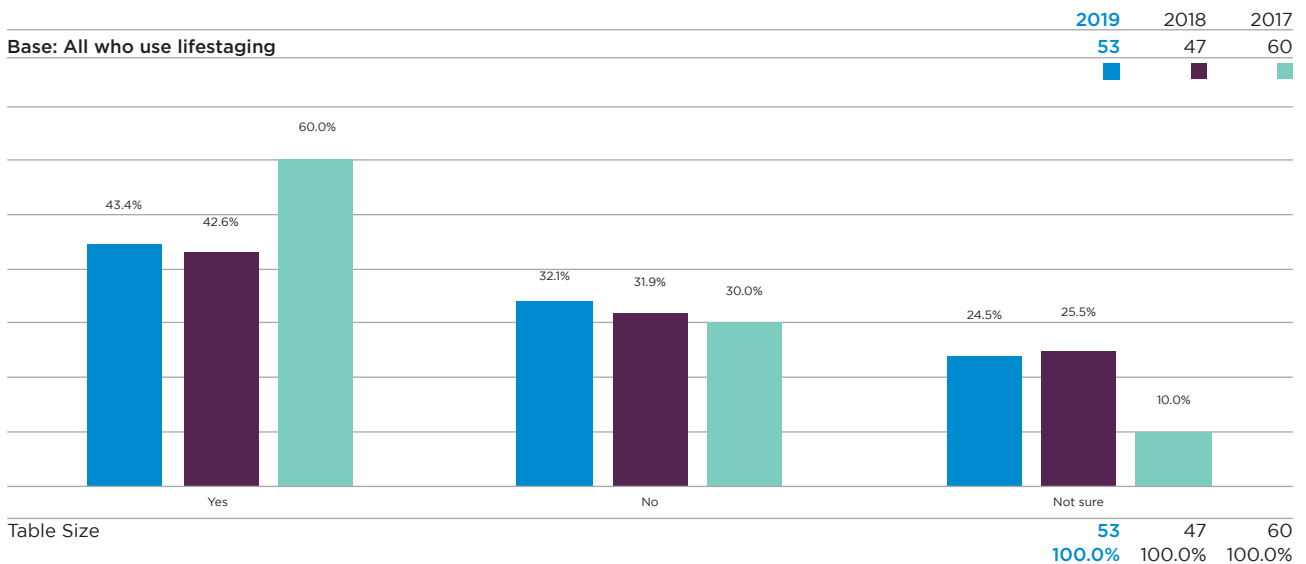
	2019
<b>Base: All respondents</b>	<b>100</b>
Free annual switches on member or fund anniversary	46
	46.0%
Allow/enable monthly switches but only one switch per month is permitted	7
	7.0%
Fund has member level investment choice and members can choose how often they want to switch	20
	20.0%
No members choice is available	26
	26.0%
Don't know	1
	1.0%
Table Size	100
	100.0%

# Lifestage Investment Strategies

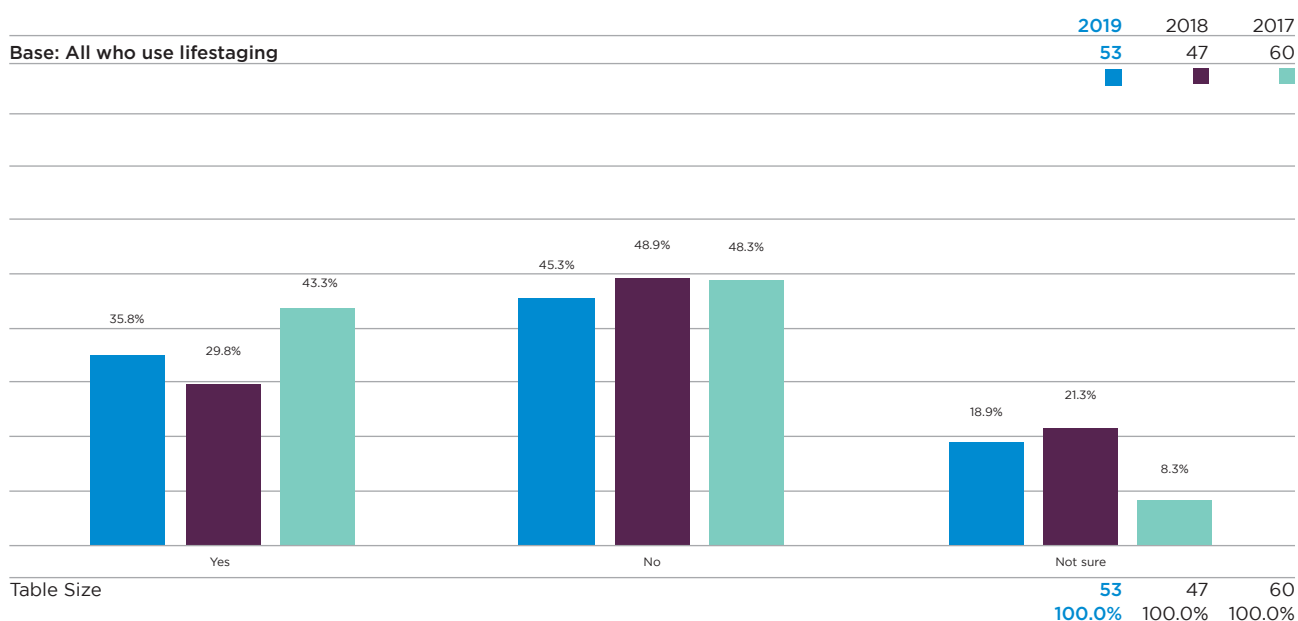
**Q7.15** In a life stage vehicle members are switched to a less volatile portfolio during the consolidation phase in the investment portfolios for the period just prior to normal retirement age. How many years prior to retirement does your umbrella fund start moving members to that phase, i.e. how long is the phase out period?

	2019	2018	2017
<b>Base: All who use lifestaging</b>	<b>53</b>	<b>47</b>	<b>60</b>
Less than 5 years	8 15.1%	8 17.0%	17 28.3%
5 years	28 52.8%	30 63.8%	30 50.0%
6-7 years	12 22.6%	7 14.9%	10 16.7%
8-10 years	5 9.4%	2 4.3%	3 5.0%
Mean	5.40yrs	5.05yrs	4.88yrs
Table Size	53	47	60
	100.0%	100.0%	100.0%

**Q7.16** Is your life stage investment strategy explicitly aligned to your annuity strategy?



### Q7.17 Is there more than one end stage portfolio intended to align with members' annuity selection?



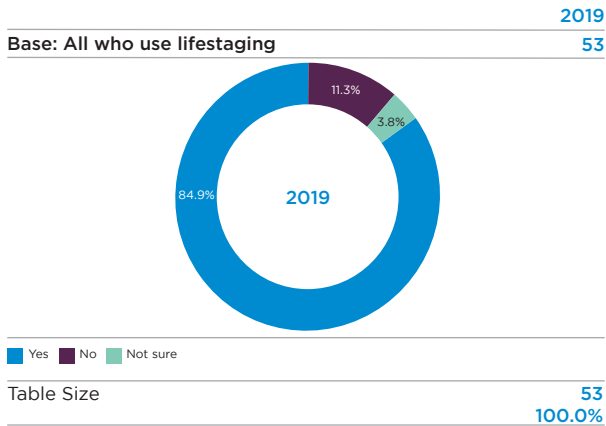
### Q7.18 Which type of annuities/ pensions do the different final/ end stages allow for?

	2019	2018	2017
Base: All who use lifestaging	53	47	60
Guaranteed annuity (level or increasing at a fixed percentage)	16 30.2%	13 27.7%	20 33.3%
Inflation linked annuity (guaranteed to increase by a fixed percentage of inflation)	15 28.3%	12 25.5%	16 26.7%
Index linked annuity (guaranteed to increase by a measure linked to a published index, e.g. The Complete Picture Pension)	5 9.4%	5 10.6%	5 8.3%
With profit annuity, where pension increases are declared by an insurer	5 9.4%	2 4.3%	5 8.3%
Living annuity (ILLA), where a member can withdraw between 2.5% and 17.5% of his fund value per year	18 34.0%	10 21.3%	26 43.3%
A composite annuity (combination of a Living Annuity and another type of annuity offered by an insurer)	13 24.5%	5 10.6%	4 6.7%
Our end stages are not aligned with any annuity option at retirement	12 22.6%	11 23.4%	19 31.7%
Not sure	11 20.8%	10 21.3%	4 6.7%
Table Size	95 179.2%	68 144.7%	99 165.0%

**Q7.19 Which of the following asset allocations best describes the portfolio in the final year before retirement in the lifestage option?**

	2019	2018	2017
<b>Base: All who use lifestaging</b>	<b>53</b>	47	60
Cash (100%)	20	13	16
	<b>37.7%</b>	27.7%	26.7%
Bonds (100%) (there is a capital guarantee)	9	2	5
	<b>17.0%</b>	4.3%	8.3%
Smooth bonus	6	6	15
	<b>11.3%</b>	12.8%	25.0%
Conservative equity (<40%)	28	24	19
	<b>52.8%</b>	51.1%	31.7%
Moderate equity (40%-65%)	3	4	13
	<b>5.7%</b>	8.5%	21.7%
Aggressive equity portfolio (66%+)	0	1	1
	<b>0.0%</b>	2.1%	1.7%
Absolute return	2	1	4
	<b>3.8%</b>	2.1%	6.7%
Liability matching portfolio	0	0	1
	<b>0.0%</b>	0.0%	1.7%
Passive CPI+3	1	-	-
	<b>1.9%</b>	-	-
Not sure	4	4	8
	<b>7.5%</b>	8.5%	13.3%
Table Size	<b>73</b>	55	82
	<b>137.7%</b>	117.0%	136.7%

**Q7.20 Do members receive retirement advice when they switch into the last / final phase of the life stage model before retirement?**



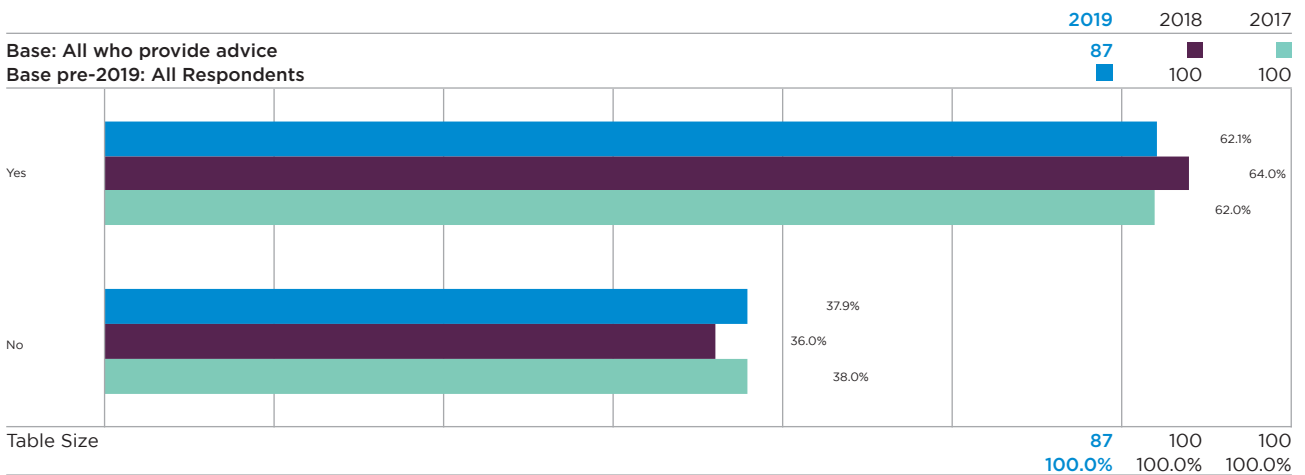
# Section 8

# Advice

## Q8.1 When do you provide advice?

	2019	2018
Base: All respondents	100	
Base pre 2019: All who use lifestaging		47
When new members join the fund to assist members in selecting a suitable portfolio	72 72.0%	-
When switching investment portfolios	31 31.0%	30 63.8%
At withdrawal (when member needs to decide whether to preserve or withdraw)	52 52.0%	26 55.3%
At life events (marriage, divorce etc.)	17 17.0%	18 38.3%
Retirement	69 69.0%	-
12 months prior to retirement	0 0.0%	1 2.1%
We do not provide advice	13 13.0%	4 8.5%
Table Size	254 254.0%	79 168.1%

## Q8.2 Does the sub-fund have a formalised strategy for rendering financial advice to active members?



### Q8.3 Which of the following best describes the sub-fund's strategy for rendering financial advice to active members via an individual financial advisor?

	2019	2018	2017
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>54</b>	<b>64</b>	<b>62</b>
The sub-fund refers members to preferred financial advisors	36 66.7%	22 34.4%	13 21.0%
The sub-fund offers advice services to members by way of an advisor paid for or subsidised by the sub-fund, i.e. a salaried advisor	13 24.1%	14 21.9%	16 25.8%
The sub-fund facilitates financial advice services to members by way of an advisor charging a negotiated special fee, i.e. a reduced advice fee	5 9.3%	9 14.1%	2 3.2%
The umbrella fund administrator provides factual information about available options. If the member requires further financial advice, the member can be referred to the fund's financial advisor	0 0.0%	17 26.6%	26 41.9%
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	0 0.0%	1 1.6%	5 8.1%
The sub-fund offers advice services to members by way of an advisor paid for by the company	0 0.0%	1 1.6%	-
Table size	54 100.0%	64 100.0%	62 100.0%

### Q8.4 Please consider the following criteria in terms of their importance when appointing/ referring an advisor and rank the top 5 in order of importance.

#### Q8.4A Fee and compensation structure

	2019
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>54</b>
1st most important	15 27.8%
2nd most important	12 22.2%
3rd most important	6 11.1%
4th most important	8 14.8%
5th most important	5 9.3%
Not ranked	8 14.8%
Mean	2.5
Table Size	54 100.0%

#### Q8.4B Brand

	2019
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>54</b>
1st most important	1 1.9%
2nd most important	3 5.6%
3rd most important	1 1.9%
4th most important	8 14.8%
5th most important	7 13.0%
Not ranked	34 63.0%
Mean	3.9
Table Size	54 100.0%

#### Q8.4C Size and footprint of the advisory firm

	2019
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>54</b>
1st most important	1 1.9%
2nd most important	1 1.9%
3rd most important	7 13.0%
4th most important	2 3.7%
5th most important	6 11.1%
Not ranked	37 68.5%
Mean	3.6
Table Size	54 100.0%

#### Q8.4D Level of experience and regulatory compliance of the advisory team

	2019
<b>Base: All who have a formalised strategy for rendering financial advice to members</b>	<b>54</b>
1st most important	11 20.4%
2nd most important	16 29.6%
3rd most important	6 11.1%
4th most important	6 11.1%
5th most important	3 5.6%
Not ranked	12 22.2%
Mean	2.4
Table Size	54 100.0%

### Q8.4E Your relationship with the advisory team

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	4 7.4%
2nd most important	4 7.4%
3rd most important	5 9.3%
4th most important	3 5.6%
5th most important	2 3.7%
Not ranked	36 66.7%
Mean	2.7
Table Size	54 100.0%

### Q8.4F The advisor's relationship with other service providers (e.g. administrators, investment managers and insurers)

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	1 1.9%
2nd most important	2 3.7%
3rd most important	1 1.9%
4th most important	5 9.3%
5th most important	9 16.7%
Not ranked	36 66.7%
Mean	4.1
Table Size	54 100.0%

### Q8.4G Service levels of the advisory firm

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	8 14.8%
2nd most important	7 13.0%
3rd most important	9 16.7%
4th most important	7 13.0%
5th most important	8 14.8%
Not ranked	15 27.8%
Mean	3
Table Size	54 100.0%

### Q8.4H Past performance and time in the industry of the Advisory team

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	5 9.3%
2nd most important	6 11.1%
3rd most important	15 27.8%
4th most important	7 13.0%
5th most important	6 11.1%
Not ranked	15 27.8%
Mean	3.1
Table Size	54 100.0%

### Q8.4I Advisory service's B-BBEE level

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	1 1.9%
5th most important	3 5.6%
Not ranked	50 92.6%
Mean	4
Table Size	54 100.0%

### Q8.4J Independence of the advisor

	2019
Base: All who have a formalised strategy for rendering financial advice to members	54
1st most important	7 13.0%
2nd most important	2 3.7%
3rd most important	3 5.6%
4th most important	6 11.1%
5th most important	1 1.9%
Not ranked	35 64.8%
Mean	2.6
Table Size	54 100.0%

**Q8.5 Do you believe that there is scope for a financial advisor to provide holistic financial advice to members of the sub-fund via a worksite advice model?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Yes	77 77.0%
No	12 12.0%
Maybe	8 8.0%
Not sure	3 3.0%
Table Size	100 100.0%

**Q8.6A To what extent do you agree or disagree that members' priorities/preferences for risk benefits vs retirement savings vary by income level, with lower income members prioritising higher risk benefits and higher income earners prioritising higher retirement savings?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Agree completely	50 50.0%
Agree somewhat	25 25.0%
Disagree somewhat	12 12.0%
Disagree completely	8 8.0%
Can't say / Not sure	5 5.0%
<b>Summary</b>	
Any agree	75 75.0%
Any disagree	20 20.0%
Table Size	100 100.0%

**Q8.6B At approximately what income level would you say priorities shift from higher risk benefits to higher retirement savings?**

	2019
<b>Base: All respondents</b>	<b>75</b>
R15,000 a month or less	3 4.0%
R15,001 to R20,000 a month	4 5.3%
R20,001 to R25,000 a month	9 12.0%
R25,001 to R30,000 a month	14 18.7%
R30,001 to R40,000 a month	16 21.3%
R40,001 to R50,000 a month	13 17.3%
R50,001 to R60,000 a month	5 6.7%
R60,001 to R75,000 a month	6 8.0%
Can't say / Not sure	5 6.7%
Mean	R36,000
Table Size	75 100.0%



**Q8.7A Think about the priorities of LOWER INCOME members then rank these in order from 1 to 8 to indicate your understanding of these members' priorities.**

### Q8.7A.1 Retirement savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	9
	9.0%
2nd priority	12
	12.0%
3rd priority	9
	9.0%
4th priority	10
	10.0%
5th priority	22
	22.0%
6th priority	19
	19.0%
7th priority	13
	13.0%
8th priority	6
	6.0%
Mean	4.6
Table Size	100
	100.0%

### Q8.7A.4 Tax free savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	2
	2.0%
2nd priority	4
	4.0%
3rd priority	8
	8.0%
4th priority	8
	8.0%
5th priority	7
	7.0%
6th priority	16
	16.0%
7th priority	35
	35.0%
8th priority	20
	20.0%
Mean	6
Table Size	100
	100.0%

### Q8.7A.2 Insurance: Life and disability

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	9
	9.0%
2nd priority	22
	22.0%
3rd priority	20
	20.0%
4th priority	19
	19.0%
5th priority	16
	16.0%
6th priority	9
	9.0%
7th priority	3
	3.0%
8th priority	2
	2.0%
Mean	3.6
Table Size	100
	100.0%

### Q8.7A.5 Medical aid

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	1
	1.0%
2nd priority	6
	6.0%
3rd priority	21
	21.0%
4th priority	15
	15.0%
5th priority	13
	13.0%
6th priority	22
	22.0%
7th priority	15
	15.0%
8th priority	7
	7.0%
Mean	4.9
Table Size	100
	100.0%

### Q8.7A.3 Funeral cover

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	44
	44.0%
2nd priority	24
	24.0%
3rd priority	14
	14.0%
4th priority	7
	7.0%
5th priority	2
	2.0%
6th priority	2
	2.0%
7th priority	3
	3.0%
8th priority	4
	4.0%
Mean	2.4
Table Size	100
	100.0%

### Q8.7A.6 Meeting long term debt obligations

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	4
	4.0%
2nd priority	11
	11.0%
3rd priority	9
	9.0%
4th priority	25
	25.0%
5th priority	25
	25.0%
6th priority	13
	13.0%
7th priority	9
	9.0%
8th priority	4
	4.0%
Mean	4.5
Table Size	100
	100.0%

### Q8.7A.7 Meeting short term debt obligations

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	27
	27.0%
2nd priority	20
	20.0%
3rd priority	19
	19.0%
4th priority	10
	10.0%
5th priority	9
	9.0%
6th priority	7
	7.0%
7th priority	6
	6.0%
8th priority	2
	2.0%
Mean	3.1
Table Size	100
	100.0%

### Q8.7A.8 Loyalty/rewards programme

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	4
	4.0%
2nd priority	1
	1.0%
4th priority	6
	6.0%
5th priority	7
	7.0%
6th priority	11
	11.0%
7th priority	15
	15.0%
8th priority	56
	56.0%
Mean	6.8
Table Size	100
	100.0%

**Q8.7B Think about the priorities of HIGHER INCOME members then rank these in order from 1 to 8 to indicate your understanding of these members' priorities.**

### Q8.7B.1 Retirement savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	67 67.0%
2nd priority	17 17.0%
3rd priority	8 8.0%
4th priority	5 5.0%
5th priority	2 2.0%
7th priority	1 1.0%
Mean	1.6
Table Size	100 100.0%

### Q8.7B.2 Insurance: Life and disability

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	7 7.0%
2nd priority	35 35.0%
3rd priority	30 30.0%
4th priority	13 13.0%
5th priority	8 8.0%
6th priority	4 4.0%
7th priority	2 2.0%
8th priority	1 1.0%
Mean	3.1
Table Size	100 100.0%

### Q8.7B.3 Funeral cover

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	1 1.0%
2nd priority	1 1.0%
3rd priority	3 3.0%
4th priority	9 9.0%
5th priority	13 13.0%
6th priority	18 18.0%
7th priority	22 22.0%
8th priority	33 33.0%
Mean	6.4
Table Size	100 100.0%

### Q8.7B.4 Tax free savings

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	4 4.0%
2nd priority	16 16.0%
3rd priority	14 14.0%
4th priority	23 23.0%
5th priority	10 10.0%
6th priority	19 19.0%
7th priority	7 7.0%
8th priority	7 7.0%
Mean	4.4
Table Size	100 100.0%

### Q8.7B.5 Medical aid

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	15 15.0%
2nd priority	16 16.0%
3rd priority	31 31.0%
4th priority	23 23.0%
5th priority	9 9.0%
6th priority	3 3.0%
7th priority	2 2.0%
8th priority	1 1.0%
Mean	3.2
Table Size	100 100.0%

### Q8.7B.6 Meeting long term debt obligations

	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	1
	1.0%
2nd priority	11
	11.0%
3rd priority	8
	8.0%
4th priority	14
	14.0%
5th priority	24
	24.0%
6th priority	18
	18.0%
7th priority	14
	14.0%
8th priority	10
	10.0%
Mean	5.1
Table Size	100
	100.0%

### Q8.7B.7 Meeting short term debt obligations

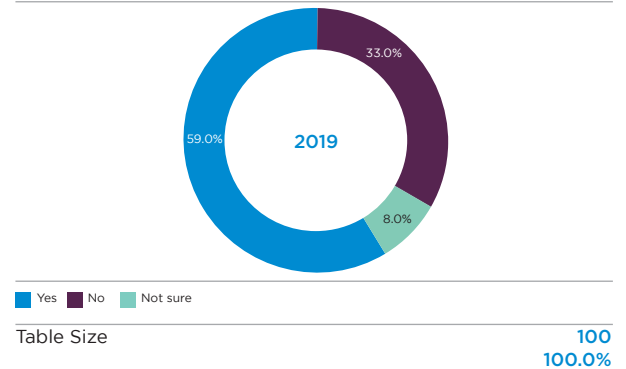
	2019
<b>Base: All respondents</b>	<b>100</b>
1st priority	6
	6.0%
2nd priority	3
	3.0%
3rd priority	4
	4.0%
4th priority	8
	8.0%
5th priority	23
	23.0%
6th priority	26
	26.0%
7th priority	24
	24.0%
8th priority	6
	6.0%
Mean	5.4
Table Size	100
	100.0%

### Q8.7B.8 Loyalty/rewards programme

	2019
<b>Base: All respondents</b>	<b>100</b>
2nd priority	1
	1.0%
3rd priority	1
	1.0%
4th priority	5
	5.0%
5th priority	11
	11.0%
6th priority	12
	12.0%
7th priority	28
	28.0%
8th priority	42
	42.0%
Mean	6.8
Table Size	100
	100.0%

### Q8.9 Do you plan to encourage existing members (who may have joined the fund years ago) to transfer benefits preserved with a previous employer into the current fund as a result of the Default Regulations?

Base: All respondents 2019 100



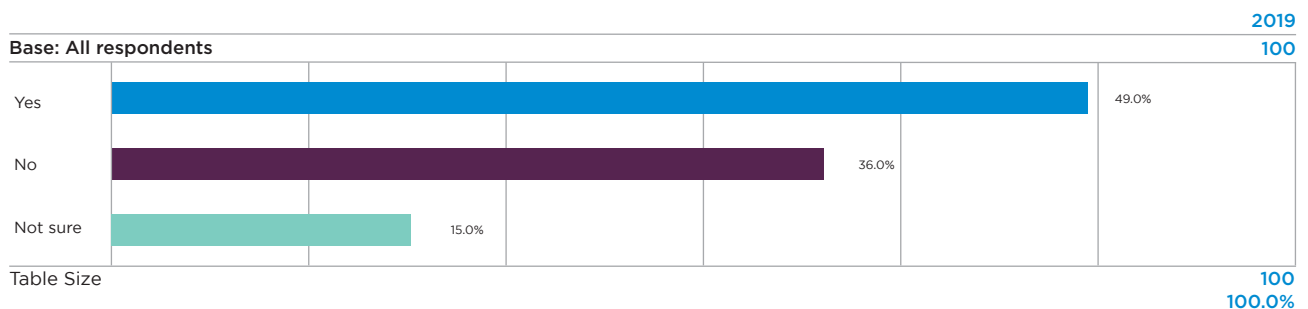
# Section 9

## Threat of Cybersecurity on Retirement Funds and Employers

**Q9.1 Funds and members are increasingly being placed at risk from cyber-related crime. What steps has the fund admin/ employer recently applied/ implemented to protect itself or members from the threat of cyber-related crime?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Admin has upgraded and implemented revised IT policies and procedures	50 50.0%
Our systems protocols and applications have been revised	27 27.0%
We have invested in our IT infrastructure to make it more secure and to mitigate any potential risks or the threat of risks	52 52.0%
We have instituted shared accountability and responsibility across the fund/employer	6 6.0%
We have rolled out extensive education and training programmes for staff	22 22.0%
We are providing more frequent communication and notifications for fund members on how to protect themselves against online risk of fraudulent activities	30 30.0%
We have done nothing yet	12 12.0%
It is handled by our administrator	5 5.0%
Other	2 2.0%
Not sure	11 11.0%
Table Size	217 217.0%

**Q9.2 Has the fund/ employer experienced an increase in the level of governance required in order to future-proof administration platforms?**



# Section 10

## Healthcare Provision

### Q10.1 What proportion of employees do you estimate has taken up the medical aid gap cover?

	2019
<b>Base: All respondents</b>	<b>100</b>
Less than 5%	44 44.0%
6% to 10%	11 11.0%
11% to 20%	15 15.0%
More than 20%	21 21.0%
Not sure	7 7.0%
None	2 2.0%
Mean	10.66
Table Size	100 100.0%

### Q10.2 If National Health Insurance (NHI) is implemented with compulsory contribution rates do you expect?

	2019
<b>Base: All respondents</b>	<b>100</b>
Members to cancel their membership with their medical aid scheme	25 25.0%
Members to cancel their medical aid gap cover	8 8.0%
Members to continue with medical aid contributions to a private medical aid as well as contribute to the NHI	56 56.0%
Response will depend on income level	2 2.0%
Not sure	9 9.0%
Table size	100 100.0%

**Q10.3 In the event that members continue with medical aid contributions to a private medical aid scheme as well as contribute to the NHI and they struggle financially do you anticipate that members will?**

	2019
<b>Base: All respondents</b>	<b>100</b>
Reduce contributions to retirement savings	42 42.0%
Reduce risk benefit contributions	15 15.0%
Downgrade medical aid to reduce cost	12 12.0%
Cancel medical aid	9 9.0%
Members have no power to reduce contributions	6 6.0%
Spend less money else where	3 3.0%
Other	2 2.0%
Not sure	14 14.0%
None	3 3.0%
Table Size	106 106.0%

# Demographics

## D1 What is the highest level of qualification that you hold?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Degree	19 19.0%	35 35.0%	30 30.0%
National Certificate	4 4.0%	3 3.0%	5 5.0%
Diploma	24 24.0%	26 26.0%	21 21.0%
Chartered Accountant	16 16.0%	11 11.0%	14 14.0%
Honours degree	24 24.0%	17 17.0%	12 12.0%
Chartered Secretary	0 0.0%	0 0.0%	1 1.0%
Matric	3 3.0%	4 4.0%	11 11.0%
MBA	1 1.0%	0 0.0%	2 2.0%
Masters degree	7 7.0%	3 3.0%	2 2.0%
Other	2 2.0%	1 1.0%	1 1.0%
Refused	0 0.0%	0 0.0%	1 1.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

## D2 Gender

	2019	2018	2017
<b>Base: All Respondents</b>	<b>100</b>	100	100
Male	49.0%	51.0%	53.0%
Female	49.0%	47.0%	51.0%
Table size	100 100.0%	100 100.0%	100 100.0%

## D3 Which of the following best describes your age group?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
18-24	1 1.0%	-	-
25-34	3 3.0%	2 2.0%	11 11.0%
35-44	21 21.0%	26 26.0%	29 29.0%
45-54	50 50.0%	42 42.0%	32 32.0%
55-64	18 18.0%	22 22.0%	24 24.0%
65 or Older	7 7.0%	8 8.0%	4 4.0%
Table Size	100 100.0%	100 100.0%	100 100.0%



## D4 Ethnic group

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Black	6 6.0%	7 7.0%	2 2.0%
Coloured	12 12.0%	4 4.0%	10 10.0%
Asian/Indian	17 17.0%	15 15.0%	12 12.0%
White	65 65.0%	73 73.0%	76 76.0%
Refused	0 0.0%	1 1.0%	0 0.0%
Table Size	100 100.0%	100 100.0%	100 100.0%

## D5 Which company provides the umbrella fund that you participate in?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
Absa	0 0.0%	2 2.0%	0 0.0%
Alexander Forbes/Investment Solutions	24 24.0%	26 26.0%	26 26.0%
Liberty Life	10 10.0%	11 11.0%	12 12.0%
Metropolitan/Momentum/MMI	14 14.0%	12 12.0%	17 17.0%
Old Mutual	23 23.0%	21 21.0%	23 23.0%
Sanlam	17 17.0%	16 16.0%	14 14.0%
Grant Thornton Capital	4 4.0%	2 2.0%	1 1.0%
Verso	0 0.0%	1 1.0%	0 0.0%
NMG	0 0.0%	1 1.0%	0 0.0%
Robson Savage	1 1.0%	2 2.0%	1 1.0%
Willis Towers Watson	0 0.0%	0 0.0%	1 1.0%
PSG	0 0.0%	0 0.0%	1 1.0%
GIB	1 1.0%	1 1.0%	1 1.0%
Bardenhorst Ouditere	0 0.0%	0 0.0%	1 1.0%
10X	1 1.0%	2 2.0%	2 2.0%
NBC	0 0.0%	1 1.0%	-
Sygnia	0 0.0%	1 1.0%	-
Cedar	1 1.0%	1 1.0%	-
Other	4 4.0%	-	-
Table Size	100 100.0%	100 100.0%	100 100.0%

## D6 Which of the following media do you consume?

	2019	2018	2017
<b>Base: All respondents</b>	<b>100</b>	100	100
ETV	29 29.0%	27	21 21.0%
SABC	27 27.0%	31	22 22.0%
CNBC	21 21.0%	16	18 18.0%
Bloomberg	17 17.0%	15	20 20.0%
Supersport	61 61.0%	49	64 64.0%
Today's Trustee	30 30.0%	45	23 23.0%
Pensions World	12 12.0%	12	10 10.0%
Financial Mail	58 58.0%	53	49 49.0%
Moneyweb	34 34.0%	34	25 25.0%
EBNet	7 7.0%	4	3 3.0%
Fin24	61 61.0%	62	65 65.0%
BizNews	29 29.0%	12	13 13.0%
Personal Finance	23 23.0%	29	18 18.0%
Sky News	0 0.0%	3	1 1.0%
CNN	1 1.0%	0	0 0.0%
DStv	3 3.0%	3	11 11.0%
News24	1 1.0%	0	2 2.0%
Business Day	5 5.0%	0	2 2.0%
Time Magazine	0 0.0%	1	2 2.0%
Cape Talk	0 0.0%	1	2 2.0%
Other	11 11.0%	12	6 6.0%
None	1 0.0%	0	1 1.0%
Table Size	431 431.0%	409	378 378.0%

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