

2014

BENCHMARK | SURVEY



LEADERSHIP | RETIREMENT | CHALLENGES | SOLUTIONS

# Umbrella Funds Databook



# CONTENTS

FOREWORD	3
RESEARCH METHODOLOGY	5
<b>SECTION A:</b> GENERAL EMPLOYER STATISTICS	7
<b>SECTION B:</b> BENEFIT DESIGN	10
<b>SECTION C:</b> GOVERNANCE AND MEMBER REPRESENTATION	12
<b>SECTION D:</b> UMBRELLA FUND SPONSOR	14
<b>SECTION E:</b> COMMUNICATION	15
<b>SECTION F:</b> INVESTMENTS	17
<b>SECTION G:</b> INSURED BENEFITS	32
<b>SECTION H:</b> COSTS	46
<b>SECTION I:</b> ADVICE	51
<b>SECTION J:</b> WITHDRAWALS	56
<b>SECTION K:</b> RETIREMENT	58
<b>SECTION L:</b> FUND SELECTION	61
<b>SECTION M:</b> DEMOGRAPHICS	64



# FOREWORD

We are pleased to share with you the results of our 34th annual BENCHMARK™ Survey.

**DAWIE DE VILLIERS**  
Chief Executive Officer



We have conducted over nine hundred interviews collectively with retirement fund members, pensioners, trustees and principal officers. This report covers some of our research insights based on the survey results.

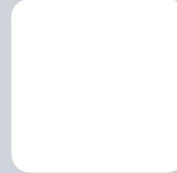
For the second consecutive year, we have included a subset of interviews with trade union retirement funds with an average of R3.3 billion assets under management. We believe that it is important to explore the benefit design trends as they develop over the next few years in this sector.

This is indeed a landmark year for South Africa as we celebrate 20 years of democracy. A number of union funds, in particular some of our clients, will celebrate the extent to which South Africans have gained independence and workers have been empowered through representation in the retirement fund industry since 1994.

As we reflect on our nation's accomplishments over the past two decades, we recognise and appreciate that there is much work to be done to realise the full extent of our democracy. Like all economic sectors, the retirement fund industry is faced with overwhelming challenges. Despite the growth in aggregate assets of retirement funds in South Africa, from R171 billion to R2 749 billion and active members having increased from 7 838 533 to 15 005 306, (as at 31 December 1994 and 2012) our current survey suggests that only 29% of retirees are able to maintain their standard of living in retirement.

With this in mind, National Treasury is proposing that every retiring member must be enrolled in a default annuity product as selected by the trustees, unless the retiring member opts for a different post-retirement product. The majority (89,1%) of trustees are aware of it, while 79,2% are in favour of this proposal.





As employers experience fiscal pressures with increasing costs due to regulatory compliance requirements, we see a continuing shift from stand-alone to commercial umbrella retirement funds, with 54% of boards already having considered making the transfer.

Global studies indicate that the low level of retirement provision is not unique to South Africa. However, it is evident from the findings of our member and pensioner surveys that South Africans are not ready to retire at 65 years and the problem is exacerbated year-on-year.

According to Prof Roux from the Institute of Futures Research at Stellenbosch University, an economy is most economically viable when its population comprises 30% of individuals below the age of 15 and 15% of individuals older than 65 years. This talks to the composition of the economically active proportion of an economy. Prof. Roux further states that South Africa embarked on this viable opportunity in 2010. We should, however, be mindful that our economy has many structural inefficiencies that hold us back from fully realising this viable economic opportunity. The most pressing being the 25% unemployment rate amongst 15 to 34 year olds, comprising 70,5% as a proportion of total unemployed. This age segment is essentially the cornerstone of our economy and potential future retirement fund members. Many retirees have cited that they had to seek a second career after they had retired. Some would like to delay or defer their normal retirement date, but is this option fiscally viable for employers now and into the future?

One of the trends which developed nations such as Germany, Denmark and others have been debating since the early 1990's, is the issue of longevity and its impact on economies and industries, particularly insurance and retirement funds globally. Secondary implications as a consequence of longevity are the demographic shifts in the

labour force and family structures. Actuarial assumptions based on life expectancy, family structures and capital requirements at retirement no longer hold true and require fresh insight.

In essence, people have less money to live on at retirement, but are living longer and have significantly greater financial burdens.

So where does this leave retirement fund members? Should they reconsider and retire another day?

I invite you to turn the pages of our 2014 Sanlam BENCHMARK report where my colleagues provide some insights into the survey data and will leave you with some thought-provoking questions to consider as you navigate your way through the year.

Remember all the data and research findings are freely available on our dedicated website [www.sanlambenchmark.co.za](http://www.sanlambenchmark.co.za).

My entire team is at your disposal for further engagement on our research results and insights.

As always, I trust that you find the contents of this report together with our survey insights meaningful.

**DAWIE DE VILLIERS**

Chief Executive Officer  
Sanlam Employee Benefits



# RESEARCH METHODOLOGY



**CHRIS JACOBS**  
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BDRC:  
Managing  
Director

*Respondents were selected at random and it may be possible that some participating employers included in the survey may currently participate in Sanlam Umbrella Solutions.*

The size and the scope of the 2014 umbrella funds’ survey have remained largely consistent with the 2013 study. Interviews were conducted amongst 100 representatives of participating employers in umbrella funds.

Respondents were selected at random and it may be possible that some participating employers included in the survey may currently participate in Sanlam Umbrella Solutions. Some participants may 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 providers. The entire fieldwork process is outsourced to BDRC. This is to ensure that the confidentiality of all respondents are maintained at all times.

### Interview technique

Personal interviews were conducted at the offices of the respondent with each being approximately 1 hour in length. At times more than one employer representative participated in the interview.

Field work was conducted between 6 February and 25 March this year.

### Sampling method and size

For the purposes of this survey the sampling frame has been defined as all participating employers in commercial umbrella schemes. This year we have had a successful 71% year-on-year participation in the survey.



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

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

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

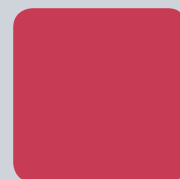
### Data tables and graphs

The tables and graphs in this report are based on 100 responses. In some instances the sample responses are ≠ 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.*

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





# SECTION A: GENERAL EMPLOYER STATISTICS

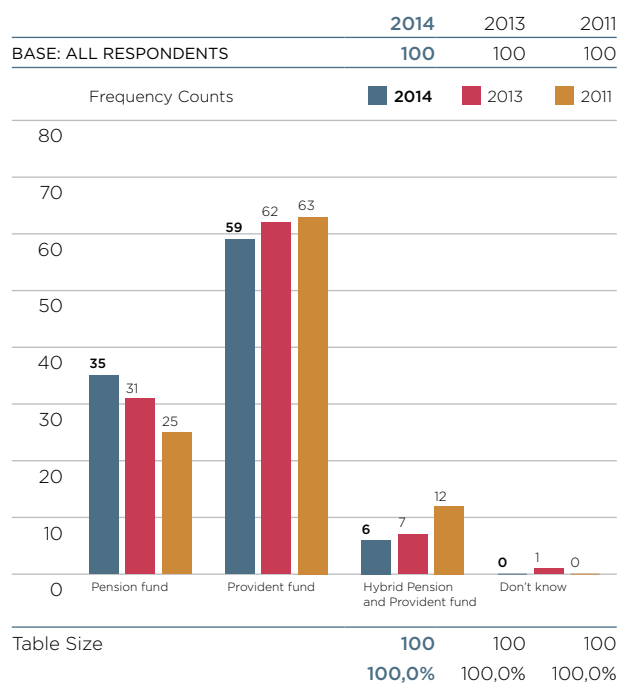
**Q1.1** How would you classify the principal employer, using one of the following business categories?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Financial Services	6	6	7
	6,0%	6,0%	7,0%
Manufacturing	32	22	25
	32,0%	22,0%	25,0%
Agriculture, forestry or fishing	7	6	3
	7,0%	6,0%	3,0%
Professional or business services	8	7	11
	8,0%	7,0%	11,0%
Building or construction	7	5	8
	7,0%	5,0%	8,0%
Wholesale and retail	14	19	14
	14,0%	19,0%	14,0%
Mining	3	5	2
	3,0%	5,0%	2,0%
Government, semi-government / parastatal	1	0	4
	1,0%	0,0%	4,0%
Chemical or pharmaceutical	1	2	3
	1,0%	2,0%	3,0%
Engineering	0	2	2
	0,0%	2,0%	2,0%
Healthcare	1	2	2
	1,0%	2,0%	2,0%
Hospitality	4	3	3
	4,0%	3,0%	3,0%
IT or telecoms	4	3	3
	4,0%	3,0%	3,0%
Printing and publishing	0	0	1
	0,0%	0,0%	1,0%
Bargaining Council	1	0	0
	1,0%	0,0%	0,0%
Entertainment	1	1	2
	1,0%	1,0%	2,0%
Transport /Logistics	4	7	4
	4,0%	7,0%	4,0%
Energy or petrochemical	0	2	0
	0,0%	2,0%	0,0%
NGO	2	0	0
	2,0%	0,0%	0,0%
Other	4	8	6
	4,0%	8,0%	6,0%
<b>Table Size</b>	<b>100</b>	100	100
	100,0%	100,0%	100,0%

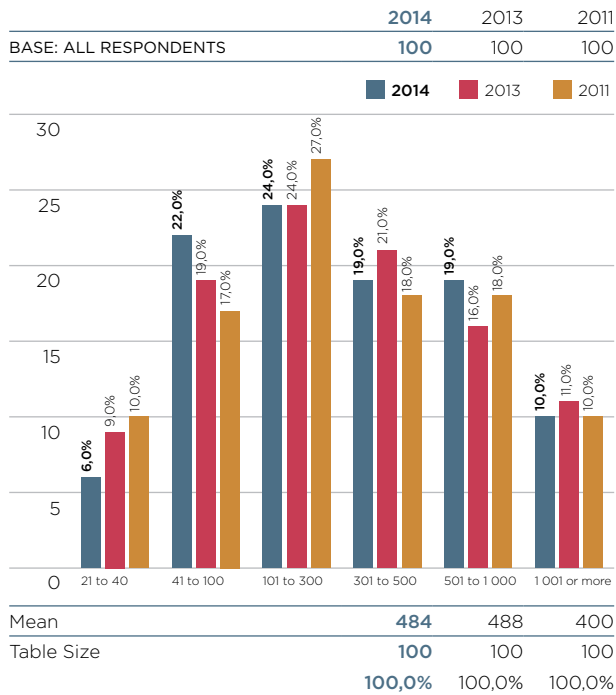
**Q1.2a** How many retirement funds does your organisation offer to employees?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
One	63	71	64
	63,0%	71,0%	64,0%
Two	27	24	27
	27,0%	24,0%	27,0%
Three or more	10	5	9
	10,0%	5,0%	9,0%
<b>Mean</b>	<b>1,47</b>	1,34	1,45
<b>Table Size</b>	<b>100</b>	100	100
	100,0%	100,0%	100,0%

**Q1.2b** Which of the following descriptions applies to the sub-fund participating in the survey? By 'sub-fund' we mean the component of the umbrella fund that represents the interests of YOUR company's staff members.



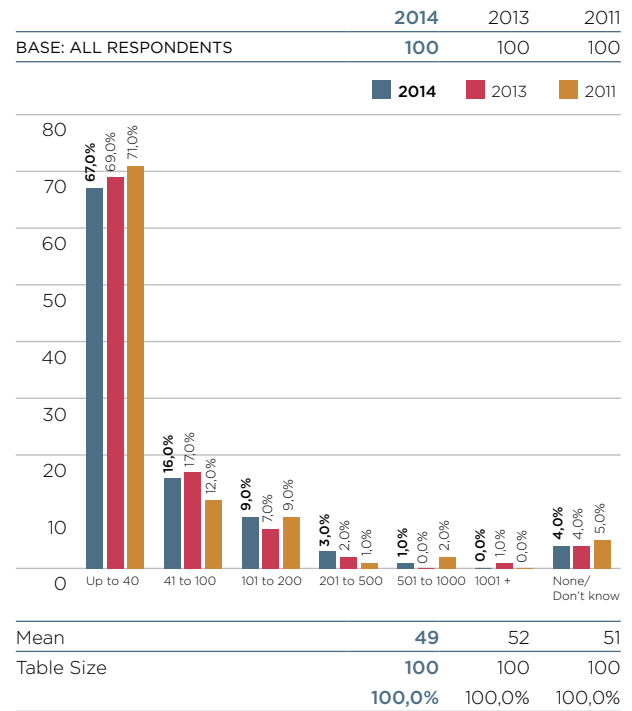
### Q1.3a How many of your employees belong to the sub-fund (i.e. are active members of the umbrella fund)?



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

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Less than R 3 mill	4	5	11
	4,0%	5,0%	11,0%
R3,1 to R 12 mill	14	23	18
	14,0%	23,0%	18,0%
R 12,1 mil to R 30 mill	16	16	10
	16,0%	16,0%	10,0%
R 30,1 mil to R 60 mill	13	14	24
	13,0%	14,0%	24,0%
R 60,1 mil to R 120 mill	25	16	11
	25,0%	16,0%	11,0%
R 120,1 mil to R 300 mill	11	11	6
	11,0%	11,0%	6,0%
R 300,1 mil to R 500 mill	5	5	5
	5,0%	5,0%	5,0%
R 500,1 mill to R 1 bn	2	2	3
	2,0%	2,0%	3,0%
R1,1 bn to R5 bn	2	0	0
	2,0%	0,0%	0,0%
More than R10 bn	1	0	0
	1,0%	0,0%	0,0%
More than R1 billion	0	0	1
	0,0%	0,0%	1,0%
Don't know	7	8	11
	7,0%	8,0%	11,0%
Mean	R296,5m	R90,9m	R106,8m
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q1.4a How many of your members have exited the sub-fund in the last 12 months



### Q1.4b Of your members who exited the sub-fund, how many were as a result of retrenchments?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	99
Up to 40	29	30	31
	29,0%	30,0%	31%
41 to 100	2	5	2
	2,0%	5,0%	2%
101 to 300	2	1	1
	2,0%	1,0%	1%
301 +	0	0	1
	0,0%	0,0%	1%
None/ Don't know	67	64	64
	67,0%	64,0%	64%
Mean	7	6	11
Table Size	100	100	99
	100,0%	100,0%	100,0%

### Q1.4c Of your members who exited the sub-fund, how many were as a result of resignation?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	99
Up to 40	69	72	67
	69,0%	72,0%	68%
41 to 100	13	10	14
	13,0%	10,0%	14%
101 to 300	5	7	10
	5,0%	7,0%	10,0%
501 +	1	1	1
	1,0%	1,0%	1,0%
None/ Don't know	12	10	11
	12,0%	10,0%	11%
Mean	32,88	38,43	35,61
Table Size	100	100	99
	100,0%	100,0%	100,0%

### Q1.5 And how many of your staff joined the sub-fund as new members in the last 12 months?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Up to 40	61	64	61
	61,0%	64,0%	61%
41 to 100	15	10	16
	15,0%	10,0%	16%
101 to 300	13	13	11
	13,0%	13,0%	11%
301 to 500	1	2	1
	1,0%	2,0%	1,0%
501 +	1	1	1
	1,0%	1,0%	1,0%
None/ Don't know	9	10	10
	9,0%	10,0%	10%
Mean	51,49	73,81	65,75
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q1.6 What is the normal retirement age for new entrants?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
60	20	14	27
	20,0%	14,0%	27,0%
61	0	1	1
	0,0%	1,0%	1,0%
62	1	1	0
	1,0%	1,0%	0,0%
63	4	10	9
	4,0%	10,0%	9,0%
65	73	72	61
	73,0%	72,0%	61,0%
66 and older	0	0	1
	0,0%	0,0%	1,0%
Not specified as per employment contract / arrangement with employer	2	2	1
	2,0%	2,0%	1,0%
Mean	63,87	64,01	62,79
Table Size	100	100	100
	100,0%	100,0%	100,0%

## SECTION B: BENEFIT DESIGN

### Q2.1 Is the employer's remuneration package structured on a total cost to company basis?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>
Yes	64	72	72
	<b>64,0%</b>	<b>72,0%</b>	<b>72,0%</b>
No	34	28	25
	<b>34,0%</b>	<b>28,0%</b>	<b>25,0%</b>
Both yes for senior, no for blue collar	2	0	2
	<b>2,0%</b>	<b>0,0%</b>	<b>2,0%</b>
Don't know	0	0	1
	<b>0,0%</b>	<b>0,0%</b>	<b>1,0%</b>
Table Size	<b>100</b>	<b>100</b>	<b>100</b>
	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

### Q2.2 What percentage of the total remuneration is pensionable remuneration?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>
Less than 70%	16	12	14
	<b>16,0%</b>	<b>12,0%</b>	<b>14,0%</b>
70,1% to 80%	19	24	22
	<b>19,0%</b>	<b>24,0%</b>	<b>22,0%</b>
80,1% to 90%	13	20	16
	<b>13,0%</b>	<b>20,0%</b>	<b>16,0%</b>
90,1% to 100%	46	39	41
	<b>46,0%</b>	<b>39,0%</b>	<b>41,0%</b>
Members can select their own PEAR percentage	5	0	0
	<b>5,0%</b>	<b>0,0%</b>	<b>0,0%</b>
Other/ Not sure	1	5	7
	<b>1,0%</b>	<b>5,0%</b>	<b>7%</b>
Mean	<b>84,52</b>	<b>84,1</b>	<b>84,78</b>
Table Size	<b>100</b>	<b>100</b>	<b>100</b>
	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

### Q2.3 Which of the following does the employer pay?

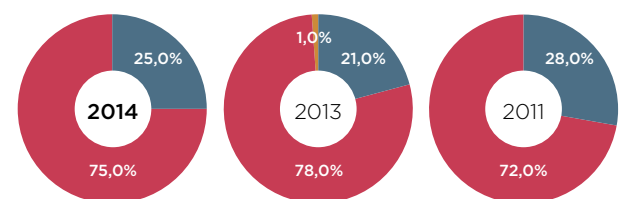
	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>
Fixed contribution only (i.e. total cost to company - no additional costs)	37	40	43
	<b>37,0%</b>	<b>40,0%</b>	<b>43%</b>
Fixed contribution plus the cost of administration	2	7	7
	<b>2,0%</b>	<b>7,0%</b>	<b>7%</b>
Fixed contribution plus the cost of risk benefits	4	3	3
	<b>4,0%</b>	<b>3,0%</b>	<b>3%</b>
Fixed contribution plus the cost of administration and the cost of risk benefits	55	47	45
	<b>55,0%</b>	<b>47,0%</b>	<b>45%</b>
Other/ None/ Not sure	2	3	2
	<b>2,0%</b>	<b>3,0%</b>	<b>2%</b>
Table Size	<b>100</b>	<b>100</b>	<b>100</b>
	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

### Q2.4 What on average are the employer's total contributions (excluding any contributions made to a separate scheme), expressed as a percentage of total average annual salary?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>
0%	2	4	7
	<b>2,0%</b>	<b>4,0%</b>	<b>7%</b>
0,1% to 7,5%	9	36	35
	<b>9,0%</b>	<b>36,0%</b>	<b>35%</b>
7,6% to 10%	26	34	20
	<b>26,0%</b>	<b>34,0%</b>	<b>20%</b>
10,1% to 11%	15	10	8
	<b>15,0%</b>	<b>10,0%</b>	<b>8%</b>
11,1% to 12,5%	8	3	10
	<b>8,0%</b>	<b>3,0%</b>	<b>10%</b>
12,6% to 15%	11	5	9
	<b>11,0%</b>	<b>5,0%</b>	<b>9%</b>
15,1% or more	4	8	8
	<b>4,0%</b>	<b>8,0%</b>	<b>8%</b>
Varies/ Not sure/Not applicable	4	0	3
	<b>4,0%</b>	<b>0,0%</b>	<b>3%</b>
Mean	<b>8,46</b>	<b>8,11</b>	<b>8,34</b>
Table Size	<b>100</b>	<b>100</b>	<b>100</b>
	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

### Q2.5 Can members choose the level of contribution by the employer in terms of a remuneration package restructure arrangement (i.e. salary sacrifice, even though it may only be within certain parameters)?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>



	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	<b>100</b>	<b>100</b>
Table Size	<b>100</b>	<b>100</b>	<b>100</b>
	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

**Q2.6** Can members choose their own contribution levels (even though it may only be within certain parameters and at certain intervals)?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	41	39	38
	41.0%	39.0%	38.0%
No	58	61	61
	58.0%	61.0%	61.0%
Both - Yes - management, No - staff	1	0	0
	1.0%	0.0%	0.0%
Not applicable	0	0	1
	0.0%	0.0%	1.0%
Table Size	100	100	100
	100.0%	100.0%	100.0%

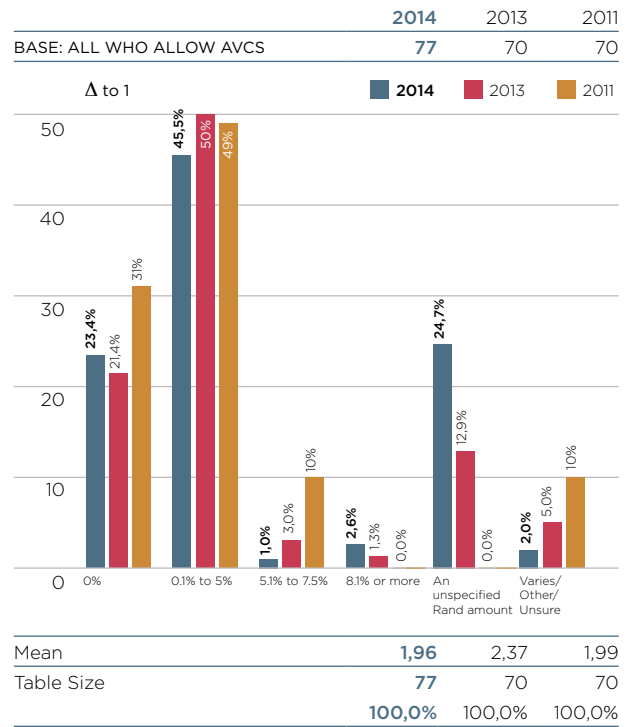
**Q2.7** What contribution (as a percentage of salary and excluding any additional voluntary contributions) is made by members on average?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
0%	10	13	14
	10.0%	13.0%	14%
0,1% to 5%	15	13	14
	15.0%	13.0%	14%
5,1% to 6%	10	14	11
	10.0%	14.0%	11%
6,1% to 7,4%	9	17	11
	9.0%	17.0%	11%
7,50%	43	30	34
	43.0%	30.0%	34%
7,6% to 8%	0	2	0
	0.0%	2.0%	0%
8,1% or more	10	11	10
	10.0%	11.0%	10%
Varies/ Other/ Not sure	3	0	6
	3.0%	0.0%	6%
Mean	5,61	5,58	5,42
Table Size	100	100	100
	100.0%	100.0%	100.0%

**Q2.8a** Does the sub-fund allow for members to make additional voluntary contributions?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	77	70	70
	77.0%	70.0%	70.0%
No	21	28	29
	21.0%	28.0%	29.0%
Not sure	2	2	1
	2.0%	2.0%	1.0%
Table Size	100	100	100
	100.0%	100.0%	100.0%

**Q2.8b** What additional voluntary contribution (as a percentage of salary) is made by members on average?



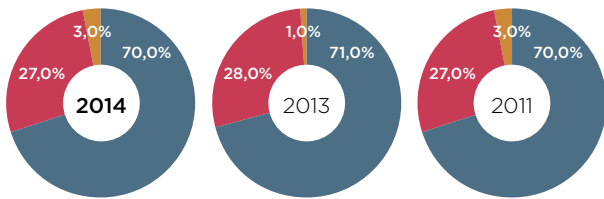
**Q2.9** In your opinion, are the trustees managing the umbrella fund to optimize size and stability of retirement benefits, to optimize stability of withdrawal benefits or to provide optimal risk benefits?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Optimize retirement benefits	93	89	88
	93.0%	89.0%	88.0%
Optimize withdrawal benefits	3	2	30
	3.0%	2.0%	30.0%
Provide optimal risk benefits	2	7	29
	2.0%	7.0%	29.0%
Both (retirement & withdrawal)	0	0	1
	0.0%	0.0%	1.0%
Not sure	2	2	8
	2.0%	2.0%	8.0%
Table Size	100	100	100
	100.0%	100.0%	156.0%

## SECTION C: GOVERNANCE AND MEMBER REPRESENTATION

**Q3.1** Are you aware of the composition of the board of trustees responsible for the overall management of the umbrella fund, including their qualifications and experience?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

Table Size	2014	2013	2011
	100	100	100
	100,0%	100,0%	100,0%

**Q3.2** How equipped do you feel the trustees are to perform their fiduciary duties?

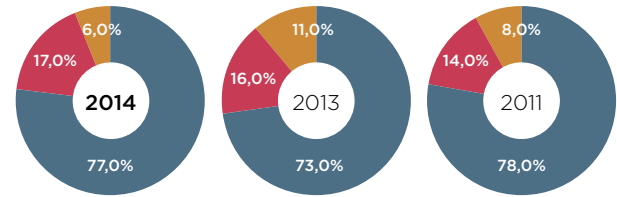
	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very well equipped	73	79	69
	73,0%	79,0%	69,0%
Fairly well equipped	15	9	18
	15,0%	9,0%	18,0%
Not as well equipped as they should be	2	1	0
	2,0%	1,0%	0,0%
Not sure	10	11	13
	10,0%	11,0%	13,0%
Summary			
Very/fairly well equipped	88	88	88
	88,0%	88,0%	87%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q3.3** Does the umbrella fund have a formally approved written governance plan so as to ensure ongoing governance and compliance?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	89	86	88
	89,0%	86,0%	88,0%
No	1	0	0
	1,0%	0,0%	0,0%
Not sure	10	14	12
	10,0%	14,0%	12,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q3.4** Does the umbrella fund allow for member representation at participating employer level?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

Table Size	2014	2013	2011
	100	100	100
	100,0%	100,0%	100,0%

**Q3.5** Is at least 50% of the board of trustees elected by members?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	49	43	43
	49,0%	43,0%	43,0%
No	25	32	33
	25,0%	32,0%	33,0%
Not sure	26	25	24
	26,0%	25,0%	24,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q3.6** Are the member-elected trustees completely independent of the Umbrella Fund sponsor?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes - all of them	37	40	28
	37,0%	40,0%	28%
Yes - some of them	24	11	27
	24,0%	11,0%	27%
No	13	12	9
	13,0%	12,0%	9%
Not Applicable/ Not sure	26	37	36
	26,0%	37,0%	36%
Summary			
Any yes	61	51	55
	61,0%	51,0%	55%
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q3.7 Do you feel the election process is fair and democratic?

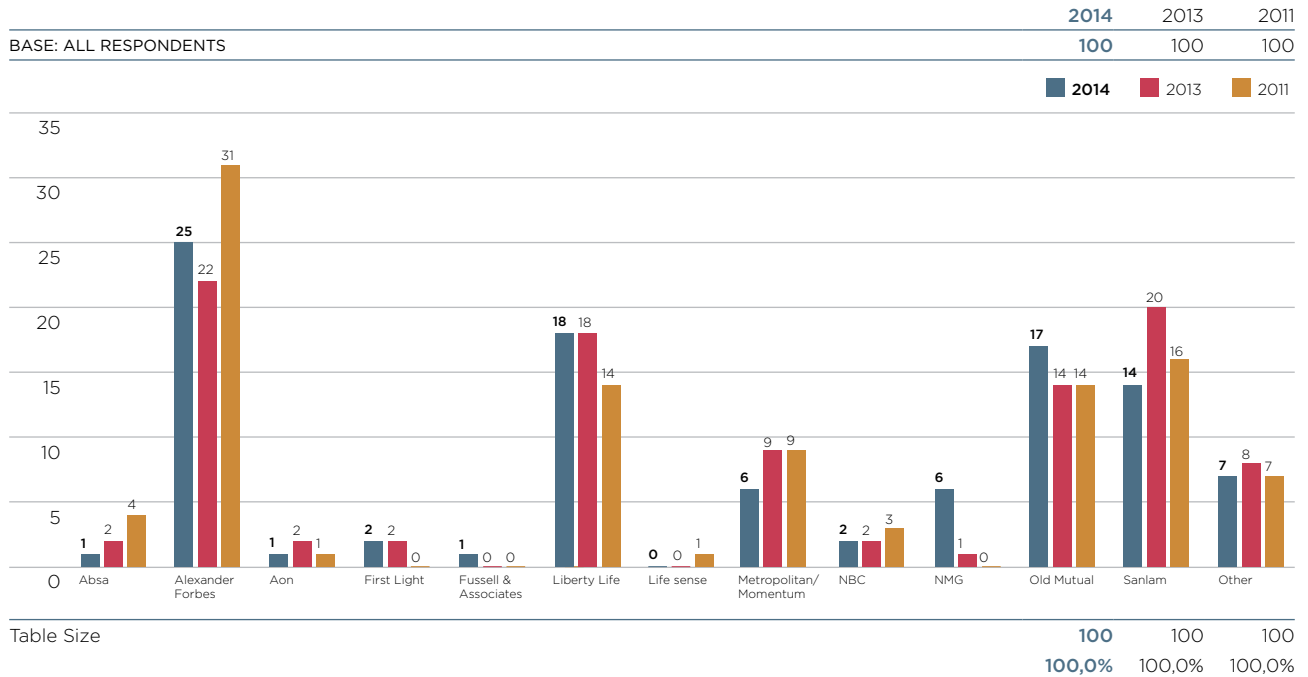
	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Yes	<b>61</b>	63	51
	<b>61,0%</b>	63,0%	51%
No	<b>2</b>	2	3
	<b>2,0%</b>	2,0%	3%
Not sure/ Not applicable	<b>37</b>	35	46
	<b>37,0%</b>	35,0%	46%
Table Size	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

### Q3.8 Is there a forum in place such as an annual general meeting, where member representatives can question the Trustees on their performance and plans?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Yes	<b>69</b>	77	61
	<b>69,0%</b>	77,0%	61%
No	<b>18</b>	15	24
	<b>18,0%</b>	15,0%	24%
Not sure/ Not applicable	<b>13</b>	8	15
	<b>13,0%</b>	8,0%	15%
Table Size	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

# SECTION D: UMBRELLA FUND SPONSOR

## Q4.1 Which organisation sponsors the umbrella fund?



## Q4.2 Are you comfortable with the financial strength of the organisation sponsoring the umbrella fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	98	97	98
	98,0%	97,0%	98,0%
No	1	2	1
	1,0%	2,0%	1,0%
Not sure	1	1	1
	1,0%	1,0%	1,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q4.3 Are you comfortable with the ethics of the organisation sponsoring the umbrella fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	98	99	96
	98,0%	99,0%	96,0%
No	0	1	1
	0,0%	1,0%	1,0%
Not sure	2	0	3
	2,0%	0,0%	3,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%



## SECTION E: COMMUNICATION

## Q5.1 What communication is delivered to members as part of the standard offering?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
A rule booklet	73	72	72
	<b>73,0%</b>	72,0%	72,0%
Annual benefit statements	99	98	92
	<b>99,0%</b>	98,0%	92,0%
Annual or more regular workshops and discussion groups (i.e. 10 years from retirement)	45	41	30
	<b>45,0%</b>	41,0%	30,0%
Annual trustee report	56	54	48
	<b>56,0%</b>	54,0%	48,0%
Articles in company newsletter(s)	10	21	21
	<b>1,0%</b>	21,0%	21,0%
Cell phone	12	26	11
	<b>12,0%</b>	26,0%	11,0%
Email	54	51	38
	<b>54,0%</b>	51,0%	38,0%
Induction programmes	0	0	1
	<b>0,0%</b>	0,0%	1,0%
Information via social media	6	9	0
	<b>6,0%</b>	9,0%	0,0%
Information on the Intranet/ Internet (excluding social media)	77	78	66
	<b>77,0%</b>	78,0%	66,0%
Investment documents	0	0	1
	<b>0,0%</b>	0,0%	1,0%
Member newsletter: electronic	63	60	43
	<b>63,0%</b>	60,0%	43,0%
Member newsletter: paper based	39	33	49
	<b>39,0%</b>	33,0%	49,0%
Member roadshows / HR Workshops	0	34	36
	<b>0,0%</b>	34,0%	36,0%
Annual of more regular member roadshows / HR workshops	28	0	0
	<b>28,0%</b>	0,0%	0,0%
Membership certificate	55	64	42
	<b>55,0%</b>	64,0%	42,0%
New member inductions facilitated internally by HR	56	0	0
	<b>56,0%</b>	0,0%	0,0%
New member inductions facilitated internally by the umbrella fund	17	0	0
	<b>17,0%</b>	0,0%	0,0%
New member inductions	0	32	30
	<b>0,0%</b>	32,0%	30,0%
Role play/ theatre	2	0	3
	<b>2,0%</b>	0,0%	3,0%
Other	1	0	3
	<b>1,0%</b>	0,0%	3,0%
Other face to face communication	35	44	25
	<b>35,0%</b>	44,0%	25,0%
Other printed documents e.g. letters	27	38	22
	<b>27,0%</b>	38,0%	22,0%
<b>Summary</b>			
Any printed material	100	100	100
	<b>100,0%</b>	100,0%	100%
Any face to face	75	67	65
	<b>75,0%</b>	67,0%	65%
Any technology	89	88	78
	<b>89,0%</b>	88,0%	78%
<b>Table Size</b>	<b>755</b>	755	633
	<b>755,0%</b>	755,0%	633,0%

## Q5.2 Which of the following topics are communicated to members?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
The benefit structure	87	83	90
	<b>87,0%</b>	83,0%	90,0%
Trustee decisions	52	49	45
	<b>52,0%</b>	49,0%	45,0%
How the umbrella fund works	73	73	64
	<b>73,0%</b>	73,0%	64,0%
Valuation results	31	43	40
	<b>31,0%</b>	43,0%	40,0%
Investment performance	87	89	74
	<b>87,0%</b>	89,0%	74,0%
Frequently asked questions	55	51	42
	<b>55,0%</b>	51,0%	42,0%
The annual benefit statements: Interpretation and implications	76	81	59
	<b>76,0%</b>	81,0%	59,0%
Member investment choices	60	59	55
	<b>60,0%</b>	59,0%	55,0%
Knowledge quizzes / educational games	4	4	5
	<b>4,0%</b>	4,0%	5,0%
Legislative changes / Legal updates	61	59	53
	<b>61,0%</b>	59,0%	53,0%
Annuity options on retirement	41	0	0
	<b>41,0%</b>	0,0%	0,0%
Preservation options on withdrawal	61	0	0
	<b>61,0%</b>	0,0%	0,0%
Retirement projections / replacement ratios	50	37	0
	<b>50,0%</b>	37,0%	0,0%
Don't know	0	1	0
	<b>0,0%</b>	1,0%	0,0%
<b>Table Size</b>	<b>738</b>	629	527
	<b>738,0%</b>	629,0%	527,0%

## Q5.3 How frequently does the umbrella fund provide investment feedback to members?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Daily	6	5	4
	<b>6,0%</b>	5,0%	4%
Monthly	9	7	8
	<b>9,0%</b>	7,0%	8%
Quarterly	37	46	33
	<b>37,0%</b>	46,0%	33%
Half-yearly	13	10	16
	<b>13,0%</b>	10,0%	16%
Annually	32	28	35
	<b>32,0%</b>	28,0%	35%
Other/ Not provided/Don't know	3	4	4
	<b>3,0%</b>	4,0%	4%
<b>Table Size</b>	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

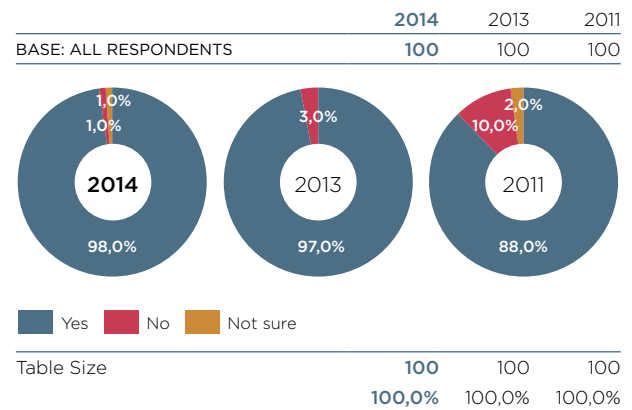
## Q5.4 What is covered in the investment feedback?

	2014	2013	2011
BASE: ALL WHO PROVIDE INVESTMENT FEEDBACK	100	98	97
Returns	77	82	80
	77,0%	83,7%	82,5%
Returns vs. benchmarks	66	67	51
	66,0%	68,4%	52,6%
Risk analysis	41	49	30
	41,0%	50,0%	30,9%
Market/economic overview	60	67	51
	60,0%	68,4%	52,6%
Sub-fund asset allocation	0	44	20
	0%	44,9%	20,6%
Portfolio asset allocation	63	0	0
	63,0%	0%	0%
Asset managers' fees	34	0	0
	34,0%	0%	0%
Managers' ESG policy	12	0	0
	12,0%	0%	0%
Other Information/ Don't know	3	3	4
	3,0%	3,0%	4%
Table Size	356	312	236
	356,0%	318,4%	243,3%

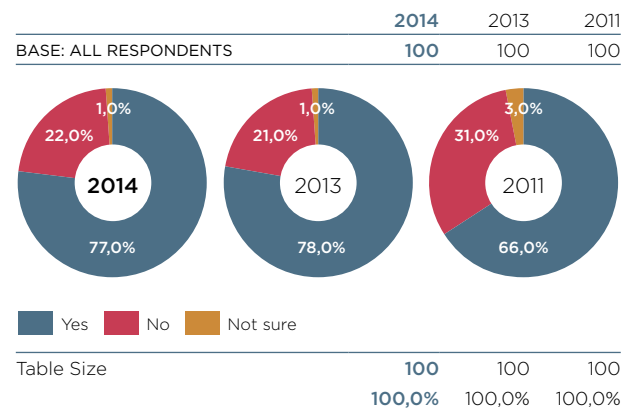
## Q5.5 Who answers members' retirement fund related queries?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Trustees	20	18	14
	20,0%	18,0%	14,0%
Administrator	50	46	44
	50,0%	46,0%	44,0%
Retirement fund consultant/broker	50	53	42
	50,0%	53,0%	42,0%
Human resources department	56	66	62
	56,0%	66,0%	62,0%
Management committee at employer level	22	25	20
	22,0%	25,0%	20,0%
Other	3	1	5
	3,0%	1,0%	5,0%
Summary:			
Any internal	74	79	72
	74,0%	79,0%	72%
Any external	77	80	79
	77,0%	80,0%	79%
Table Size	201	209	187
	201,0%	209,0%	187,0%

## Q5.6 Is member information and data usually accurate, reliable and up-to-date?



## Q5.7 Please confirm whether the Umbrella fund utilizes an Intranet or Internet facility in order to give members access to information?



## Q5.8 What member training and support is provided via Internet/ Intranet?

	2014	2013	2011
BASE: ALL WITH INTRANET/INTERNET ACCESS TO INFORMATION	77	78	66
Modeller or calculator to calculate retirement needs and/ or basic investment alternatives	45	47	24
	58,4%	60,3%	36%
Competition based education simulations	5	3	0
	6,5%	3,8%	0,0%
Knowledge self assessment tool	21	17	5
	27,3%	21,8%	8%
Investment training material and articles	19	23	8
	24,7%	29,5%	12%
Relevant articles	27	37	8
	25,1%	47,4%	12%
Performance of investment portfolios	45	47	20
	58,4%	60,3%	30%
None/ Not sure	17	20	33
	22,1%	26,0%	50%
Table Size	180	194	98
	233,8%	248,7%	148,5%

# SECTION F: INVESTMENTS

**Q6.1** As far as you know, are the trustees advised by an investment consultant on investment issues?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Yes	83	79	78
	83,0%	79,0%	78,0%
No	2	6	7
	2,0%	6,0%	7,0%
Not sure	15	15	15
	15,0%	15,0%	15,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

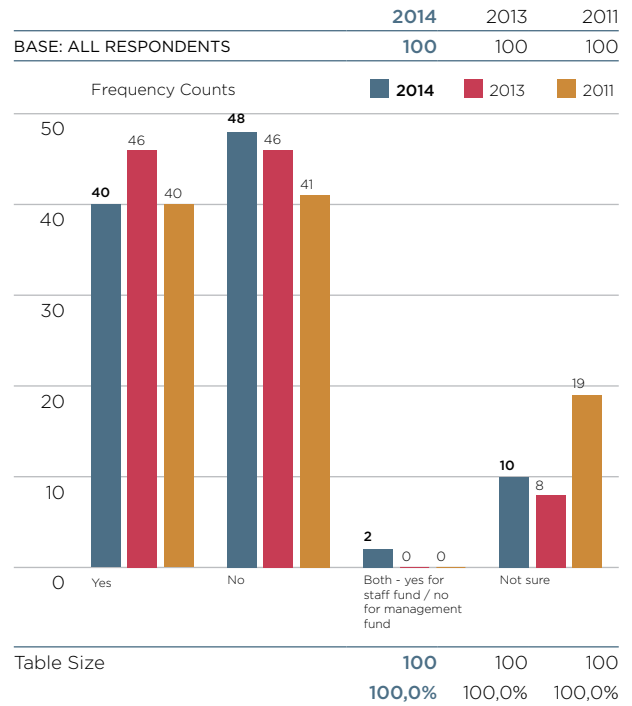
**Q6.2a** How often is performance measured against benchmarks by the umbrella fund?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Monthly	21	19	14
	21,0%	19,0%	14%
Quarterly	30	41	31
	30,0%	41,0%	31%
Biannually	16	8	9
	16,0%	8,0%	9%
Annually	18	18	26
	18,0%	18,0%	26%
Less often/ Other/ Not sure	15	14	20
	15,0%	14,0%	20%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.2b** How often is performance measured against benchmarks by you as a participating employer?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Monthly	6	8	7
	6,0%	8,0%	7%
Quarterly	29	30	33
	29,0%	30,0%	33%
Biannually	22	18	14
	22,0%	18,0%	14%
Annually	30	27	33
	30,0%	27,0%	33%
Less often	6	10	4
	6,0%	10,0%	4%
Not measured/ Other/Not sure	7	7	9
	7,0%	7,0%	9%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.3** Are funds automatically invested in 'in house' investment portfolios that are associated with the sponsor?



**Q6.4** How frequently does the umbrella fund credit investment returns to members' accounts?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Daily	16	15	17
	16,0%	15,0%	17%
Weekly	2	1	2
	2,0%	1,0%	2%
Monthly	54	49	46
	54,0%	49,0%	46%
Quarterly	0	0	1
	0,0%	0,0%	1%
Annually	15	12	14
	15,0%	12,0%	14%
Others/ Not sure	13	23	20
	13,0%	23,0%	20%
Table Size	100	100	100
	100,0%	100,0%	100,0%

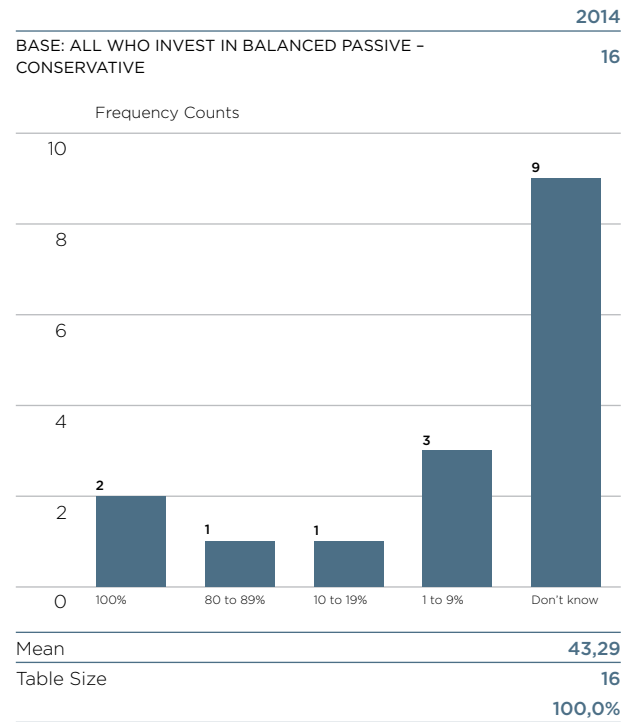
**Q6.5a** Which of the following investment vehicles does the sub-fund (i.e. your company's members) invest in?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Lifestage	51	63	49
	51,0%	63,0%	49,0%
Balanced Passive - conservative	16	0	0
	16,0%	0%	0%
Balanced Passive - moderate	22	0	0
	22,0%	0%	0%
Balanced Passive - aggressive	14	0	0
	14,0%	0%	0%
Balanced Active - conservative	27	0	0
	27,0%	0%	0%
Balanced Active - moderate	35	0	0
	35,0%	0%	0%
Balanced Active - aggressive	31	0	0
	31,0%	0%	0%
Guaranteed / Smoothed Bonus	29	29	25
	29,0%	29,0%	25,0%
Cash / Money market	24	28	50
	24,0%	28,0%	50,0%
LISP Platform	4	0	0
	4,0%	0%	0%
Don't know	4	5	3
	4,0%	5,0%	3,0%
Table Size	257	261	315
	257,0%	261,0%	315,0%

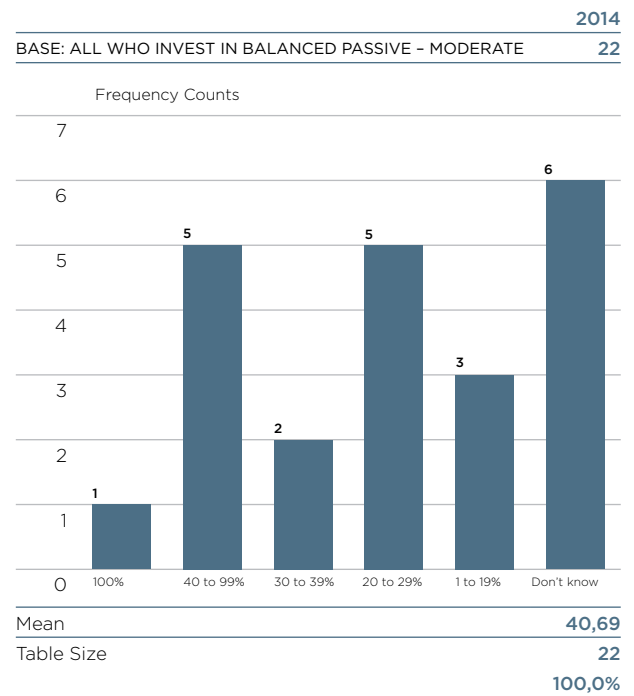
**Q6.5b.1** What percentage of the fund's assets are invested in each of the following investment vehicles? - Life Stage Mandates

	2014	2013	2011
BASE: ALL WHO INVEST IN LIFESTAGE MANDATES	51	63	49
100%	21	29	15
	41,2%	46%	31%
50 to 99%	8	8	5
	8,0%	8,0%	10%
1 to 49%	9	12	13
	17,6%	19,0%	27%
Don't know	13	14	16
	25,5%	22,2%	33%
Mean	76,84	76,37	65,76
Table Size	51	63	49
	100,0%	100,0%	100,0%

**Q6.5b.2** What percentage of the fund's assets are invested in each of the following investment vehicles? - Balanced Passive - Conservative



**Q6.5b.3** What percentage of the fund's assets are invested in each of the following investment vehicles? - Balanced Passive - Moderate



**Q6.5b.4** What percentage of the fund's assets are invested in each of the following investment vehicles? - **Balanced Passive - Aggressive**

	2014
BASE: ALL WHO INVEST IN BALANCED PASSIVE - AGGRESSIVE	14
10 to 49%	4
	28,6%
1 to 9%	3
	21,4%
Don't know	7
	50,0%
Mean	16,29
Table Size	14
	100,0%

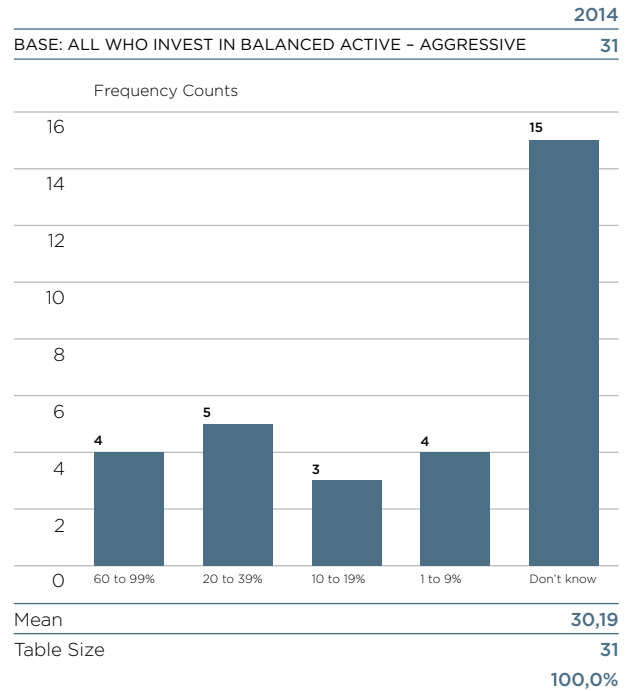
**Q6.5b.5** What percentage of the fund's assets are invested in each of the following investment vehicles? - **Balanced Active - Conservative**

	2014
BASE: ALL WHO INVEST IN BALANCED ACTIVE - CONSERVATIVE	27
100%	2
	7,4%
30 to 39%	2
	7,4%
10 to 19%	3
	11,1%
1 to 9%	7
	25,9%
Don't know	13
	48,1%
Mean	23,07
Table Size	27
	100,0%

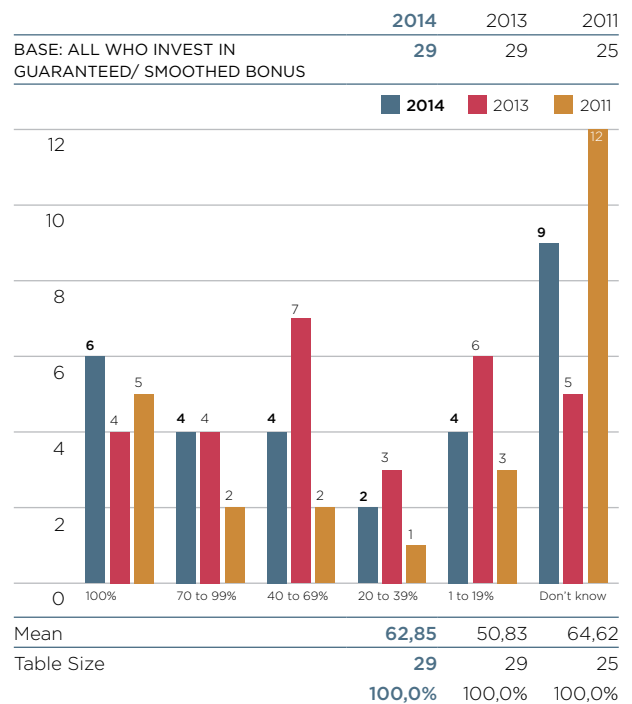
**Q6.5b.6** What percentage of the fund's assets are invested in each of the following investment vehicles? - **Balanced Active - Moderate**

	2014
BASE: ALL WHO INVEST IN BALANCED ACTIVE - MODERATE	35
100%	4
	11,4%
70 to 99%	6
	17,1%
30 to 69%	5
	14,3%
10 to 19%	3
	8,6%
1 to 9%	3
	8,6%
Don't know	14
	40,0%
Mean	55,71
Table Size	35
	100,0%

**Q6.5b.7** What percentage of the fund's assets are invested in each of the following investment vehicles? - **Balanced Active - Aggressive**



**Q6.5b.8** What percentage of the fund's assets are invested in each of the following investment vehicles? - **Guaranteed/Smoothed Bonus**



### Q6.5b.9 What percentage of the fund's assets are invested in each of the following investment vehicles? - Cash/Money market

	2014	2013	2011
BASE: ALL WHO INVEST IN CASH / MONEY MARKET	24	28	50
40 to 100%	1 4,2%	0 0,0%	4 8%
10 to 39%	4 16,7%	5 17,9%	11 22%
1 to 9%	9 37,5%	14 50,0%	12 24%
Don't know	10 41,7%	9 32,1%	23 46%
Mean	10,5	7,79	20
Table Size	24	28	50
	100,0%	100,0%	100,0%

### Q6.5b.10 What percentage of the fund's assets are invested in each of the following investment vehicles? - LISP Platform

	2014
BASE: ALL WHO INVEST IN BALANCED ACTIVE - AGGRESSIVE	4

Frequency Counts

Investment Vehicle	Frequency Count
10 to 19%	1
1 to 9%	1
Don't know	2

Mean	6
Table Size	4
	100,0%

### Q6.5c Which of the following mandates does the sub-fund have in place?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Single Manager (pooled) i.e. Assets are registered in the name of the life office using an insurance	20 20,0%	18 18,0%	30 30,0%
Multi- Manager (pooled) i.e. Assets are registered in the name of the life office using an insurance	63 63,0%	61 61,0%	65 65,0%
Segregated i.e. Assets are registered in the name of the fund, and managed by one or more investment	18 18,0%	14 14,0%	24 24,0%
Collective Investment Scheme	2 2,0%	2 2,0%	0 0%
Don't know	3 3,0%	8 8,0%	2 2,0%
Table Size	106	103	121
	106,0%	103,0%	121,0%

### Q6.5d.1 And what % of assets within each? - Single Manager (pooled)

	2014	2013	2011
BASE: ALL WITH SINGLE MANAGER MANDATE IN PLACE	20	18	30
100%	16 80,0%	17 94,4%	18 60%
30 to 79%	2 10,0%	1 5,6%	3 10%
1 to 29%	1 5,0%	0 0,0%	2 6,7%
Don't know	1 5,0%	0 0,0%	7 23%
Mean	90,53	96,11	86,3
Table Size	20	18	30
	100,0%	100,0%	100,0%

### Q6.5d.2 And what % of assets within each? - Multi-Manager (pooled)

	2014	2013	2011
BASE: ALL WITH MULTI MANAGER MANDATE IN PLACE	63	61	65
100%	56 88,9%	58 95,1%	52 80%
10 to 99%	3 4,8%	2 3,3%	5 7,7%
Don't know	4 6,3%	1 1,6%	8 12%
Mean	97,97	99,47	95,88
Table Size	63	61	65
	100,0%	100,0%	100,0%

### Q6.5d.3 And what % of assets within each? - Segregated

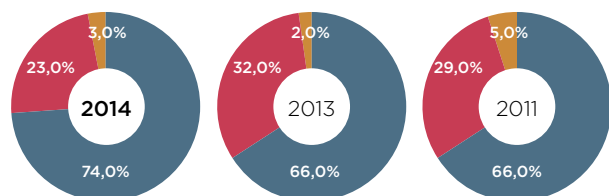
	2014	2013	2011
BASE: ALL WITH SEGREGATED MANDATE IN PLACE	18	14	24
100%	17	12	15
	94,4%	85,7%	63%
1 to 89%	0	1	2
	0,0%	7,1%	8%
Don't know	1	1	7
	5,6%	7,1%	29%
Mean	100	92,46	94,12
Table Size	18	14	24
	100,0%	100,0%	100,0%

### Q6.5d.4 And what % of assets within each? - Collective Investment Scheme ( Unit Trust)

	2014	2013
BASE: ALL WITH THIS MANDATE IN PLACE	2	2
100%	1	2
	50,0%	100,0%
Not sure	1	0
	50,0%	0,0%
Mean	100	100
Table Size	2	2
	100,0%	100,0%

### Q6.6 Does the umbrella fund provide for member investment choice (MIC)?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q6.7 Does your sub-fund make use of the member investment choice facility offered by the umbrella fund?

	2014	2013	2011
BASE: ALL WHO HAVE MIC AVAILABLE	74	66	66
Yes, to all members	52	55	50
	70,3%	83,3%	75,8%
Yes, to certain categories of member only	8	7	3
	10,8%	10,6%	4,5%
No	14	3	13
	18,9%	4,5%	19,7%
Not sure	0	1	0
	0,0%	1,5%	0,0%
Summary			
Any yes	60	62	53
	81,1%	93,9%	80,30%
Table Size	74	66	66
	100,0%	100,0%	100,0%

### Q6.8 How many investment options does the fund offer to members?

	2014	2013	2011
BASE: ALL WHO OFFER MIC	60	62	53
1 to 2	0	0	2
	0,0%	0,0%	4%
3 to 4	24	20	7
	40,0%	32,3%	13%
5	5	9	0
	8,3%	14,5%	0%
4 or more/ 6 or more	25	27	43
	41,7%	43,5%	81%
Not sure	6	6	1
	10,0%	9,7%	2%
Mean	6,65	6,88	9,13
Table Size	60	62	53
	100,0%	100,0%	100,0%

### Q6.9a How satisfied are you that the umbrella fund's member investment choice range is sufficiently diverse to meet the needs of all your members?

	2014	2013	2011
BASE: ALL WHO OFFER MIC	60	62	53
Very satisfied	35	44	38
	58,3%	71,0%	71,7%
Satisfied	21	14	12
	35,0%	22,6%	22,6%
Neutral	3	3	3
	5,0%	4,8%	5,7%
Dissatisfied	1	1	0
	1,7%	1,6%	0,0%
Summary			
Very/satisfied	56	58	50
	93,3%	93,5%	94,30%
Very/dissatisfied	1	1	0
	1,7%	1,6%	0%
Table Size	60	62	53
	100,0%	100,0%	100,0%

### Q6.9b Why do you say so?

	2014	2013	2011
BASE: ALL SATISFIED WITH CHOICES AVAILABLE	56	58	50
Good investment returns / good performance	16 28,6%	21 36,2%	16 32,0%
Good variety of choices	40 71,4%	33 56,9%	38 76,0%
Members are satisfied with the choices	15 26,8%	15 25,9%	13 26,0%
Members prefer greater levels of control	2 3,6%	6 10,3%	1 2,0%
Good fee - cost effective	0 0,0%	1 1,7%	0 0,0%
Addresses the core objective of the need	0 0,0%	1 1,7%	0 0,0%
Other/ Not too many choices lessens the risk	3 5,4%	2 3,4%	4 8%
Table Size	76 135,7%	79 136,2%	72 144,0%

### Q6.10 Is there an appropriate default investment strategy available for members that either do not wish, or are not sufficiently financially sophisticated, to make investment choices?

	2014	2013	2011
BASE: ALL WHO OFFER MIC	60	62	53

	2014	2013	2011
Table Size	60 100,0%	62 100,0%	53 100,0%

### Q6.11 Who chooses the default strategy?

	2014	2013	2011
BASE: ALL WHO HAVE A DEFAULT STRATEGY	59	59	53
Employer	22 37,3%	30 50,8%	22 41,5%
Trustees	31 52,5%	28 47,5%	32 60,4%
Management committee	0 0,0%	1 1,7%	0 0,0%
Both employer & trustees	5 8,5%	0 0,0%	0 0,0%
Not sure	1 1,7%	0 0,0%	1 1,9%
Table Size	59 100,0%	59 100,0%	55 103,8%

### Q6.12 What proportion of your membership relies upon the Default strategy?

	2014	2013	2011
BASE: ALL WHO HAVE A DEFAULT STRATEGY / OFFER MIC	59	59	53
0% to 50%	14 23,7%	13 22,0%	9 17%
50,1% to 80%	12 20,3%	15 25,4%	16 30%
80,1% to 100%	33 55,9%	31 52,5%	28 53%
Mean	69,58	70,93	72,36
Table Size	59 100,0%	59 100,0%	53 100,0%

### Q6.13 What are the characteristics of the default portfolio?

	2014	2013
BASE: ALL WHO HAVE A DEFAULT STRATEGY	59	59

Frequency Counts

Characteristic	2014	2013
Lifestage	31	34
Mostly passive	2	1
Mostly active	6	2
Balanced fund	15	10
Smoothed bonus/guarenteed	12	13
Absolute return fund	2	2
Multi manager	4	4
Specialist mandate per asset class	2	1
Conservative default	0	1
Don't know	1	2

	2014	2013
Table Size	75 127,1%	71 127,3%



## Q6.14 How frequently is switching allowed?

	2014	2013	2011
BASE: ALL WHO HAVE A DEFAULT STRATEGY/ OFFER MIC	59	59	53
Daily	18 30,5%	21 35,6%	26 49%
Weekly	1 1,7%	0 0,0%	0 0,0%
Monthly	15 25,4%	12 20,3%	4 8%
Quarterly	2 3,4%	3 5,1%	1 2%
Half-yearly	0 0,0%	3 5,1%	4 8%
Annually	22 37,3%	16 27,1%	15 28%
Never/ Don't know	1 1,7%	4 6,8%	3 6%
Table Size	59	59	53
	100,0%	100,0%	100,0%

## Q6.15a Does your sub-fund have a stated target pension (normally expressed as Net Replacement Ratio or NRR) that the trustees actively work towards?

	2014	2013
BASE: ALL RESPONDENTS	100	100
Yes	35 35,0%	16 16,0%
No	61 61,0%	83 83,0%
Don't know	4 4,0%	1 1,0%
Table Size	100	100
	100,0%	100,0%

## Q6.15b Do you have a default contribution rate (Employer and Employee) that is aligned with the stated target pension?

	2014
BASE: ALL RESPONDENTS	35
Yes	25 71,4%
No	9 25,7%
Don't know	1 2,9%
Table Size	35
	100,0%

## Q6.15c What income replacement ratio does the sub-fund target?

	2014	2013
BASE: ALL WITH A STATED TARGET PENSION	35	16
Less than 25%	2 5,7%	0 0,0%
25% - 75%	25 71,4%	4 25,0%
75% or more	4 11,4%	10 63%
Fund does not use a replacement ratio to target	2 5,7%	1 6,3%
Don't know	2 5,7%	1 6,3%
Mean	68,26	72,29
Table Size	35	16
	100,0%	100,0%

## Q6.15d Can the stated target pension be achieved by members who remain in the sub-fund for their working life time (35-40yrs) if they are only ever invested in the default investment portfolio?

	2014
BASE: ALL WHO HAVE A DEFAULT STRATEGY AND A STATED TARGET PENSION	21
Yes	13 61,9%
No	3 14,3%
Not sure	5 23,8%
Table Size	21
	100,0%

## Q6.16 What percentage of your retirees would you estimate retire comfortably?

	2014	2013
BASE: ALL RESPONDENTS	100	100
0% to 6%	27 27,0%	45 45,0%
7% to 24%	29 29,0%	24 24,0%
25% to 49%	13 13,0%	3 3,0%
50% to 74%	11 11,0%	7 7,0%
75% to 100%	10 10,0%	8 8,0%
Other/ Not applicable/Don't know	10 10,0%	13 13,0%
Mean	25,93	17,86
Table Size	100	100
	100,0%	100,0%

### Q6.17ai

What replacement ratio do you consider that retirees need for survival? - <R10,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	14	12
	14,0%	12,0%
31% - 70%	30	38
	30,0%	38,0%
71% - 90%	24	32
	24,0%	32,0%
91% - 100%	28	16
	28,0%	16,0%
Not applicable/Don't know	4	2
	4,0%	2,0%
Mean	65,1	63,78
Table Size	100	100
	100,0%	100,0%

### Q6.17aii

What replacement ratio do you consider that retirees need for survival? - <R10,000 - R25,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	15	13
	15,0%	13,0%
31% - 70%	36	51
	36,0%	51,0%
71% - 90%	32	30
	32,0%	30,0%
91% - 100%	12	3
	12,0%	3,0%
Not applicable/ Don't know	5	3
	5,0%	3,0%
Mean	60,58	58,81
Table Size	100	100
	100,0%	100,0%

### Q6.17aiii

What replacement ratio do you consider that retirees need for survival? - R25,000+

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	15	14
	15,0%	14,0%
31% - 70%	47	47
	47,0%	47,0%
71% - 90%	23	34
	23,0%	34,0%
91% - 100%	9	2
	9,0%	2,0%
Not applicable/ Don't know	6	3
	6,0%	3,0%
Mean	56,7	57,47
Table Size	100	100
	100,0%	100,0%

### Q6.17bi

What replacement ratio do you consider that retirees need to maintain their current living standard? < R10,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	9	6
	9,0%	6,0%
31% - 70%	16	18
	16,0%	18,0%
71% - 90%	26	41
	26,0%	41,0%
91% - 100%	45	33
	45,0%	33,0%
Not applicable/Don't know	4	2
	4,0%	2,0%
Mean	77,19	76,02
Table Size	100	100
	100,0%	100,0%

### Q6.17bii

What replacement ratio do you consider that retirees need to maintain their current living standard? - R10,000 - R25,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	7	8
	7,0%	8,0%
31% - 70%	20	17
	20,0%	17,0%
71% - 90%	35	51
	35,0%	51,0%
91% - 100%	33	21
	33,0%	21,0%
Not applicable/Don't know	5	3
	5,0%	3,0%
Mean	75,84	73,14
Table Size	100	100
	100,0%	100,0%

### Q6.17biii

What replacement ratio do you consider that retirees need to maintain their current living standard? - R25,000+

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	6	9
	6,0%	9,0%
31% - 70%	24	19
	24,0%	19,0%
71% - 90%	35	48
	35,0%	48,0%
91% - 100%	29	21
	29,0%	21,0%
Not applicable/ Don't know	6	3
	6,0%	3,0%
Mean	72,55	72,63
Table Size	100	100
	100,0%	100,0%

### Q6.17ci

What replacement ratio do you consider that retirees need to live beyond their current standard of living? - <R10,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	10	4
	10,0%	4,0%
31% - 70%	6	10
	6,0%	10,0%
71% - 90%	12	12
	12,0%	12,0%
91% - 100%	66	71
	66,0%	71,0%
More than 100%	2	1
	2,0%	1,0%
Don't know	4	2
	4,0%	2,0%
Mean	81,38	85,77
Table Size	100	100
	100,0%	100,0%

### Q6.17cii

What replacement ratio do you consider that retirees need to live beyond their current standard of living? - R10,000 -R25,000

	2014	2013
BASE: ALL RESPONDENTS	100	100
Less than 30%	9	5
	9,0%	5,0%
31% - 70%	9	9
	9,0%	9,0%
71% - 90%	14	14
	14,0%	14,0%
91% - 100%	61	68
	61,0%	68,0%
More than 100%	2	1
	2,0%	1,0%
Not applicable/ Don't know	5	3
	5,0%	3,0%
Mean	80,7	84,74
Table Size	100	100
	100,0%	100,0%

### Q6.17ciii

What replacement ratio do you consider that retirees need to live beyond their current standard of living? - R25,000+

	2014	2013
Base: All Respondents	100	100
Less than 30%	10	5
	10,0%	5,0%
31% - 70%	8	10
	8,0%	10,0%
71% - 90%	15	10
	15,0%	10,0%
91% - 100%	59	71
	59,0%	71,0%
More than 100%	2	1
	2,0%	1,0%
Not applicable/Don't know	6	3
	6,0%	3,0%
Mean	79,46	84,64
Table Size	100	100
	100,0%	100,0%

### Q6.18

Does your sub-fund currently have an ESG (Environmental, Social & Corporate Governance) policy in place?

	2014	2013
BASE: ALL RESPONDENTS	100	100
Yes	36	40
	36,0%	40,0%
No	25	24
	25,0%	24,0%
Not sure	39	36
	39,0%	36,0%
Table Size	100	100
	100,0%	100,0%

### Q6.19a

Are you comfortable with the research and assessment done by the umbrella fund's asset manager on the investments in respect of ESG? - Environmental

	2014
BASE: ALL RESPONDENTS	100
Yes	53
	53,0%
No	19
	19,0%
Don't know/ Not applicable	28
	28,0%
Table Size	100
	100,0%

### Q6.19b

Are you comfortable with the research and assessment done by the umbrella fund's asset manager on the investments in respect of ESG? - Social

	2014
BASE: ALL RESPONDENTS	100
Yes	52
	52,0%
No	19
	19,0%
Don't know/ Not applicable	29
	29,0%
Table Size	100
	100,0%

### Q6.19c

Are you comfortable with the research and assessment done by the umbrella fund's asset manager on the investments in respect of ESG? - Governance

	2014
BASE: ALL RESPONDENTS	100
Yes	55
	55,0%
No	18
	18,0%
Don't know	27
	27,0%
Table Size	100
	100,0%

**Q6.20** Retirement funds are significant investors in large publicly listed companies and, as such, carry significant voting power. Some funds grant proxy voting rights to their asset managers, in other words, they allow their asset managers to vote on behalf of the fund at AGMs of the listed companies in which they invest. How important is it to you that investment managers within your umbrella fund engage in shareholder activism? By that, we mean that they engage their asset managers on how they voted at AGMs?

	2014	2013
BASE: ALL RESPONDENTS	100	100
Very important	45	49
	45,0%	49,0%
A nice to have	38	40
	38,0%	40,0%
Not important at all	17	11
	17,0%	11,0%
Table Size	100	100
	100,0%	100,0%

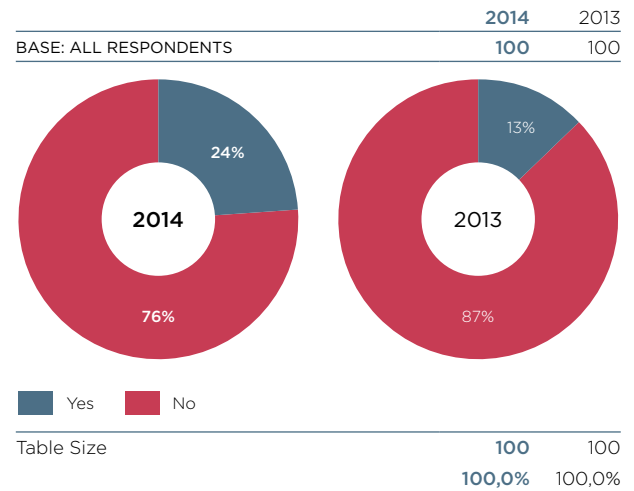
**Q6.21** How much information do you receive regarding the extent to which your investment managers within your umbrella fund engage in shareholder activism?

	2014	2013
BASE: ALL RESPONDENTS	100	100
Regular reporting by our umbrella fund on this issue	24	22
	24,0%	22,0%
Occasional reporting by our umbrella fund on this issue	22	25
	22,0%	25,0%
No reporting by our umbrella fund on this issue	54	52
	54,0%	52,0%
Don't know	0	1
	0,0%	1,0%
Table Size	100	100
	100,0%	100,0%

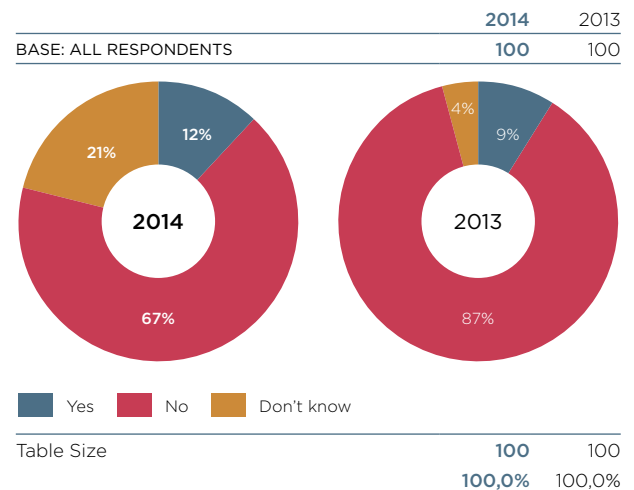
**Q6.22** Does the sub-fund include a Shari'ah compliant portfolio on the investment selection for members?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	53
Yes	29	38	33
	29,0%	38,0%	62,3%
No	42	39	16
	42,0%	39,0%	30,2%
Unsure	29	23	4
	29,0%	23,0%	7,5%
Table Size	100	100	53
	100,0%	100,0%	100,0%

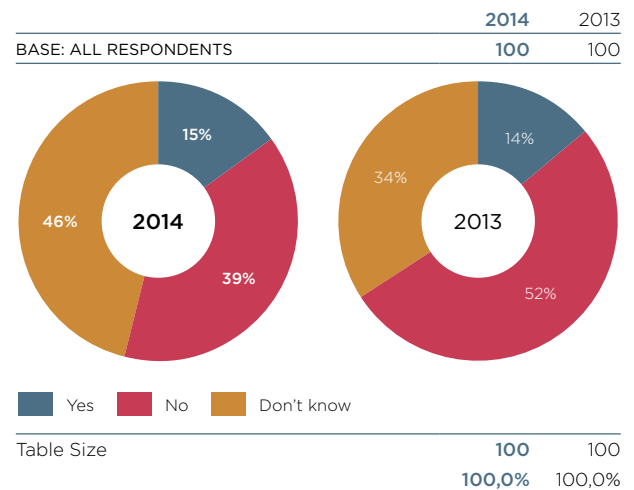
**Q6.23** Are you aware of the umbrella fund's philosophy with regards to the appointment of black asset managers?



**Q6.24** In your sub-fund's IPS is there a specific allocation of total assets earmarked for black asset managers?



**Q6.25** Have the principles espoused by CRISA ( the Code for Responsible Investing in South Africa) influenced your sub-fund in any way when setting its IPS?



**Q6.26** From the employer's perspective, is it important that products provide stable investment returns to? "Yes"

	2014	2013
BASE: ALL RESPONDENTS SAYING 'YES'	100	100
All members	92	96
	92,0%	96,0%
Blue collar workers	89	82
	89,0%	82,0%
Members close to reirement	97	97
	97,0%	97,0%
Table Size	100	100
	100,0%	100,0%

**Q6.27a** How does the employer rate the following products' ability to provide stable investment returns to fund members?  
- Cash

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	28	27	19
	28,0%	27,0%	19,0%
Good	25	25	26
	25,0%	25,0%	26,0%
Moderate	19	23	31
	19,0%	23,0%	31,0%
Poor	15	12	12
	15,0%	12,0%	12,0%
Very poor	4	3	2
	4,0%	3,0%	2,0%
Not sure	9	10	10
	9,0%	10,0%	10,0%
Summary			
Very/good	53	52	45
	53,0%	52,0%	45%
Very/poor	19	15	14
	19,0%	15,0%	14%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.27b** How does the employer rate the following products' ability to provide stable investment returns to fund members?  
- Smoothed Bonus

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	22	15	12
	22,0%	15,0%	12,0%
Good	35	40	36
	35,0%	40,0%	36,0%
Moderate	18	23	26
	18,0%	23,0%	26,0%
Poor	3	1	2
	3,0%	1,0%	2,0%
Very poor	2	0	0
	2,0%	0,0%	0,0%
Not sure	20	21	24
	20,0%	21,0%	24,0%
Summary			
Very/good	57	55	48
	57,0%	55,0%	48%
Very/poor	5	1	2
	5,0%	1,0%	2%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.27c** How does the employer rate the following products' ability to provide stable investment returns to fund members?  
- Structured Products

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	11	11	10
	11,0%	11,0%	10,0%
Good	43	48	43
	43,0%	48,0%	43,0%
Moderate	28	23	21
	28,0%	23,0%	21,0%
Poor	1	1	1
	1,0%	1,0%	1,0%
Very poor	0	1	0
	0,0%	1,0%	0,0%
Not sure	17	16	25
	17,0%	16,0%	25,0%
Summary			
Very/good	54	59	53
	54,0%	59,0%	53%
Very/poor	1	2	1
	1,0%	2,0%	1%
Table Size	100	100	100
	100,0%	100,0%	100,0%

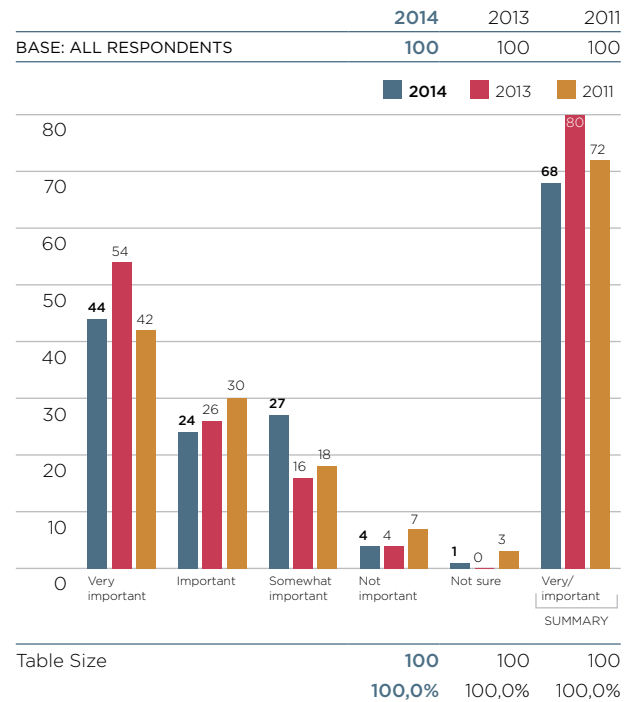
### Q6.27d How does the employer rate the following products' ability to provide stable investment returns to fund members? - Absolute Return

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	17	13	10
	17,0%	13,0%	10,0%
Good	48	43	40
	48,0%	43,0%	40,0%
Moderate	18	20	22
	18,0%	20,0%	22,0%
Poor	3	5	2
	3,0%	5,0%	2,0%
Very poor	0	1	0
	0,0%	1,0%	0,0%
Don't know	14	18	26
	14,0%	18,0%	26,0%
Summary			
Very/good	65	56	50
	65,0%	56,0%	50%
Very/poor	3	6	2
	3,0%	6,0%	2%
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q6.27e How does the employer rate the following products' ability to provide stable investment returns to fund members? - Hedge funds

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	6	4	10
	6,0%	4,0%	10,0%
Good	16	19	40
	16,0%	19,0%	40,0%
Moderate	29	24	22
	29,0%	24,0%	22,0%
Poor	10	7	2
	10,0%	7,0%	2,0%
Very poor	8	5	0
	8,0%	5,0%	0,0%
Not sure	31	41	26
	31,0%	41,0%	26,0%
Summary			
Very/good	22	23	50
	22,0%	23,0%	50%
Very/poor	18	12	2
	18,0%	12,0%	2%
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q6.28 How important are investment products that provide guarantees to members?



### Q6.29a How does the employer rate the guarantees (if any) provided by the following investment products for the purposes of benefit payments? - Cash

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	36	28	16
	36,0%	28,0%	16,0%
Good	26	25	27
	26,0%	25,0%	27,0%
Moderate	11	24	26
	11,0%	24,0%	26,0%
Poor	14	6	6
	14,0%	6,0%	6,0%
Very poor	1	1	4
	1,0%	1,0%	4,0%
Not sure	12	16	21
	12,0%	16,0%	21,0%
Summary			
Very/good	62	53	43
	62,0%	53,0%	43%
Very/poor	15	7	10
	15,0%	7,0%	10%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.29b** How does the employer rate the guarantees (if any) provided by the following investment products for the purposes of benefit payments? - **Smoothed Bonus**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	22 22,0%	14 14,0%	9 9,0%
Good	37 37,0%	40 40,0%	36 36,0%
Moderate	16 16,0%	22 22,0%	22 22,0%
Poor	4 4,0%	2 2,0%	0 0,0%
Very poor	0 0,0%	0 0,0%	1 1,0%
Not sure	21 21,0%	22 22,0%	32 32,0%
Summary			
Very/good	59 59,0%	54 54,0%	45 45%
Very/poor	4 4,0%	2 2,0%	1 1%
Table Size	100 100,0%	100 100,0%	100 100,0%

**Q6.29c** How does the employer rate the guarantees (if any) provided by the following investment products for the purposes of benefit payments? - **Structured Products**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	8 8,0%	9 9,0%	7 7,0%
Good	39 39,0%	44 44,0%	29 29,0%
Moderate	31 31,0%	25 25,0%	29 29,0%
Poor	1 1,0%	1 1,0%	0 0,0%
Very poor	1 1,0%	1 1,0%	0 0,0%
Not sure	20 20,0%	20 20,0%	35 35,0%
Summary			
Very/good	47 47,0%	53 53,0%	36 36%
Very/poor	2 2,0%	2 2,0%	0 0%
Table Size	100 100,0%	100 100,0%	100 100,0%

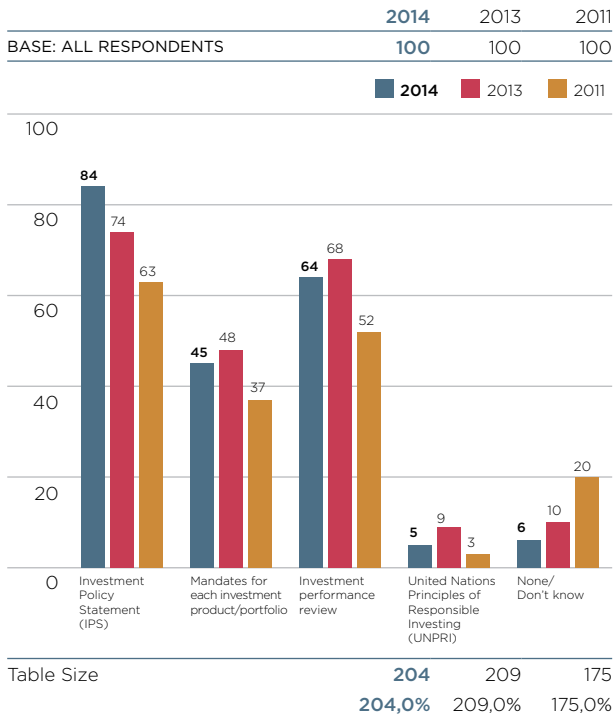
**Q6.29d** How does the employer rate the guarantees (if any) provided by the following investment products for the purposes of benefit payments? - **Absolute Return**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	13 13,0%	14 14,0%	7 7,0%
Good	44 44,0%	42 42,0%	33 33,0%
Moderate	15 15,0%	18 18,0%	22 22,0%
Poor	6 6,0%	1 1,0%	2 2,0%
Very poor	1 1,0%	1 1,0%	0 0,0%
Not sure	21 21,0%	24 24,0%	36 36,0%
Summary			
Very/good	57 57,0%	56 56,0%	40 40%
Very/poor	7 7,0%	2 2,0%	2 2%
Table Size	100 100,0%	100 100,0%	100 100,0%

**Q6.29e** How does the employer rate the guarantees (if any) provided by the following investment products for the purposes of benefit payments? - **Hedge funds**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Very good	6 6,0%	3 3,0%	7 7,0%
Good	12 12,0%	19 19,0%	33 33,0%
Moderate	27 27,0%	22 22,0%	22 22,0%
Poor	14 14,0%	8 8,0%	2 2,0%
Very poor	7 7,0%	6 6,0%	0 0,0%
Not sure	34 34,0%	42 42,0%	36 36,0%
Summary			
Very/good	18 18,0%	22 22,0%	40 40%
Very/poor	21 21,0%	14 14,0%	2 2%
Table Size	100 100,0%	100 100,0%	100 100,0%

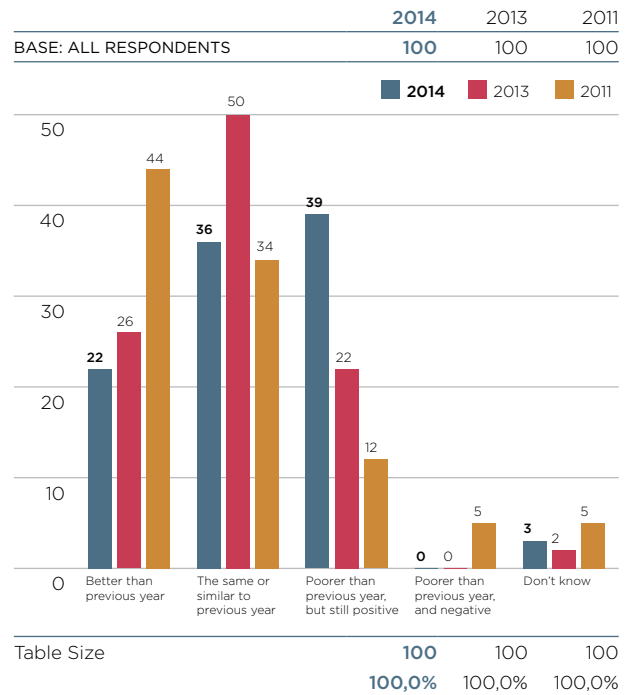
**Q6.30** Are you aware of any of the following Governance Instruments relating to investments used by the umbrella fund (and properly documented)?



**Q6.31** What gross investment returns have your members achieved in the last calendar year?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
0,1 to 7,5%	7	7	18
	7,0%	7,0%	18%
7,6 - 10,0%	19	21	20
	19,0%	21,0%	20,0%
10,1 - 15%	24	23	26
	24,0%	23,0%	26%
15,1 - 20,0%	25	26	7
	25,0%	26,0%	7%
20,1 - 30,0%	14	8	6
	14,0%	8,0%	6%
More than 35%	2	0	0
	2,0%	0,0%	0,0%
Don't know	7	15	13
	7,0%	15,0%	13,0%
Mean	15,64	13,88	11,51
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q6.32** Do you expect investment returns in 2014 to be... ?



**Q6.34** In a life stage vehicle members are switched to a less volatile phase in the investment portfolios for the period 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?

	2014	2013	2011
BASE: ALL USING LIFE STAGING			
Less than 5 years	53	63	49
	9,4%	17,5%	10,2%
5 years	23	32	22
	43,4%	50,8%	45%
6-7 years	15	9	7
	28,3%	14,3%	14%
8 -10 years	8	9	12
	15,1%	14,3%	24%
15 years	1	1	2
	1,9%	1,6%	4%
Other/ Don't know	1	1	1
	1,9%	1,6%	2%
Mean	6,4	5,94	6,58
Table Size	53	63	49
	100,0%	100,0%	100,0%



### Q6.35b Which type of annuities do the different end stages allow for?

	2014	2013	2011
<b>BASE: ALL USING LIFE STAGING</b>	<b>53</b>	63	41
Guaranteed annuity (level or increasing at a fixed percentage)	28	29	19
	<b>52,8%</b>	46,0%	46%
Living annuity (ILLA)	28	36	20
	<b>52,8%</b>	57,1%	49%
Inflation linked	25	32	18
	<b>47,2%</b>	50,8%	44%
With profit	14	15	14
	<b>26,4%</b>	23,8%	34%
Other/ Not applicable/Not sure	13	14	13
	<b>24,5%</b>	22,2%	32%
Table Size	108	126	84
	<b>203,8%</b>	200,0%	204,9%

### Q6.37 Do members receive advice when they switch into this last phase of the life stage model before retirement?

	2014	2013	2011
<b>BASE: ALL USING LIFE STAGING</b>	<b>53</b>	63	49
Yes	48	54	40
	<b>90,6%</b>	85,7%	81,6%
No	5	8	6
	<b>9,4%</b>	12,7%	12,2%
Don't know	0	1	3
	<b>0,0%</b>	1,6%	6,1%
Table Size	53	63	49
	<b>100,0%</b>	100,0%	100,0%

### Q6.36 Which of the following asset allocations best describes the end stage in the lifestage option?

	2014	2013	2011
<b>BASE: ALL USING LIFE STAGING</b>	<b>53</b>	63	49
Cash (100%)	18	17	11
	<b>34,0%</b>	27,0%	22%
Bonds (100%)	4	4	1
	<b>7,5%</b>	6,3%	2%
Smooth bonus	10	11	2
	<b>18,9%</b>	17,5%	4%
Conservative equity (<40)	28	23	21
	<b>52,8%</b>	36,5%	43%
Moderate equity (40%-65%)	5	3	4
	<b>9,4%</b>	4,8%	8%
Aggressive equity portfolio (66%+)	1	0	0
	<b>1,9%</b>	0,0%	0,0%
Other/ Not applicable/None/Don't know	2	0	10
	<b>3,8%</b>	0,0%	20%
Table Size	68	69	49
	<b>128,3%</b>	109,5%	100,0%

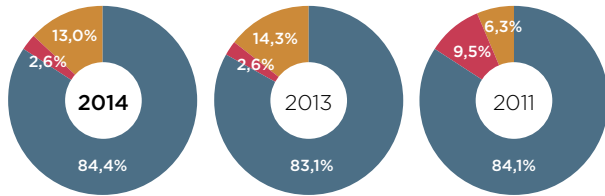
## SECTION G: INSURED BENEFITS

**Q7.1** Are insured benefits provided as part of the umbrella fund product package or are they provided through a separate scheme?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
As part of the umbrella fund product package	66	68	63
	<b>66,0%</b>	68,0%	63,0%
As a separate scheme	23	23	42
	<b>23,0%</b>	23,0%	42,0%
Both part of the umbrella fund & part of a separate scheme	11	9	0
	<b>11,0%</b>	9,0%	0,0%
No insured benefits provided	0	0	2
	<b>0,0%</b>	0,0%	2,0%
Table Size	100	100	107
	<b>100,0%</b>	100,0%	107,0%

**Q7.2** As far as you know, does the umbrella fund have any processes in place to ensure the ongoing sound actuarial management of its risk pool?

	2014	2013	2011
<b>BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND</b>	<b>77</b>	77	63



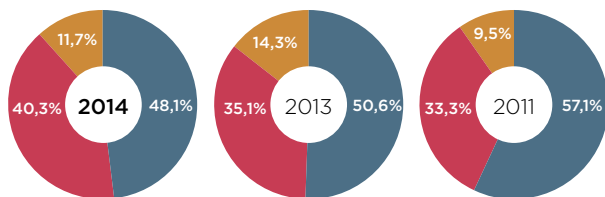
■ Yes ■ No ■ Not sure

	2014	2013	2011
Table Size	77	77	63
	<b>100,0%</b>	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.3** Are insured benefits automatically underwritten by an 'in house' insurance company that is associated with the sponsor?

	2014	2013	2011
<b>BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND</b>	<b>77</b>	77	63



■ Yes ■ No ■ Not sure

	2014	2013	2011
Table Size	77	77	63
	<b>100,0%</b>	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.4** How satisfied are you that the umbrella fund's risk benefits product range is comprehensive and appropriate to satisfy members' requirements?

	2014	2013	2011
<b>BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND</b>	<b>77</b>	77	63
Very satisfied	48	47	35
	<b>62,3%</b>	61,0%	55,6%
Satisfied	25	25	22
	<b>32,5%</b>	32,5%	34,9%
Neutral	4	3	5
	<b>5,2%</b>	3,9%	7,9%
Dissatisfied	0	2	1
	<b>0,0%</b>	2,6%	1,6%
<b>Summary</b>			
Very/satisfied	73	72	67
	<b>94,8%</b>	93,5%	90,5%
Very/dissatisfied	0	2	1
	<b>0,0%</b>	2,6%	1,6%
Table Size	77	77	63
	<b>100,0%</b>	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.5a** How has your risk costs changed over the past year?

	2013	2011	2010
<b>BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND</b>	<b>77</b>	63	100
Increased by more than 20%	0	2	0
	<b>0,0%</b>	3,2%	0,0%
Increased by between 10% and 20%	12	1	5
	<b>15,6%</b>	1,6%	5,0%
Increased by between 0% and 10%	24	12	25
	<b>31,2%</b>	19,0%	25,0%
Remained unchanged	27	35	52
	<b>35,1%</b>	55,6%	52,0%
Decreased by between 0% and 10%	13	11	14
	<b>16,9%</b>	17,5%	14,0%
Decreased by between 10% and 20%	1	1	0
	<b>1,3%</b>	1,6%	0,0%
Don't know	0	1	4
	<b>0,0%</b>	1,6%	4,0%
<b>Summary</b>			
Any increase	36	15	30
	<b>46,8%</b>	23,8%	30%
Any decrease	14	12	14
	<b>18,2%</b>	19,0%	14%
Table Size	77	63	100
	<b>100,0%</b>	100,0%	100,0%

## Q7.5b How has your risk costs changed over the past 2 years?

	2014
BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND	77
Increased by between 10% and 20% per annum	5
	6,5%
Increased by between 0% and 10% per annum	31
	40,3%
Remained unchanged	27
	35,1%
Decreased by between 0% and 10% per annum	11
	14,3%
Increased by between 10% and 20% per annum	2
	2,6%
Don't know	1
	1,3%
Summary	
Any increase	36
	46,8%
Any decrease	13
	16,9%
Table Size	77
	100,0%

## Q7.6 How often does the umbrella fund rebroke its risk business?

	2014	2013
BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND	77	77
Annually	53	45
	68,8%	58,4%
Every 2 years	5	5
	6,5%	6,5%
When rates are increased	1	5
	1,3%	6,5%
Never	5	6
	6,6%	7,8%
Other/ Don't know	13	16
	16,9%	20,8%
Table Size	77	77
	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

## Q7.7 What benefits are paid to dependants on the death of a member before retirement?

	2014	2013	2011
BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND	77	77	63
Lump sum	75	77	60
	97,4%	100,0%	95,2%
Spouse's pension	9	8	8
	11,7%	10,4%	12,7%
Children's pension	5	8	4
	6,5%	10,4%	6,3%
None offered	0	0	1
	0,0%	0,0%	1,6%
Table Size	89	93	73
	115,6%	120,8%	115,9%

## Q7.8 What insured benefits are provided as part of the umbrella fund product package?

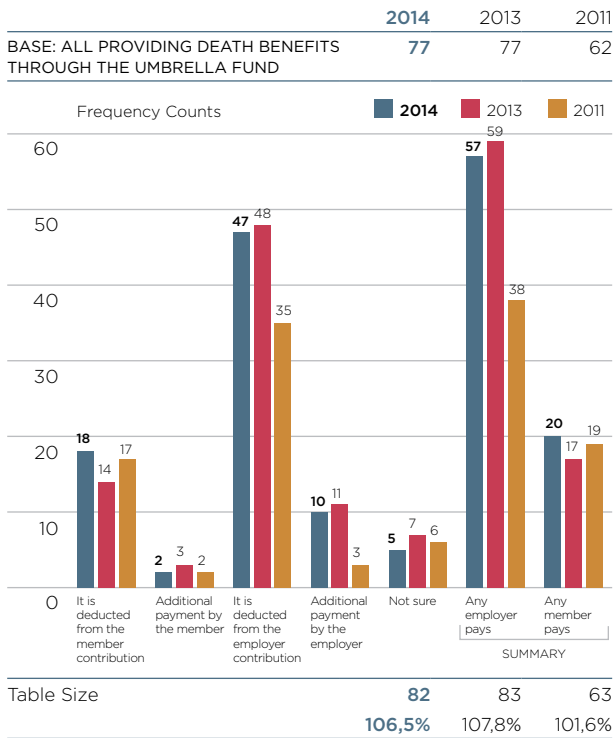
	2014	2013	2011
BASE: ALL PROVIDING INSURED BENEFITS AS PART OF THE UMBRELLA FUND	77	77	63
Death benefits	77	77	62
	100,0%	100,0%	98,4%
Disability benefits	73	73	59
	94,8%	94,8%	93,7%
Critical illness / trauma/dread disease	24	19	14
	31,2%	24,7%	22,2%
Funeral cover	49	54	43
	63,6%	70,1%	68,3%
Medical aid premium waiver	3	4	4
	3,9%	5,2%	6,3%
Education benefit	7	6	5
	9,1%	7,8%	7,9%
Disability Income Top-up	6	5	2
	7,8%	6,5%	3,2%
Value added packages	2	1	0
	2,6%	1,3%	0,0%
Provident Fund Premium Waver	0	2	0
	0,0%	2,6%	0,0%
Table Size	241	241	189
	313,0%	313,0%	300,0%

## Q7.9 What is the size of the lump sum payable on death for members?

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH THE UMBRELLA FUND	77	77	62
1 x annual salary	6	2	2
	7,8%	2,6%	3,2%
2 x annual salary	13	14	8
	16,9%	18,2%	12,9%
2,5 x annual salary	0	0	1
	0,0%	0,0%	1,6%
3 x annual salary	26	16	18
	33,8%	20,8%	29,0%
4 x annual salary	13	18	14
	16,9%	23,4%	22,6%
5 x annual salary	6	6	3
	7,8%	7,8%	4,8%
More than 5 x annual salary	1	1	1
	1,3%	1,3%	1,6%
Depending on years of service	0	2	2
	0,0%	2,6%	3,2%
Scaled per age band	4	3	1
	5,2%	3,9%	1,6%
Fixed amount	0	0	3
	0,0%	0,0%	4,8%
Members have flexible benefits, so it varies from member to member	7	13	8
	9,1%	16,9%	12,9%
Not applicable/ Not sure	1	2	1
	1,3%	2,6%	1,6%
Mean	3,05	3,26	3,22
Table Size	77	77	62
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

### Q7.10 Who pays for the lump sum benefit?



Note base change in 2011 - 2010 figures not directly comparable.

### Q7.11 Do the members have the option of choosing flexible death benefits (i.e. member can choose the level of cover within certain limits)? In this instance members receive a basic level of life cover (core cover) and can then choose additional (flexible) cover to suit their needs. Savings due to members not choosing the maximum cover will be applied to their retirement provision.

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH THE UMBRELLA FUND	77	77	62
Yes	0	17	8
	0,0%	22,1%	12,9%
Yes, core plus flexible cover	15	0	0
	19,5%	0,0%	0,0%
No, we do not offer flexible death benefits	60	60	54
	77,9%	77,9%	87,1%
Not sure	2	0	0
	2,6%	0,0%	0,0%
Table Size	77	77	62
	100,0%	100,0%	100,0%

### Q7.12 What is the core / flexible structure level of death cover?

	2014	2013
BASE: ALL OFFERING FLEXIBLE DEATH BENEFITS AND PROVIDING A LUMP SUM BENEFIT	15	17
1x annual salary core/ 1 x annual pensionable earnings	1	6
	6,7%	35,3%
3x annual salary/ 3x pensionable salary (annual)	0	4
	0%	23,5%
Core - 2x annual salary	0	4
	0%	23,5%
Flexible - may choose another 1x annual salary	0	1
	0%	5,9%
Flexible - up to whatever	0	1
	0%	5,9%
May choose up to 6x salary (flexible)	0	1
	0%	5,9%
Flexible may take up to 5x in half yearly bands	0	1
	0%	5,9%
4x annual salary	0	1
	0%	5,9%
They can increase but they will have to pay a premium	0	1
	0%	5,9%
1,5% to all risk benefits of the 15% of pensionable income	1	0
	6,7%	0,0%
2% per annum flexible of salary core 1x annual salary	1	0
	6,7%	0,0%
3x Annual - Core 4x Annual Flexible	1	0
	6,7%	0,0%
3x annual salary. Can choose lower 1x or 2x annual salary base or default is 3x	1	0
	6,7%	0,0%
3x annual salary. Flexible is members have a choice if increasing benefit up to 6x annual salary	1	0
	6,7%	0,0%
Core 1x annual "flexible" can choose another but they have to make a choice -no default	1	0
	6,7%	0,0%
Core 4x annual salary. Members can choose 5x or 6x death cover-flex	1	0
	6,7%	0,0%
Flexible - the individual can contribute 1,2,3% of salary for increases multiples of cover dependent on his/her age bonus	1	0
	6,7%	0,0%
From 1x to 3x annual salary or 5x annual salary as flexible	1	0
	6,7%	0,0%
Member can add 1 to 6 x pensionable salary to the core benefit. ( from 4x to 9x) (core benefit is 3x) total	1	0
	6,7%	0,0%
Core 2x annual salary and flexible 2x annual salary	1	0
	6,7%	0,0%
Core death 2x annual salary and flexible as per member requirements	1	0
	6,7%	0,0%
They can choose either 1x or 3x annual salary depending on their contribution scale	1	0
	6,7%	0,0%
Don't know	1	1
	6,7%	5,9%
Table Size	15	21
	100,0%	123,5%

**Q7.13** What is the typical turnaround time on death claims (after all signed resolutions and other documents have been received)?

	2014	2013
BASE: ALL PROVIDING DEATH BENEFITS THROUGH THE UMBRELLA FUND	77	77
4 weeks or Less	29 37,7%	27 35,1%
5 - 8 weeks	15 19,5%	18 23,4%
2 - 3 months	10 13,0%	10 13,0%
More than three months	18 23,4%	8 10,4%
Not Sure	5 6,5%	14 18,2%
Mean	7,4	6,4
Table Size	77	77
	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.14a** In the past year, have death benefits been distributed to minor orphans in respect of your sub-fund members?

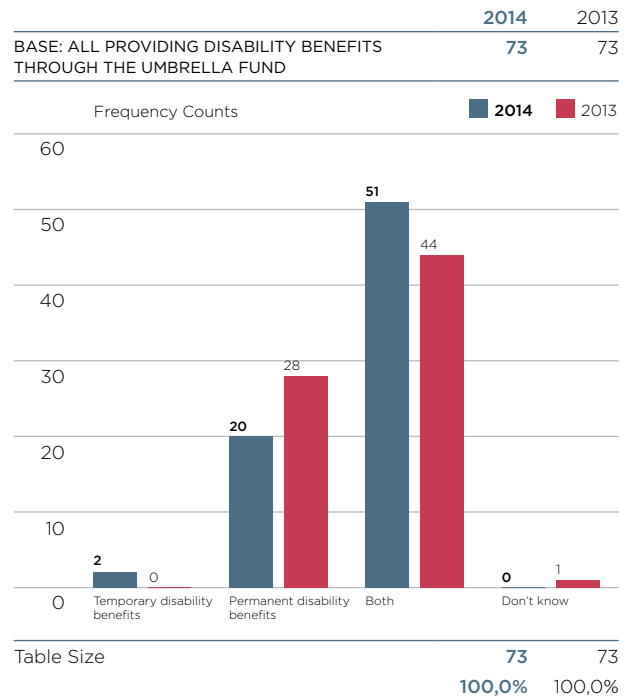
	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH THE UMBRELLA FUND	77	77	62
Yes	34 44,2%	30 39,0%	26 41,9%
No	39 50,6%	44 57,1%	30 48,4%
Not sure	4 5,2%	3 3,9%	6 9,7%
Table Size	77	77	62
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.14b** What policy applies on this issue?

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH THE UMBRELLA FUND	77	77	62
Provide benefits to a legal guardian only	22 28,6%	27 35,1%	11 17,7%
Provide benefits to a guardian, regardless of legal status	5 6,5%	4 5,2%	8 12,9%
Provide benefits to the minor orphan	0 0,0%	1 1,3%	1 1,6%
Set up a trust	46 59,7%	48 62,3%	37 59,7%
Provide benefits through a beneficiary fund	8 10,4%	5 6,5%	9 14,5%
Trustees make that decision	4 5,2%	0 0,0%	0 0,0%
Other/ No policy/ Don't know	7 7,6%	3 3,4%	7 10%
Table Size	92	88	73
	119,5%	114,3%	117,7%

**Q7.15** What disability benefits does the employer provide?



**Q7.16a** And are these benefits provided as a - For temporary disability

	2014	2013
BASE: ALL PROVIDING TEMPORARY DISABILITY BENEFITS THROUGH THE UMBRELLA FUND	53	44
Monthly income	46 86,8%	40 90,9%
Monthly income for a given period followed by a lump sum benefit?	6 11,3%	4 9,1%
Other	1 1,9%	0 0,0%
Table Size	53	44
	100,0%	100,0%

**Q7.16b** And are these benefits provided as a - For permanent disability

	2014	2013
BASE: ALL PROVIDING PERMANENT DISABILITY BENEFITS THROUGH THE UMBRELLA FUND	71	72
Monthly income	50 70,4%	39 54,2%
Monthly income for a given period followed by a lump sum benefit	12 16,9%	21 29,2%
Lump sum	9 12,7%	9 12,5%
Lump sum followed by monthly income	0 0,0%	2 2,8%
Don't know	0 0,0%	1 1,4%
Table Size	71	72
	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

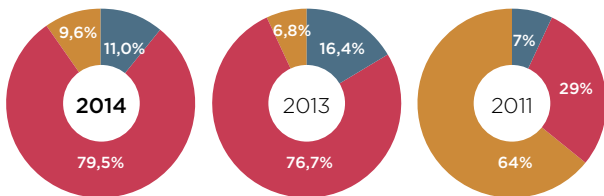
**Q7.17** Which of the following best describes the lump sum disability benefit?

	2014	2013	2011
<b>BASE: ALL PROVIDING DISABILITY BENEFITS THROUGH THE UMBRELLA FUND</b>	<b>73</b>	73	59
Multiple of salary, 1 x annual salary	5 6,8%	8 11,0%	4 6,8%
Multiple of salary, 2 x annual salary	6 8,2%	12 16,4%	7 11,9%
Multiple of salary, 2,5 x annual salary	0 0,0%	0 0,0%	1 1,7%
Multiple of salary, 3 x annual salary	4 5,5%	7 9,6%	9 15,3%
Multiple of salary, 4 x annual salary	3 4,1%	3 4,1%	1 1,7%
Multiple of salary, more than 4 x annual salary	1 1,4%	1 1,4%	1 1,7%
75% of salary	12 16,4%	16 21,9%	0 0,0%
Lump sum is paid in instalments	0 0,0%	4 5,5%	0 0,0%
Varies/ Other/ Not applicable/ Don't know	40 57,5%	22 30,1%	36 61,0%
Mean	2,42	2,26	2,46
Table Size	73	73	59
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.18a** Are disability benefits reduced as members get closer to retirement age?

	2014	2013	2011
<b>BASE: ALL PROVIDING DISABILITY BENEFITS THROUGH THE UMBRELLA FUND</b>	<b>73</b>	73	59



■ Yes ■ No ■ Not applicable/Not sure

Table Size	73	73	59
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.18b** How many years before retirement does the lump sum disability benefit start to reduce?

	2014	2013	2011
<b>BASE: ALL WHOSE DISABILITY BENEFITS REDUCE</b>	<b>8</b>	12	4
1 to 3 years	0 0,0%	2 16,7%	0 0%
5 years	8 100,0%	7 58,3%	4 100,0%
Other/ Don't know	0 0,0%	3 25,0%	0 0,0%
Mean	5	5,35	5
Table Size	8	12	4
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.19a** What is the length of the initial waiting period in the case of permanent disability?

	2014	2013	2011
<b>BASE: ALL PROVIDING DISABILITY BENEFITS THROUGH THE UMBRELLA FUND</b>	<b>73</b>	73	59
Less than 1 month	2 2,7%	3 4,1%	1 1,7%
1 month	3 4,1%	3 4,1%	1 1,7%
2 months	6 8,2%	4 5,5%	2 3,4%
3 months	30 41,1%	32 43,8%	39 66,1%
6 months	25 34,2%	18 24,7%	10 16,9%
12 months or longer	0 0,0%	7 9,6%	2 3%
Other/ Not applicable/Don't know	7 9,6%	6 8,2%	4 7%
Mean	3,93	4,5	3,86
Table Size	73	73	59
	100,0%	100,0%	100,0%

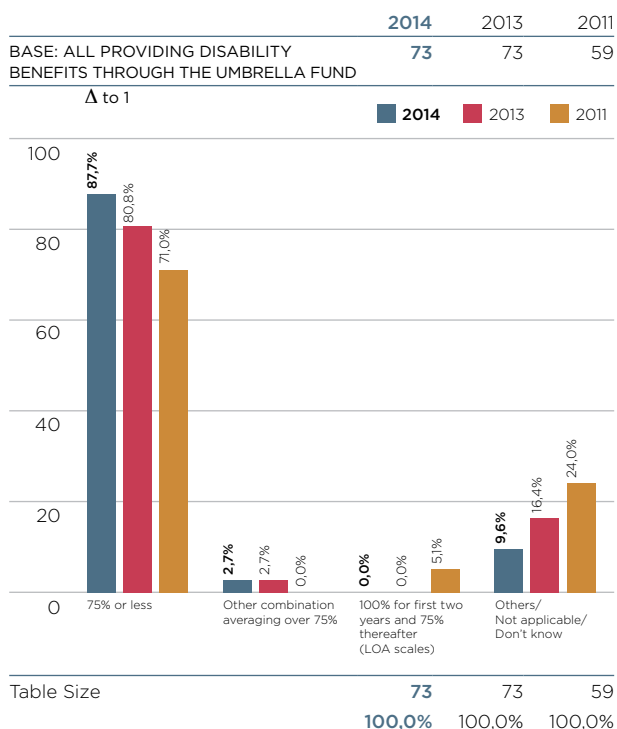
Note base change in 2011 - 2010 figures not directly comparable.

**Q7.19b** What is the length of the initial waiting period in the case of temporary disability?

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS THROUGH THE UMBRELLA FUND	73	73	59
Less than 1 month	1 1,4%	3 4,1%	1 1,7%
1 month	9 12,3%	2 2,7%	2 3,4%
2 months	3 4,1%	3 4,1%	2 3,4%
3 months	20 27,4%	21 28,8%	30 50,8%
6 months	14 19,2%	9 12,3%	3 5,1%
12 months or longer	0 0,0%	2 2,7%	1 1,7%
Other/ Not applicable/ Don't know	26 35,6%	33 45,2%	20 33,9%
Mean	3,48	3,76	2,55
Table Size	73 100,0%	73 100,0%	59 100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.20** What disability income benefits (PHI / GDI) expressed as a percentage of annual salary are offered?



Note base change in 2011 - 2010 figures not directly comparable.

**Q7.21** How are increases in permanent disability income benefits (PHI / GDI) determined?

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS THROUGH THE UMBRELLA FUND	73	73	59
There are no increases	14 19,2%	15 20,5%	14 23,7%
Fixed percentage according to the rules	12 16,4%	17 23,3%	20 33,9%
Ad hoc	1 1,4%	1 1,4%	2 3,4%
Ad hoc subject to a minimum	1 1,4%	0 0,0%	0 0,0%
Defined as a percentage of CPI with no maximum	11 15,1%	10 13,7%	9 15,3%
Defined as a percentage of CPI with a fixed maximum (capped)	20 27,4%	16 21,9%	8 13,6%
Not applicable/ Not sure	14 19,2%	14 19,2%	6 10%
Summary			
Any ad hoc	2 2,7%	1 1,4%	2 3,40%
Any% CPI	31 42,5%	26 35,6%	17 28,80%
Table Size	73 100,0%	73 100,0%	59 100,0%

Note base change in 2011 - 2010 figures not directly comparable.

**Q7.22a** What fixed percentage is used?

	2014	2013	2011
BASE: ALL WHO USE A FIXED PERCENTAGE	12	17	20
Up to 4% p.a.	3 25,0%	0 0,0%	4 20%
4,01% to 5% p.a.	2 16,7%	2 11,8%	3 15,0%
5,01% to 6% p.a.	1 8,3%	2 11,8%	4 20,0%
6,01% to 7% p.a.	1 8,3%	1 5,9%	0 0,0%
7,01% to 8% p.a.	1 8,3%	3 17,6%	3 15,0%
More than 8% p.a.	1 8,3%	4 23,5%	4 20,0%
Not sure	3 25,0%	5 29,4%	2 10,0%
Mean	5,28	6,92	5,83
Table Size	12 100,0%	17 100,0%	20 100,0%

## Q7.22b What is the cap on increases in disability income benefits?

	2014	2013	2011
BASE: ALL WHO USE A FIXED PERCENTAGE OR CPI WITH FIXED CAP	44	44	
Up to 4% p.a.	3	0	
	6,8%	0,0%	
4,01% to 5% p.a.	2	4	
	4,5%	9,1%	
5,01% to 6% p.a.	6	3	
	13,6%	6,8%	
6,01% to 7% p.a.	2	3	
	4,5%	6,8%	
7,01% to 8% p.a.	1	4	
	2,3%	9,1%	
More than 8% p.a.	5	2	
	11,4%	4,5%	
No cap	2	10	
	4,5%	22,7%	
Not sure/ Not applicable	23	18	
	52,3%	40,9%	
Mean	6,08	6,31	
Table Size	44	44	
	100,0%	100,0%	

## Q7.23 What is the percentage of increase in CPI used?

	2014	2013	2011
BASE: ALL WHO USE CPI BASED INCREASES	31	26	17
50% or less	4	0	0
	12,9%	0,0%	0,0%
75%	1	2	4
	3,2%	7,7%	23,5%
75% to 99%	1	0	0
	3,2%	0,0%	0,0%
100%	20	17	12
	64,5%	65,4%	70,6%
Not sure	5	7	1
	16,1%	26,9%	5,9%
Mean	90,85	97,37	93,75
Table Size	31	26	17
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

## Q7.24 What on average is the level of critical illness cover offered?

	2014	2013	2011
BASE: ALL WHO PROVIDE CRITICAL ILLNESS COVER UNDER THE FUND	24	19	14
1 x annual salary	8	3	3
	33,3%	15,8%	21%
2 x annual salary	5	5	2
	20,8%	26,3%	14%
Fixed amount	4	6	2
	16,7%	31,6%	14%
Other/ Not sure	7	5	7
	29,2%	26,3%	50%
Table Size	24	19	14
	100,0%	100,0%	100,0%

Note base change in 2011 - 2010 figures not directly comparable.

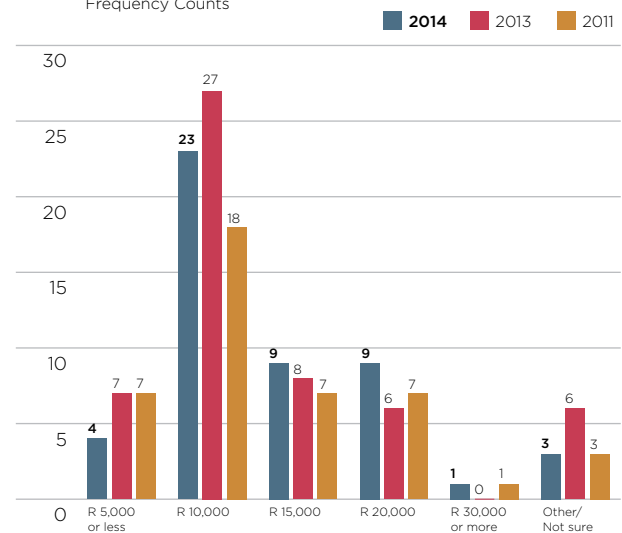
## Q7.25 Who is covered under the funeral benefit?

	2014	2013	2011
BASE: ALL WHO PROVIDE FUNERAL COVER UNDER THE FUND	49	54	43
Member	49	54	43
	100,0%	100,0%	100,0%
Spouse	47	51	41
	95,9%	94,4%	95,3%
Children aged 0 to 21	0	0	41
	0,0%	0,0%	95%
Own children	46	50	0
	93,9%	92,6%	0,0%
Parents and parents-in-law	1	6	0
	2,0%	11,1%	0,0%
Additional spouses	2	4	5
	4,1%	7,4%	11,6%
Extended family (e.g siblings, aunts, Uncles, nephews, nieces, etc)	1	1	0
	2,0%	1,9%	0,0%
Summary			
Any children	46	50	41
	93,9%	92,6%	95,30%
Any extended family	2	8	5
	4,1%	14,8%	11,6%
Table Size	146	166	252
	298,0%	307,4%	586,0%

Note base change in 2011 - 2010 figures not directly comparable.

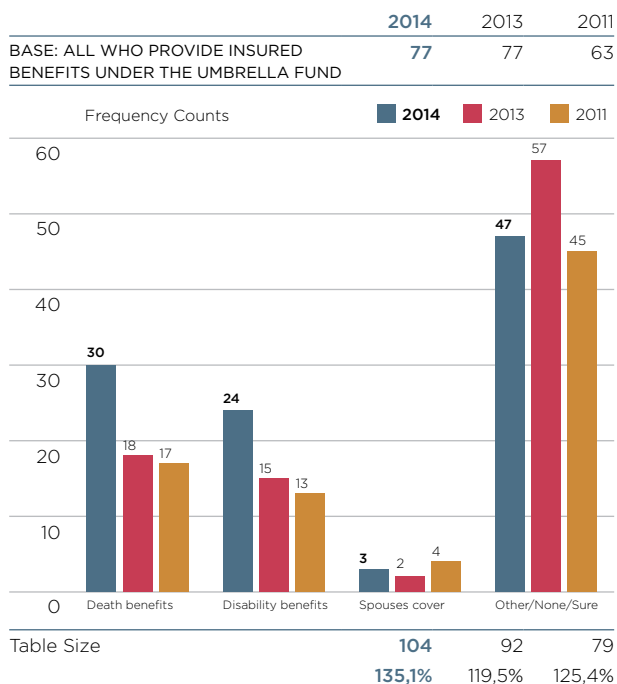
## Q7.26 What is the level of funeral cover provided by the Sub-fund?

	2014	2013	2011
BASE: ALL WHO PROVIDE FUNERAL COVER UNDER THE FUND	49	54	43
Frequency Counts			
R 5,000 or less	4	7	7
R 10,000	23	27	18
R 15,000	9	8	7
R 20,000	9	6	7
R 30,000 or more	1	0	1
Other/ Not sure	3	6	3
Mean	R13 138	R11 354	R12 188
Table Size	49	54	43
	100,0%	100,0%	100,0%





**Q7.27** Which of the insured benefits offered have a conversion option included (members can take out similar cover when they leave the umbrella fund without providing proof of insurability)?



**Q7.28a** How have your risk costs changed over the past 2 years? - Under a separate Scheme

	2014
BASE: ALL PROVIDING BENEFITS THROUGH A SEPARATE SCHEME	34
Increased by between 0% and 10% per annum	8
	23,5%
Increase by between 10% and 20% per annum	1
	2,9%
Remained unchanged	18
	52,9%
Decreased by between 0% and 10% per annum	7
	20,6%
Summary	
Any increase	9
	26,5%
Any decrease	7
	20,6%
Table Size	34
	100,0%

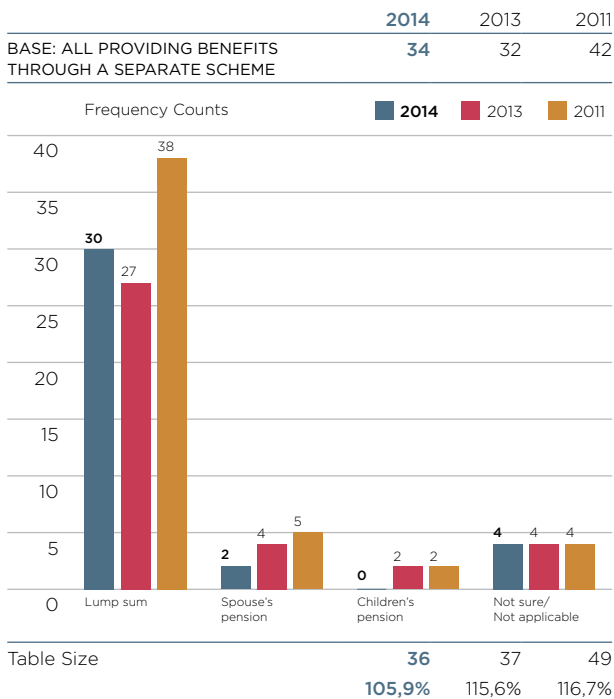
**Q7.28b** How have your risk costs changed over the past year? - Under a separate Scheme

	2013	2011
BASE: ALL PROVIDING BENEFITS THROUGH A SEPARATE SCHEME	32	42
Increased by between 0% and 10%	7	16
	21,9%	38,1%
Increase by between 10% and 20%	1	0
	3,1%	0,0%
Remained unchanged	17	18
	53,1%	42,9%
Decreased by between 0% and 10%	7	2
	21,9%	4,8%
Decreased by more than 20%	0	1
	0,0%	2,4%
Don't know	0	5
	0,0%	11,9%
Summary		
Any increase	8	16
	25,0%	38,1%
Any decrease	7	3
	21,9%	7,2%
Table Size	32	42
	100,0%	100,0%

**Q7.29** How often does the umbrella fund rebroke its risk business? - Under a separate Scheme

	2014	2013
BASE: ALL PROVIDING BENEFITS THROUGH A SEPARATE SCHEME	34	32
Annually	24	17
	70,6%	53,1%
Every 2 years	3	7
	8,8%	21,9%
When rates are increased	2	1
	5,9%	3,1%
Never	3	2
	8,8%	6,3%
Other/ Don't know	2	5
	5,9%	15,6%
Table Size	34	32
	100,0%	100,0%

### Q7.30 What benefits are paid to dependants on the death of a member before retirement? - Under a separate Scheme



### Q7.31 What insured benefits are provided as part of a separate scheme?

	2014	2013	2011
BASE: ALL PROVIDING BENEFITS THROUGH A SEPARATE SCHEME	34	32	42
Death benefits	26	25	36
	76,5%	78,1%	85,7%
Disability benefits	27	23	34
	79,4%	71,9%	81,0%
Critical illness / trauma/dread disease	11	9	4
	32,4%	28,1%	9,5%
Funeral cover	25	22	24
	73,5%	68,8%	57,1%
Medical aid premium waiver	2	9	4
	5,9%	28,1%	9,5%
Education benefit	5	9	5
	14,7%	28,1%	11,9%
Disability Income Top-up	1	1	4
	2,9%	3,1%	9,5%
Value added packages	0	0	2
	0,0%	0,0%	4,8%
Spouse's benefit	0	1	0
	0,0%	3,1%	0,0%
None	0	0	2
	0,0%	0,0%	4,8%
Table Size	97	99	115
	285,3%	309,4%	273,8%

### Q7.32 What is the size of the lump sum payable on death for members? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH A SEPARATE SCHEME	26	25	36
1 x annual salary	0	1	2
	0,0%	4,0%	5,6%
2 x annual salary	2	3	5
	7,7%	12,0%	13,9%
3 x annual salary	9	9	18
	34,6%	36,0%	50,0%
4 x annual salary	7	6	4
	26,9%	24,0%	11,1%
5 x annual salary	2	1	2
	7,7%	4,0%	5,6%
More than 5 x annual salary	0	0	2
	0,0%	0,0%	5,6%
Scaled per age band	1	0	1
	3,8%	0,0%	2,8%
Members have flexible benefits, so it varies from member to member	4	5	2
	15,4%	20,0%	5,6%
Not sure	1	0	0
	3,8%	0,0%	0,0%
Mean	3,45	3,15	3,15
Table Size	26	25	36
	100,0%	100,0%	100,0%

### Q7.33 Who pays for the lump sum benefit? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH A SEPARATE SCHEME	26	25	36
It is deducted from the member contribution	6	8	7
	23,1%	32,0%	19,4%
Additional payment by the member	1	2	6
	3,8%	8,0%	16,7%
It is deducted from the employer contribution	10	11	12
	38,5%	44,0%	33,3%
Additional payment by the employer	9	6	11
	34,6%	24,0%	30,6%
Not sure	1	0	0
	3,8%	0,0%	0,0%
Table Size	27	27	36
	103,8%	108,0%	100,0%

**Q7.34** Do the members have the option of choosing flexible death benefits (i.e. member can choose the level of cover within certain limits)? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DEATH BENEFITS THROUGH A SEPARATE SCHEME	26	25	36
Yes	0 0,0%	7 28,0%	9 25,0%
Yes, core plus flexible cover	5 19,2%	0 0,0%	0 0,0%
No, we do not offer flexible death benefits	21 80,8%	18 72,0%	26 72,2%
Not sure	0 0,0%	0 0,0%	1 2,8%
Table Size	26 100,0%	25 100,0%	36 100,0%

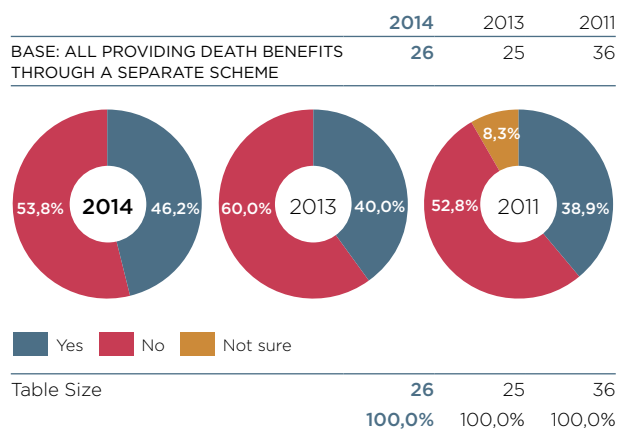
**Q7.35** What is the default core/flexible structure level of death cover? - Under a separate Scheme

	2014	2013
BASE: ALL WHO PROVIDE FLEXIBLE DEATH BENEFITS	5	7
1x spouses annual salary	0 0,0%	1 14,3%
Core - 2x annual salary	0 0,0%	2 28,6%
3x annual salary/ 3x pensionable salary (annual)	0 0,0%	3 42,9%
4 x annual salary	0 0,0%	2 28,6%
Flexible - up to whatever	0 0,0%	2 28,6%
1-4x annual benefit salary in addition to 4x annual benefit salary	1 20,0%	0 0,0%
Can choose either 2x or 3x	1 20,0%	0 0,0%
Core 3x salary x flexible is additional 1,2,3 and 4 x annual salary over and above core	1 20,0%	0 0,0%
Default is 3x cover. choice restricted to 5x cover	1 20,0%	0 0,0%
Core death benefit default is 2x annual salary. Flexible: Members can choose	1 20,0%	0 0,0%
Table Size	5 100,0%	10 142,9%

**Q7.36** What is the typical turnaround time on death claims (after all signed resolutions and other documents have been received)? - Under a separate scheme

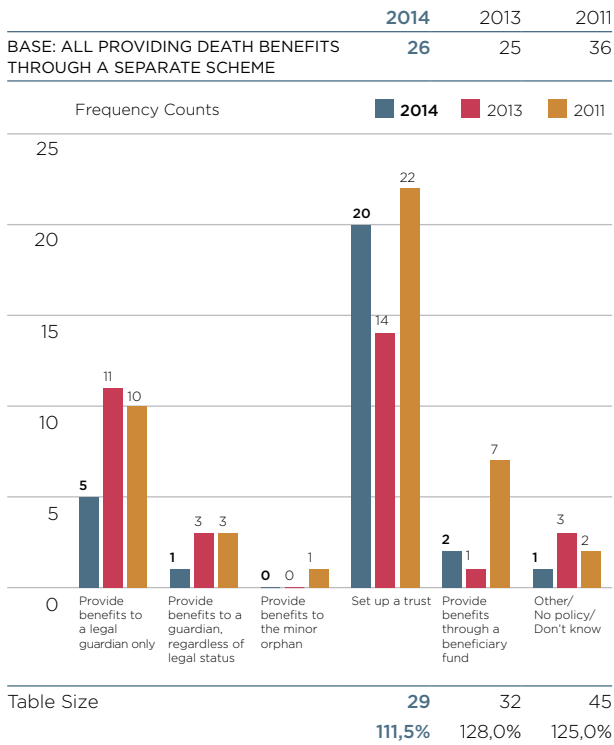
	2014	2013
BASE: ALL PROVIDING DEATH BENEFITS THROUGH A SEPARATE SCHEME	26	25
4 weeks or less	13 50,0%	11 44,0%
5 - 6 weeks	4 15,4%	6 24,0%
7 - 8 weeks	1 3,8%	1 4,0%
2 - 3 months	2 7,7%	4 16,0%
More than 3 months	2 7,7%	0 0,0%
Never had a death	1 3,8%	0 0,0%
Not Sure	3 11,5%	3 12,0%
Mean	5,61	4,84
Table Size	26 100,0%	25 100,0%

**Q7.37a** In the past year, have death benefits been distributed to minor orphans in respect of your sub-fund members? - Under a separate Scheme



Caution: Low base

### Q7.37b What policy applies on this issue? - Under a separate Scheme



### Q7.38 What disability benefits does the employer provide? - Under a separate scheme

	2014	2013
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23
Permanent disability benefits	11	6
	40,7%	26,1%
Both	16	17
	59,3%	73,9%
Table Size	27	23
	100,0%	100,0%

### Q7.39 And are these benefits provided as a - For temporary disability - Under a separate scheme

	2014	2013
BASE: ALL PROVIDING TEMPORARY DISABILITY BENEFITS UNDER A SEPARATE SCHEME	16	17
Monthly income	16	14
	100,0%	82,4%
Monthly income for a given period followed by a lump sum benefit	0	3
	0,0%	17,6%
Table Size	16	17
	100,0%	100,0%

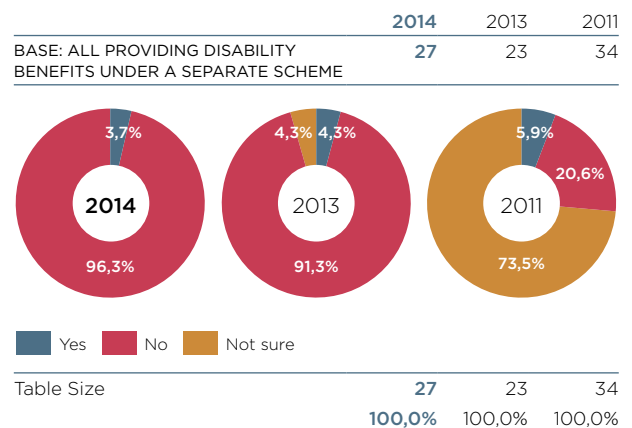
### Q7.39 And are these benefits provided as a - For permanent disability - Under a separate scheme

	2014	2013
BASE: ALL PROVIDING PERMANENT DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23
Monthly income	18	16
	66,7%	69,6%
Monthly income for a given period followed by a lump sum benefit	4	3
	14,8%	13,0%
Lump sum	3	3
	11,1%	13,0%
Lump sum followed by a monthly income	2	0
	7,4%	0,0%
Don't know	0	1
	0,0%	4,3%
Table Size	27	23
	100,0%	100,0%

### Q7.40 Which of the following best describes the lump sum disability benefit? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23	34
Multiple of salary, 1 x annual salary	2	2	5
	7,4%	8,7%	14,7%
Multiple of salary, 2 x annual salary	3	0	0
	11,1%	0,0%	0,0%
Multiple of salary, 3 x annual salary	3	2	2
	11,1%	8,7%	5,9%
Multiple of salary, 4 x annual salary	0	1	0
	0,0%	4,3%	0,0%
Multiple of salary, more than 4 x annual salary	0	1	1
	0,0%	4,3%	2,9%
75% of salary	5	4	0
	18,5%	17,4%	0,0%
Other/ Not applicable	14	13	26
	51,9%	56,5%	76%
Mean	2,13	2,83	2
Table Size	27	23	34
	100,0%	100,0%	100,0%

### Q7.41a Are disability benefits reduced as members get closer to retirement age? - Under a separate scheme



### Q7.41b How many years before retirement does the lump sum disability benefit start to reduce? - Under a separate Scheme

	2014	2013	2011
BASE: ALL WHOSE DISABILITY BENEFITS REDUCE	1	1	2
Up to 5 years	1 100,0%	0 0,0%	1 50,0%
Up to 10 years	0 0,0%	0 0,0%	1 50,0%
12 months	0 0,0%	1 100,0%	0 0,0%
Mean	5	12	7,5
Table Size	1 100,0%	1 100,0%	2 100,0%

### Q7.42a What is the length of the initial waiting period in the case of permanent disability? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23	34
Less than 1 month	1 3,7%	0 0,0%	2 5,9%
2 months	2 7,4%	1 4,3%	1 2,9%
3 months	7 25,9%	9 39,1%	18 52,9%
6 months	16 59,3%	10 43,5%	12 35,3%
12 months	0 0,0%	1 4,3%	1 2,9%
Other/ Don't know	1 3,7%	2 8,7%	0 0,0%
Mean	4,67	4,81	4,15
Table Size	27 100,0%	23 100,0%	34 100,0%

### Q7.42b What is the length of the initial waiting period in the case of temporary disability? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23	34
Less than 1 month	1 3,7%	4 17,4%	3 8,8%
1 month	1 3,7%	1 4,3%	3 8,8%
2 months	1 3,7%	0 0,0%	0 0,0%
3 months	6 22,2%	7 30,4%	14 41,2%
6 months	6 22,2%	4 17,4%	5 14,7%
12 months	1 3,7%	0 0,0%	1 2,9%
Not applicable/ Don't know	11 40,7%	7 30,4%	8 24%
Mean	4,34	3	3,4
Table Size	27 100,0%	23 100,0%	34 100,0%

### Q7.43 What disability income benefits (PHI/ GDI) expressed as a percentage of annual salary are offered? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23	34
Less than 75%	1 3,7%	1 4,3%	1 2,9%
75%	23 85,2%	17 73,9%	26 76,5%
Other combination averaging over 75%	0 0,0%	2 8,7%	0 0,0%
Other combination averaging under 75%	0 0,0%	2 8,7%	0 0,0%
100% for first two years and 75% thereafter (LOA scales)	0 0,0%	0 0,0%	1 2,9%
100% till normal retirement age due to a Top Up type benefit	0 0,0%	0 0,0%	2 5,9%
Not sure/ Not applicable	3 11,1%	1 4,3%	4 11,8%
Table Size	27 100,0%	23 100,0%	34 100,0%

### Q7.44 How are increases in permanent disability income benefits determined? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING DISABILITY BENEFITS UNDER A SEPARATE SCHEME	27	23	34
There are no increases	8 29,6%	6 26,1%	2 5,9%
Fixed percentage according to the rules	5 18,5%	3 13,0%	9 26,5%
Ad hoc	0 0,0%	1 4,3%	2 5,9%
Ad hoc subject to a minimum	0 0,0%	0 0,0%	1 2,9%
Defined as a percentage of CPI with no maximum	3 11,1%	4 17,4%	5 14,7%
Defined as a percentage of CPI with a fixed maximum (capped)	9 33,3%	8 34,8%	6 17,6%
Other/ Not applicable/ Not sure	2 7,4%	1 4,3%	9 26%
Summary			
Any ad hoc	0 0,0%	1 4,3%	3 8,80%
Any% CPI	12 44,4%	12 52,2%	11 32,40%
Table Size	27 100,0%	23 100,0%	34 100,0%

## Q7.45a What fixed percentage is used? - Under a separate Scheme

	2014	2013	2011
BASE: ALL WHO USE A FIXED PERCENTAGE	5	3	9
Up to 3% p.a.	0	0	1
	0,0%	0,0%	11,1%
4,01% to 5% p.a.	3	0	4
	60,0%	0,0%	44,4%
7,01% to 8% p.a.	0	1	1
	0,0%	33,3%	11,1%
Not sure	2	2	3
	40,0%	66,7%	33,3%
Mean	4,5	7,5	4,75
Table Size	5	3	9
	100,0%	100,0%	100,0%

## Q7.45b What is the cap on increases in disability income benefits? - Under a separate scheme

	2014	2013
BASE: ALL WHO USE A FIXED PERCENTAGE /CPI WITH CAP	13	11
Up to 3% p.a.	2	0
	15,4%	0,0%
4,01% to 5% p.a.	2	5
	15,4%	45,5%
6,01% to 7% p.a.	1	1
	7,7%	9,1%
7,01% to 8% p.a.	1	2
	7,7%	18,2%
More than 8% p.a.	2	1
	15,4%	9,1%
No cap	1	1
	7,7%	9,1%
Not sure	4	1
	30,8%	9,1%
Mean	5,75	5,83
Table Size	13	11
	100,0%	100,0%

## Q7.46 What is the percentage of increase in CPI used? - Under a separate Scheme

	2014	2013	2011
BASE: ALL WHOSE INCREASES ARE BASED ON CPI	12	12	11
50% or less	0	1	0
	0,0%	8,3%	0,0%
75%	1	1	2
	8,3%	8,3%	18,2%
100%	7	7	4
	58,3%	58,3%	36,4%
Not sure	4	3	5
	33,3%	25,0%	45,5%
Mean	96,88	91,67	91,67
Table Size	12	12	11
	100,0%	100,0%	100,0%

## Q7.47 What on average is the level of critical illness cover offered? - Under a separate Scheme

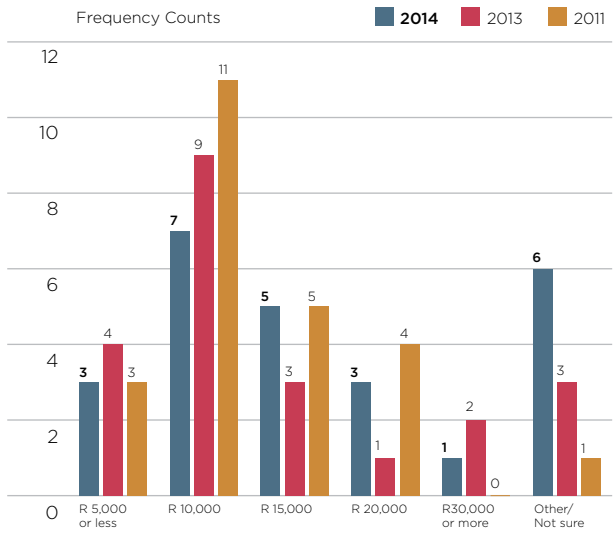
	2014	2013	2011
BASE: ALL PROVIDING CRITICAL ILLNESS COVER UNDER A SEPARATE SCHEME	11	9	4
1 x annual salary	6	5	3
	54,5%	55,6%	75,0%
2 x annual salary	1	1	0
	9,1%	11,1%	0,0%
Fixed amount	3	1	0
	18,2%	11,1%	0,0%
Other/ Not sure	2	2	1
	18,2%	22,2%	25,0%
Table Size	11	9	4
	100,0%	100,0%	100,0%

## Q7.48 Who is covered under the funeral benefit? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING FUNERAL COVER UNDER A SEPARATE SCHEME	25	22	24
Member	25	22	24
	100,0%	100,0%	100,0%
Spouse	23	21	23
	92,0%	95,5%	95,8%
Children aged 14 to 21	0	0	23
	0%	0%	95,8%
Children aged 6 to 13	0	0	23
	0%	0%	95,8%
Children aged 3 to 5	0	0	23
	0%	0%	95,8%
Children aged 0 to 2	0	0	23
	0%	0%	95,8%
Own children	21	21	0
	84,0%	95,5%	0%
Parents and parents-in-law	4	3	2
	16,0%	13,6%	8,3%
Additional spouses	3	3	3
	12,0%	13,6%	12,5%
Extended family (e.g. siblings, aunts, uncles, nephews, nieces, etc.)	1	1	2
	4,0%	4,5%	8,3%
Summary			
Any children	21	21	23
	84,0%	95,5%	95,80%
Any extended family	5	4	3
	20,0%	18,2%	12,50%
Table Size	77	71	146
	308,0%	322,7%	608,3%

**Q7.49** What is the level of funeral cover provided by the Sub-fund? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING FUNERAL COVER UNDER A SEPARATE SCHEME	25	22	24



Mean	R12 842	R13 860	R11 957
Table Size	25	22	24
	100,0%	100,0%	100,0%

Caution: Low Base

**Q7.50** Which of the insured benefits offered have a conversion option included (members can take out similar cover when they leave the umbrella fund without providing proof of insurability)? - Under a separate Scheme

	2014	2013	2011
BASE: ALL PROVIDING INSURED BENEFITS UNDER A SEPARATE SCHEME	34	32	40

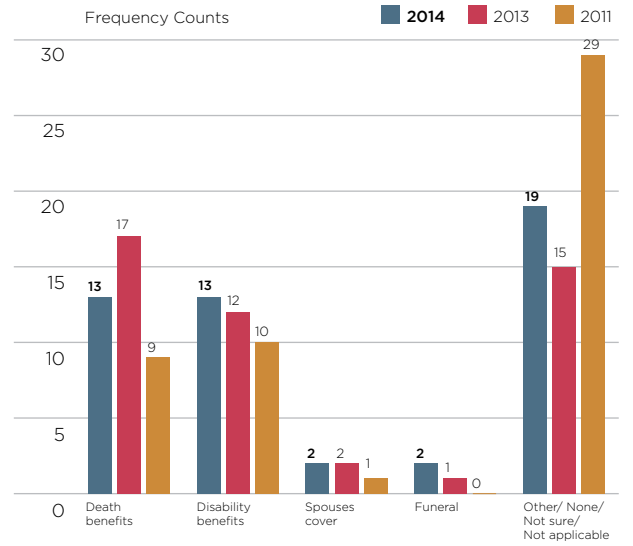


Table Size	49	47	49
	144,1%	146,9%	122,5%

## SECTION H: COSTS

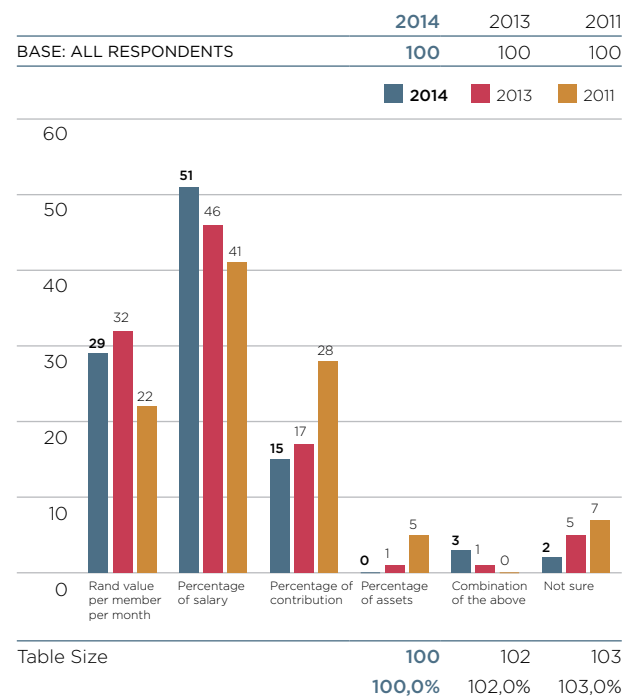
### Q8.1 What is your current annualised administration fee?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Up to R50,000	15	15	25
	15,0%	15,0%	15%
R50 001 to R100,000	10	14	13
	10,0%	14,0%	13%
R100 001 to R200,000	19	25	10
	19,0%	25,0%	10%
R200 001 +	0	29	21
	0%	29,0%	21,0%
R200 001 to R500,000	23	0	0
	23,0%	0%	0%
R500 001+	23	0	0
	23,0%	0%	0%
Don't know/ Refused	10	17	31
	10,0%	17,0%	31,0%
Mean	R474 016	R292 343	R294 484
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q8.2a How is this fee expressed?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Rand value per member per month	26	34	19
	26,0%	34,0%	19,0%
Percentage of salary	54	48	43
	54,0%	48,0%	43,0%
Percentage of contribution	15	20	30
	15,0%	20,0%	30,0%
Percentage of assets	0	3	6
	0,0%	3,0%	6,0%
Combination of the above	3	1	0
	3,0%	1,0%	0,0%
Not sure	2	4	7
	2,0%	4,0%	7,0%
Table Size	100	110	105
	100,0%	110,0%	105,0%

### Q8.2b And, how would you prefer the fee to be expressed?

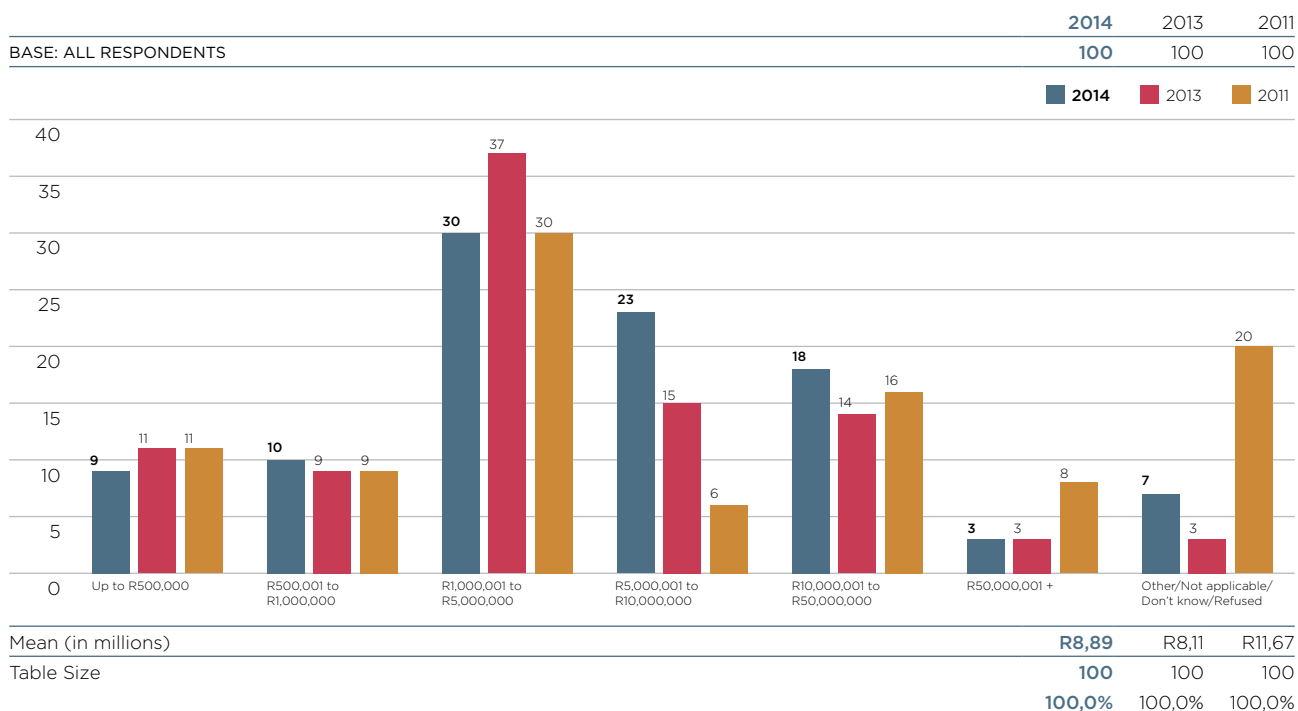


### Q8.3 Does the umbrella fund itemize separately for the cost of administration and all the other costs and disbursements of the Sub-fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes, the employer is billed separately for each item	66	52	52
	66,0%	52,0%	52,0%
No, but additional expenses not specified in the administration agreement are billed separately	9	3	17
	9,0%	3,0%	17,0%
No, the administration fee typically includes all other expenses	21	40	28
	21,0%	40,0%	28,0%
Not sure	4	5	3
	4,0%	5,0%	3,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%



### Q8.4 What are the current total monthly pensionable salaries?



### Q8.5a How are other costs, such as FSB levies, auditing fees and trustees' reimbursements recovered?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Contingency reserve levy	14	19	11
	14,0%	19,0%	11,0%
Deducted as and when needed from member accounts	47	34	46
	47,0%	34,0%	46,0%
Annually invoiced	1	2	0
	1,0%	2,0%	0,0%
Deducted from returns	0	4	2
	0,0%	4,0%	2,0%
Part of management/admin fee	16	25	10
	16,0%	25,0%	10,0%
Directly from the company/ employer pays	4	4	0
	4,0%	4,0%	0,0%
Employee pays	5	0	0
	5,0%	0,0%	0,0%
The fund pays	3	0	0
	3,0%	0,0%	0,0%
Other/ Not applicable/ Don't know	10	12	31
	10,0%	12,0%	31%
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q8.5b What is your current annualised contingency reserve levy?

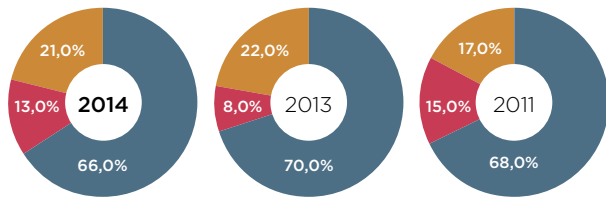
	2014	2013	2011
BASE: ALL WHO USE A CONTINGENCY RESERVE LEVY	14	19	11
Less than R5,000	2	4	2
	14,3%	21,1%	18,2%
R5000 to R10000	3	1	0
	21,4%	5,3%	0,0%
R10,001 to R20,000	3	1	0
	21,4%	5,3%	0,0%
More than R20,001	3	6	1
	21,4%	31,6%	9,1%
Other/ Don't know/ Refused	3	7	8
	21,4%	36,8%	73%
Mean	R16 673	R182 074	R34 705
Table Size	14	19	11
	100,0%	100,0%	100,0%

### Q8.5c How is the contingency reserve levy expressed?

	2014	2013	2011
BASE: ALL WHO USE A CONTINGENCY RESERVE LEVY	14	19	11
Rand value per member per month	8	11	3
	57,1%	57,9%	27,3%
Percentage of salary	4	2	2
	28,6%	10,5%	18,2%
Percentage of contribution	0	2	5
	0,0%	10,5%	45,5%
Percentage of assets	1	0	1
	7,1%	0,0%	9,1%
Combination of the above	0	1	0
	0,0%	5,3%	0,0%
Not sure	1	3	3
	7,1%	15,8%	27,3%
Table Size	14	19	14
	100,0%	100,0%	127,3%

### Q8.6 Do the trustees appropriately manage other expenses, such as FSB levies, auditing fees and trustees' reimbursements, via formal budgeting and approvals processes?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

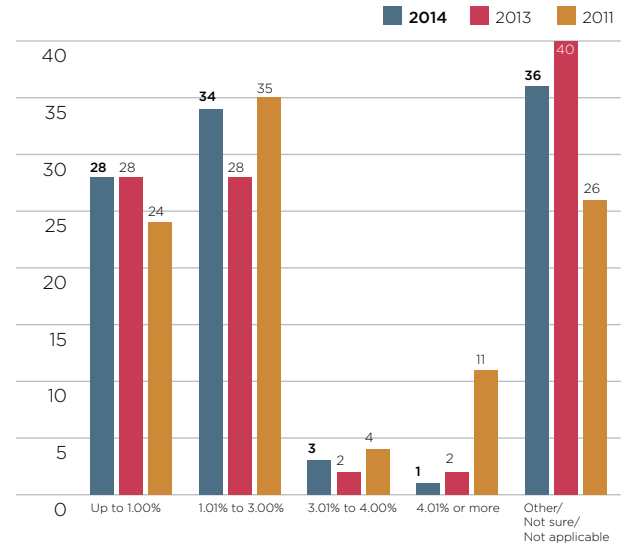
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q8.7a What percentage of salaries is applied to the total cost of Group Life Assurance (GLA) benefits, the cost of core benefits and the cost of flexible risk benefits respectively? **Total GLA Benefits**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Up to 1,00%	16	22	12
	16,0%	22,0%	12%
1,01% to 3,00%	51	39	49
	51,0%	39,0%	49%
3,01% to 4,00%	5	8	5
	5,0%	8,0%	5%
4,01% or more	2	4	12
	2,0%	4,0%	12%
Not sure/ Not applicable	26	27	22
	26,0%	27,0%	22%
Mean	1,81	1,8	2,24
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q8.7b What percentage of salaries is applied to the total cost of Group Life Assurance (GLA) benefits, the cost of core benefits and the cost of flexible risk benefits respectively? **Core benefits**

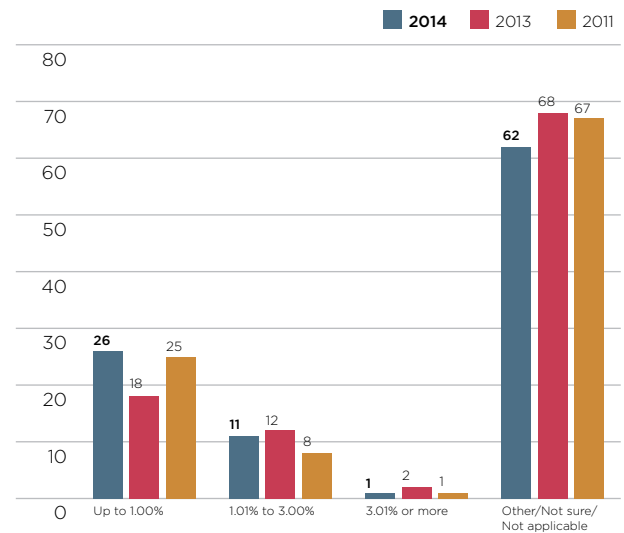
	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



Mean	1,41	1,32	1,84
Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q8.7c What percentage of salaries is applied to the total cost of Group Life Assurance (GLA) benefits, the cost of core benefits and the cost of flexible risk benefits respectively? **Flexible Risk Benefits**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



Mean	0,79	1	0,56
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q8.8a** What percentage of salaries is applied to the cost of death benefits/life cover (under the umbrella fund and under a separate scheme)?  
- Under the Umbrella Fund

	2014	2013	2011
BASE: ALL WHO DO NOT OFFER FLEXIBLE DEATH BENEFITS	81	60	70
0,01% to 0,50%	5 6,2%	5 8,3%	1 1,4%
0,51% to 1,00%	9 11,1%	10 16,7%	4 5,7%
1,01% to 1,50%	14 17,3%	8 13,3%	10 14,3%
1,51% to 2,00%	10 12,3%	6 10,0%	13 18,6%
2,01% to 2,50%	5 6,2%	5 8,3%	4 5,7%
2,51% to 3,00%	3 3,7%	2 3,3%	4 5,7%
3,01% to 3,50%	1 1,2%	1 1,7%	1 1,4%
3,51% to 4,00%	3 3,7%	1 1,7%	3 4,3%
4,01% or more	2 2,5%	2 3,3%	6 8,6%
No benefit/ Not sure/ Not applicable	29 29,0%	20 20,0%	24 0,24
Mean	1,64	1,54	2,14
Table Size	81	60	70
	100,0%	100,0%	100,0%

**Q8.8b** What percentage of salaries is applied to the cost of death benefits/life cover ( under the umbrella fund and under a separate scheme)? Under a separate scheme

	2014	2013	2011
BASE: ALL WHO DO NOT OFFER FLEXIBLE DEATH BENEFITS	81	18	70
0,01% to 0,50%	1 1,2%	3 16,7%	0 0,0%
0,51% to 1,00%	6 7,4%	6 33,3%	6 8,6%
1,01% to 1,50%	4 4,9%	5 27,8%	3 4,3%
1,51% to 2,00%	1 1,2%	1 5,6%	3 4,3%
2,01% to 2,50%	2 2,5%	0 0,0%	0 0,0%
2,51% to 3,00%	2 2,5%	1 5,6%	2 2,9%
3,01% to 3,50%	3 3,7%	0 0,0%	1 1,4%
No benefit/ Not sure	62 62,0%	2 2,0%	55 55%
Mean	1,64	1	1,48
Table Size	81	18	70
	100,0%	100,0%	100,0%

**Q8.9a** What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under the umbrella fund

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
0%	1 1,0%	0 0,0%	0 0,0%
0,01% to 0,50%	7 7,0%	14 14,0%	6 6,0%
0,51% to 1,00%	22 22,0%	18 18,0%	12 12,0%
1,01% to 1,50%	16 16,0%	16 16,0%	17 17,0%
1,51% to 2,00%	6 6,0%	3 3,0%	9 9,0%
2,01% to 2,50%	0 0,0%	2 2,0%	2 2,0%
2,51% to 3,00%	1 1,0%	1 1,0%	0 0,0%
3,01% to 3,50%	2 2,0%	0 0,0%	1 1,0%
4,01% or more	2 2,0%	0 0,0%	3 3,0%
No benefit	28 28,0%	26 26,0%	41 41,0%
Not sure	15 15,0%	20 20,0%	9 9,0%
Mean	1,17	0,92	1,36
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q8.9b** What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under a separate scheme

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
0%	0 0,0%	0 0,0%	1 1,0%
0,01% to 0,50%	4 4,0%	4 4,0%	4 4,0%
0,51% to 1,00%	11 11,0%	9 9,0%	9 9,0%
1,01% to 1,50%	7 7,0%	5 5,0%	8 8,0%
1,51% to 2,00%	2 2,0%	1 1,0%	5 5,0%
2,01% to 2,50%	1 1,0%	0 0,0%	3 3,0%
2,51% to 3,00%	1 1,0%	0 0,0%	2 2,0%
4,01% or more	0 0,0%	0 0,0%	3 3,0%
No benefit under a separate scheme	71 71,0%	77 77,0%	62 62,0%
Not sure	3 3,0%	4 4,0%	3 3,0%
Mean	1,02	0,83	1,47
Table Size			100
			100,0%

### Q8.10 Which of the following costs are limited to/capped at a certain fixed percentage?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Death benefits	31	24	28
	31,0%	24,0%	28,0%
Disability benefits	36	28	29
	36,0%	28,0%	29,0%
Administration	18	13	19
	18,0%	13,0%	19,0%
None	44	56	55
	44,0%	56,0%	55,0%
Not sure	13	14	8
	13,0%	14,0%	8,0%
Table Size	142	135	139
	142,0%	135,0%	139,0%

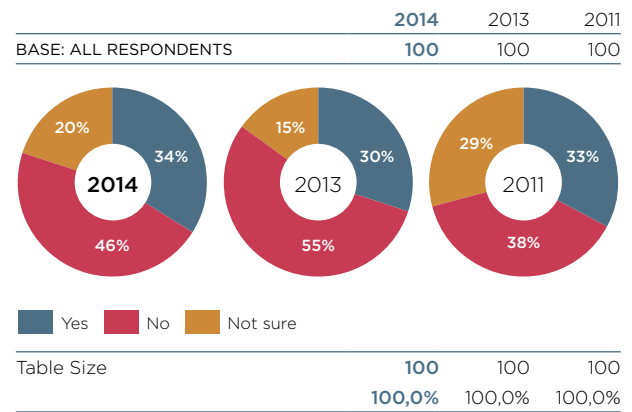
### Q8.11 At what percentage are death benefits capped?

	2014	2013	2011
BASE: ALL WHO CAP DEATH BENEFITS	31	24	28
0,51% to 1,00%	2	3	4
	6,5%	12,5%	14%
1,01% to 2,00%	7	7	8
	22,6%	12,5%	29%
2,1% to 3,00%	3	0	2
	9,7%	0,0%	7%
3,1% to 4,00%	3	4	2
	9,7%	16,7%	7%
4,01% or more	3	2	5
	9,7%	8,3%	0,18
Other/ Not sure/ Not applicable	13	8	7
	41,9%	54,2%	25%
Mean	2,31	2,13	2,3
Table Size	31	24	28
	100,0%	100,0%	100,0%

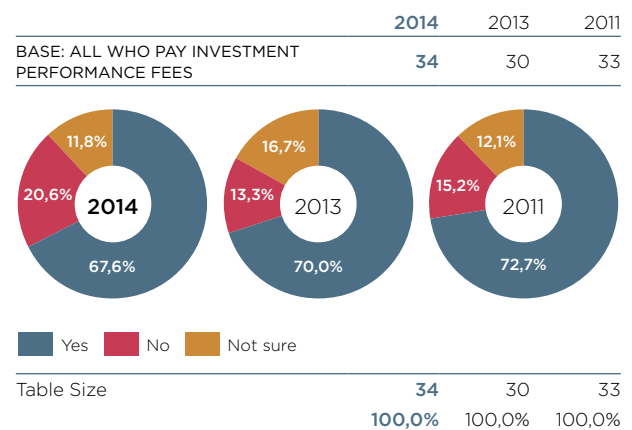
### Q8.12 At what percentage are disability benefits capped?

	2014	2013	2011
BASE: ALL WHO CAP DISABILITY BENEFITS	36	28	29
0,51% to 1,00%	4	5	6
	11,1%	17,9%	20,7%
1,01% to 2,00%	11	11	8
	30,6%	39,3%	28%
2,1% to 4,00%	0	2	1
	0,0%	7,1%	3%
4,01% or more	7	3	4
	19,4%	10,7%	13,8%
Other/Not sure/ Not applicable	14	7	10
	14,0%	7,0%	10%
Mean	2,27	1,89	2,04
Table Size	36	28	29
	100,0%	100,0%	100,0%

### Q8.13 Are investment performance fees charged?



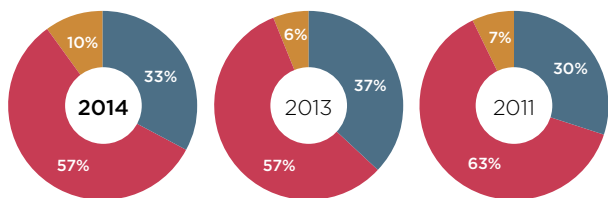
### Q8.14 Do you feel that the basis on which investment performance related fees are charged is fair and reasonable?



# SECTION I: ADVICE

## Q9.1 Do you know who the auditors to the umbrella fund are?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

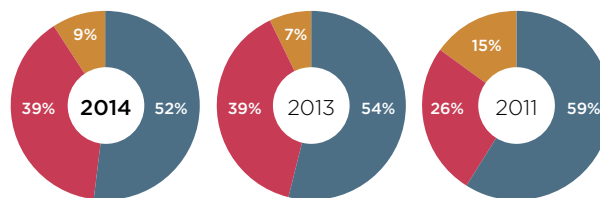
Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q9.2 Do you know who the investment consultants to the umbrella fund are?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	68	63	61
	68,0%	63,0%	61,0%
No	29	34	31
	29,0%	34,0%	31,0%
Not sure	3	3	8
	3,0%	3,0%	8,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q9.4 Is your sub-fund's consultant/broker independent of the umbrella fund sponsor?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



■ Yes ■ No ■ Not sure

Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q9.5 Are the services to be provided by your sub-fund's consultant/broker contracted in writing?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	91	83	86
	91,0%	83,0%	86,0%
No	2	7	5
	2,0%	7,0%	5,0%
Not sure/Not applicable	7	10	9
	7,0%	10,0%	9%
Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q9.3 Is your sub-fund's consultant/broker accredited by the Financial Services Board to provide advice on benefits?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	92	97	94
	92,0%	97,0%	94,0%
No	0	0	4
	0,0%	0,0%	4,0%
Not sure/ Not applicable	8	3	2
	8,0%	3,0%	2%
Table Size	100	100	100
	100,0%	100,0%	100,0%

## Q9.6 On what basis is your sub-fund's consultant/broker remunerated?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Statutory commission paid annually in advance	8	7	12
	8,0%	7,0%	12,0%
Statutory commission paid monthly	23	26	23
	23,0%	26,0%	23,0%
Fee as negotiated between the employer and the adviser	24	27	27
	24,0%	27,0%	27,0%
Build in to admin fee	18	10	4
	18,0%	10,0%	4,0%
Remunerated as employee of fund	0	0	1
	0,0%	0,0%	1,0%
Other/ Not sure/Not applicable	27	31	33
	27,0%	31,0%	33%
Summary			
Any statutory commission	31	33	35
	31,0%	33,0%	35,0%
Table Size	100	101	100
	100,0%	101,0%	100,0%

### Q9.7 What is your current annualised consulting fee?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Up to R10 000	2	4	2
	<b>2,0%</b>	4,0%	2,0%
R10 001 to R20 000	4	2	4
	<b>4,0%</b>	2,0%	4,0%
R20 001 to R50 000	7	9	9
	<b>7,0%</b>	9,0%	9,0%
R50 001 to R100 000	12	12	5
	<b>12,0%</b>	12,0%	5,0%
R100 001 to R200 000	10	6	4
	<b>10,0%</b>	6,0%	4,0%
R200 001 +	9	6	4
	<b>9,0%</b>	6,0%	4,0%
Other/ Refused/Don't know/ Not applicable	56	61	72
	<b>56,0%</b>	61,0%	72,0%
Mean	<b>R 174 859</b>	R 140 422	R 105 194
Table Size	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

### Q9.8 How is the consulting fee expressed?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Rand value per member per month	15	14	9
	<b>15,0%</b>	14,0%	9,0%
Percentage of salary	29	22	18
	<b>29,0%</b>	22,0%	18,0%
Percentage of contribution	9	16	25
	<b>9,0%</b>	16,0%	25,0%
Percentage of assets	3	0	4
	<b>3,0%</b>	0,0%	4,0%
Combination of the above	7	5	7
	<b>7,0%</b>	5,0%	7,0%
Extra add on service	0	0	1
	<b>0,0%</b>	0,0%	1,0%
Percentage of admin cost	0	0	1
	<b>0,0%</b>	0,0%	1,0%
Not applicable/ Not sure	37	43	41
	<b>37,0%</b>	43,0%	41%
Table Size	<b>100</b>	100	106
	<b>100,0%</b>	100,0%	106,0%

### Q9.9 Do you feel that the level of remuneration is commensurate with the consulting services provided?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Yes	64	59	51
	<b>64,0%</b>	59,0%	51,0%
No	7	7	12
	<b>7,0%</b>	7,0%	12,0%
Not sure/ Not applicable	29	34	37
	<b>29,0%</b>	34,0%	37%
Table Size	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

### Q9.10 Does the sub-fund have a formalised strategy for rendering advice to active members (whether in consultation with the employer or on its own)?

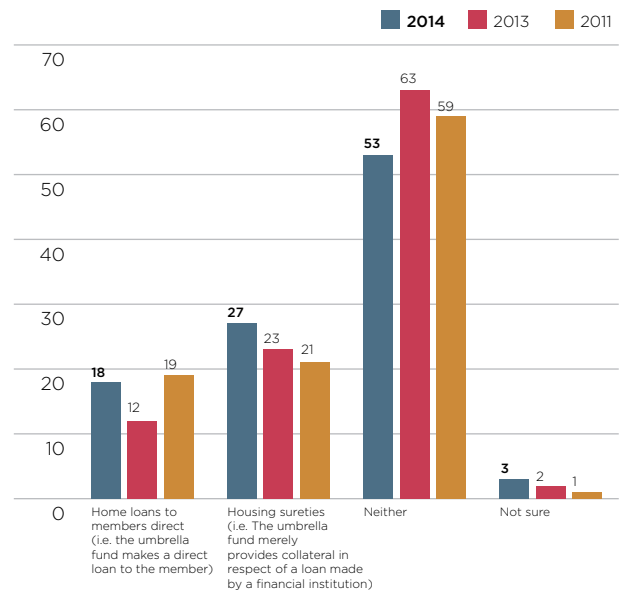
	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Yes	69	69	64
	<b>69,0%</b>	69,0%	64,0%
No	28	24	29
	<b>28,0%</b>	24,0%	29,0%
Not sure	3	7	7
	<b>3,0%</b>	7,0%	7,0%
Table Size	<b>100</b>	100	100
	<b>100,0%</b>	100,0%	100,0%

### Q9.11 Who provides the financial advice in terms of FAIS?

	2014	2013	2011
<b>BASE: ALL WITH A FORMAL STRATEGY FOR RENDERING ADVICE</b>	<b>69</b>	69	64
Consultant/broker on your sub-fund	59	58	59
	<b>85,5%</b>	84,1%	92,2%
Separate financial advisor to the employer	8	12	7
	<b>11,6%</b>	17,4%	10,9%
Members' own financial advisor or broker	12	12	8
	<b>17,4%</b>	17,4%	12,5%
Not sure	0	2	1
	<b>0,0%</b>	2,9%	1,6%
Table Size	<b>79</b>	84	75
	<b>114,5%</b>	121,7%	117,2%

### Q9.12 Which of the following does the umbrella fund offer?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
Home loans to members direct (i.e. the umbrella fund makes a direct loan to the member)	18	12	19
Housing sureties (i.e. The umbrella fund merely provides collateral in respect of a loan made by a financial institution)	27	23	21
Neither	53	63	59
Not sure	3	2	1
Table Size	<b>101</b>	100	100
	<b>101,0%</b>	100,0%	100,0%



**Q9.13a** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance from 1 to 10? 1 is most important, 2 is second most important etc. **Paying claims timeously**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	43	44	51
	43,0%	44,0%	51,0%
2nd	12	11	17
	12,0%	11,0%	17,0%
9th	0	2	2
	0,0%	2,0%	2,0%
10th	1	1	1
	1,0%	1,0%	1,0%
Don't know	0	1	0
	0,0%	1,0%	0,0%
Mean	2,57	2,6	2,4
Table Size	100	100	100
	100,0%	100,0%	100,0%

Top 2 bottom 2 boxes selected

**Q9.13b** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Effecting investment switches timeously**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	7	10	10
	7,0%	10,0%	10,0%
2nd	21	19	13
	21,0%	19,0%	13,0%
9th	5	5	1
	5,0%	5,0%	1,0%
10th	8	4	14
	8,0%	4,0%	14,0%
Don't know	0	1	0
	0,0%	1,0%	0,0%
Mean	3,9	4,72	4,87
Table Size	100	100	100
	100,0%	100,0%	100,0%

Top 2 bottom 2 boxes selected

**Q9.13c** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Loading & investing contributions timeously**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	24	22	15
	24,0%	22,0%	15,0%
2nd	33	18	20
	33,0%	18,0%	20,0%
9th	1	3	2
	1,0%	3,0%	2,0%
10th	1	1	1
	1,0%	1,0%	1,0%
Don't Know	0	1	0
	0,0%	1,0%	0,0%
Mean	2,93	3,75	3,68
Table Size	100	100	100
	100,0%	100,0%	100,0%

Top 2 bottom 2 boxes selected

**Q9.13d** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Issuing benefit statements timeously**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	5	1	2
	5,0%	1,0%	2,0%
2nd	9	12	9
	9,0%	12,0%	9,0%
9th	5	7	10
	5,0%	7,0%	10,0%
10th	5	2	2
	5,0%	2,0%	2,0%
Don't know	0	1	0
	0,0%	1,0%	0,0%
Mean	4,69	5,47	5,63
Table Size	100	100	100
	100,0%	100,0%	100,0%

Top 2 bottom 2 boxes selected

**Q9.13e** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Regular update of information on internet**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	2 2,0%	1 1,0%	2 2,0%
2nd	2 2,0%	3 3,0%	3 3,0%
9th	21 21,0%	23 23,0%	18 18,0%
10th	23 23,0%	21 21,0%	13 13,0%
Don't know	0 0,0%	1 1,0%	0 0,0%
Mean	5,71	7,31	6,8
Table Size	100 100,0%	100 100,0%	100 100,0%

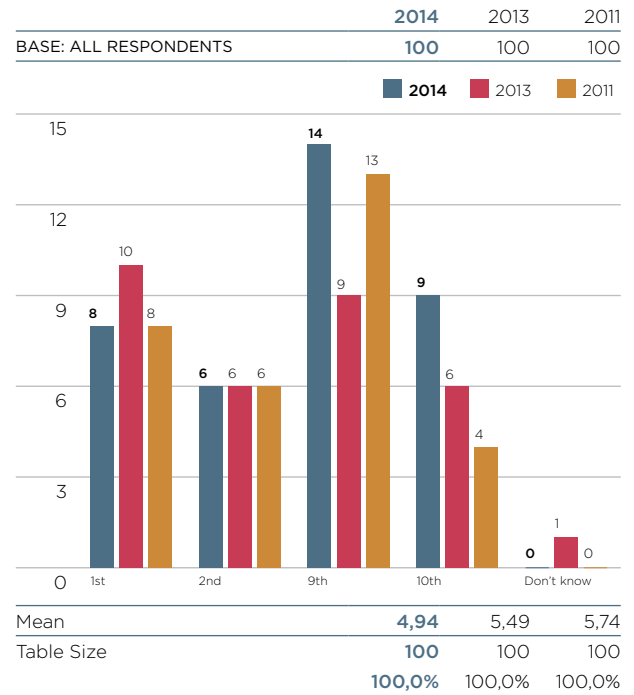
Top 2 bottom 2 boxes selected

**Q9.13f** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Adequate financial reporting at sub-fund level**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	3 3,0%	2 2,0%	3 3,0%
2nd	4 4,0%	2 2,0%	7 7,0%
9th	11 11,0%	20 20,0%	9 9,0%
10th	8 8,0%	11 11,0%	11 11,0%
Don't know	0 0,0%	1 1,0%	0 0,0%
Mean	5,56	6,79	6,56
Table Size	100 100,0%	100 100,0%	100 100,0%

Top 2 bottom 2 boxes selected

**Q9.13g** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Technical expertise**



Top 2 bottom 2 boxes selected

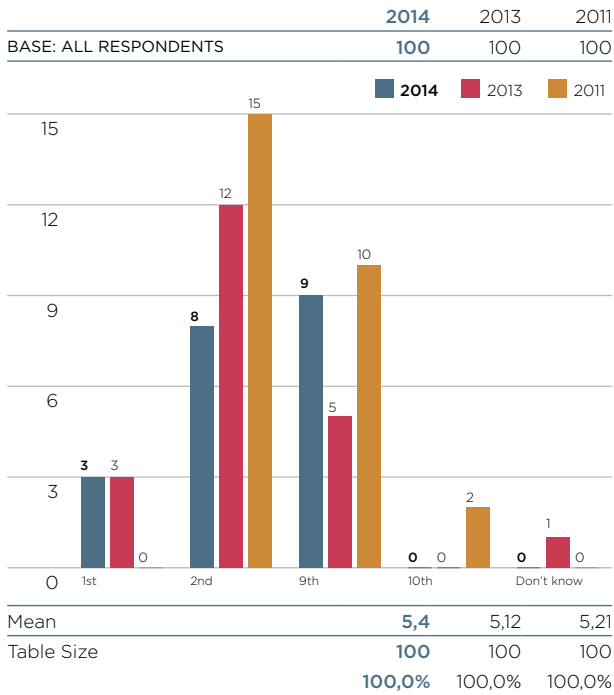
**Q9.13h** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Transparency of costs**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1st	5 5,0%	6 6,0%	7 7,0%
2nd	5 5,0%	15 15,0%	9 9,0%
9th	8 8,0%	8 8,0%	9 9,0%
10th	3 3,0%	4 4,0%	9 9,0%
Don't know	0 0,0%	1 1,0%	0 0,0%
Mean	4,89	5,11	5,65
Table Size	100 100,0%	100 100,0%	100 100,0%

Top 2 bottom 2 boxes selected



**Q9.13i** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Response time to queries**



Top 2 bottom 2 boxes selected

**Q9.13j** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance? **Assistance in HR training**

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
0	0	0	2
1st	0,0%	0,0%	2,0%
2nd	0	1	1
9th	25	17	26
10th	25,0%	17,0%	26,0%
Don't know	42	49	42
	42,0%	49,0%	42,0%
Mean	0	1	0
	0,0%	1,0%	0,0%
Table Size	6,82	8,64	8,45
	100	100	100
	100,0%	100,0%	100,0%

Top 2 bottom 2 boxes selected

## SECTION J: WITHDRAWALS

**Q10.1** Which of the following best describes what the majority of your members do when their employment with the participating employer terminates (i.e. on withdrawal from the sub-fund)?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
The majority of members take their benefit in cash	90	83	74
	90,0%	83,0%	74,0%
The majority of members transfer their benefit to another fund	9	18	18
	9,0%	18,0%	18,0%
The majority of members select a deferred/paid up pension and leave their benefit in the fund	0	4	3
	0,0%	4,0%	3,0%
Other/ Don't know	1	1	5
	1,0%	1,0%	5%
<b>Table Size</b>	<b>100</b>	106	100
	100,0%	106,0%	100,0%

**Q10.2** On withdrawal, which of the following situations apply in the sub-fund?

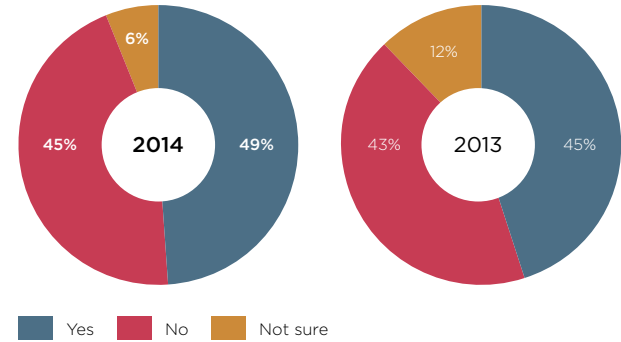
	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
The umbrella fund and/ or the employer provides the member with the information recommended in PF86	47	45	54
	47,0%	45,0%	54,0%
The umbrella fund and/or the employer, in terms of a written strategy, arranges for an advisor to counsel and advise the member	45	50	34
	45,0%	50,0%	34,0%
None of the above	20	17	16
	20,0%	17,0%	16,0%
Not sure	1	2	7
	1,0%	2,0%	7,0%
<b>Table Size</b>	<b>113</b>	114	111
	113,0%	114,0%	111,0%

**Q10.3** Is a conversion / continuation option offered on death and disability cover, either under the umbrella fund or separate scheme?

	2014	2013	2011
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100	100
On both death and disability cover	49	32	41
	49,0%	32,0%	41,0%
On death cover only	7	7	7
	7,0%	7,0%	7,0%
On disability cover only	0	2	3
	0,0%	2,0%	3,0%
On funeral cover	0	0	2
	0,0%	0,0%	2,0%
Neither	36	51	39
	36,0%	51,0%	39,0%
Not sure	8	8	8
	8,0%	8,0%	8,0%
<b>Table Size</b>	<b>100</b>	100	100
	100,0%	100,0%	100,0%

**Q10.4** Does the sub-fund have a default strategy to encourage preservation?

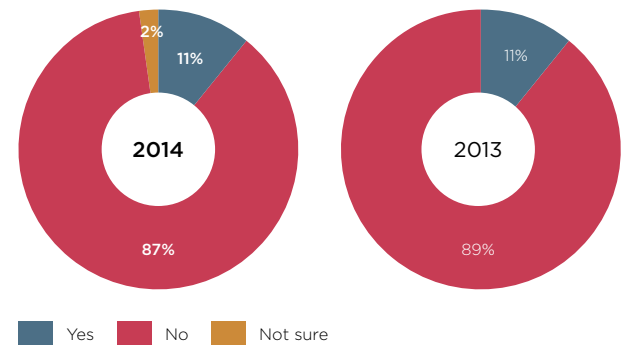
	2014	2013
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100



	2014	2013
<b>Table Size</b>	<b>100</b>	100
	100,0%	100,0%

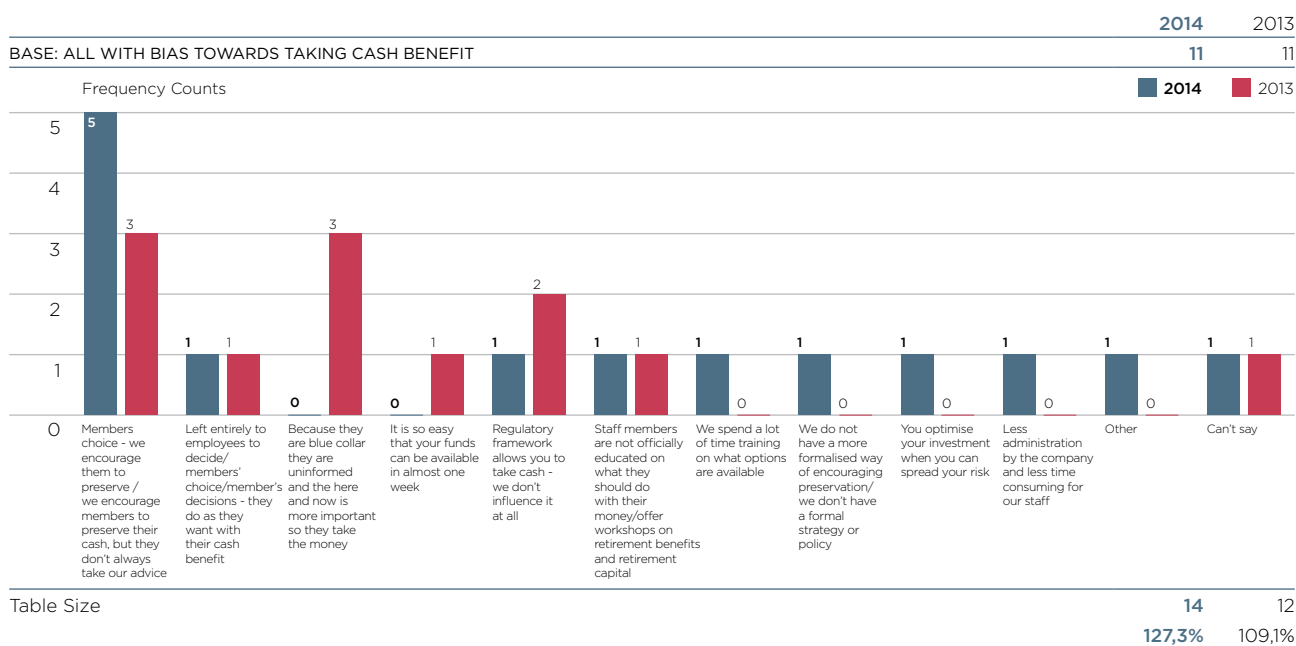
**Q10.5** Do you believe the company's HR process has a build-in bias towards taking a cash benefit i.e. makes it easier for members to take their retirement benefit in cash as opposed to preserving it on withdrawal?

	2014	2013
<b>BASE: ALL RESPONDENTS</b>	<b>100</b>	100



	2014	2013
<b>Table Size</b>	<b>100</b>	100
	100,0%	100,0%

## Q10.6 Why do you say that? - Built in bias towards taking a cash benefit



## Q10.6 Why do you say that? - No built in bias towards taking a cash benefit

	2014	2013
BASE: ALL WITH NO BIAS TOWARDS TAKING CASH BENEFIT	87	89
Members choice - we encourage them to preserve/ we encourage members to preserve their cash, but they don't always take our advice	68	64
	78,2%	71,9%
Staff members meet with broker and makes decisions on individual needs/ we always refer them to a financial advisor	14	12
	16,1%	13,5%
Left entirely to employees to decide/ members' choice/ member's decisions - they do as they want with their cash benefit	4	11
	4,6%	12,4%
Because they are blue collar they are uninformed and the here and now is more important so they take the money	0	2
	0,0%	2,2%
It's so easy that your funds can be available almost in one week	0	1
	0,0%	1,1%
Staff members are not officially educated on what they should do with their money/ offer workshops on retirement benefits and retirement capital	4	1
	4,6%	1,1%
We spend a lot of time training on what options are available	4	2
	4,6%	2,2%
They are given pension and economic updates and we explain to them the % of final salary and how important it is to save	2	2
	2,3%	2,2%
It's a pension fund, so they can't take all the cash	2	0
	2,3%	0,0%
Other	4	4
	4,5%	4,5%
Table Size	99	99
	111,2%	111,2%

## Q10.7 Has HR ( or the sub-fund) investigated the extent to which members take their withdrawal benefit in cash?

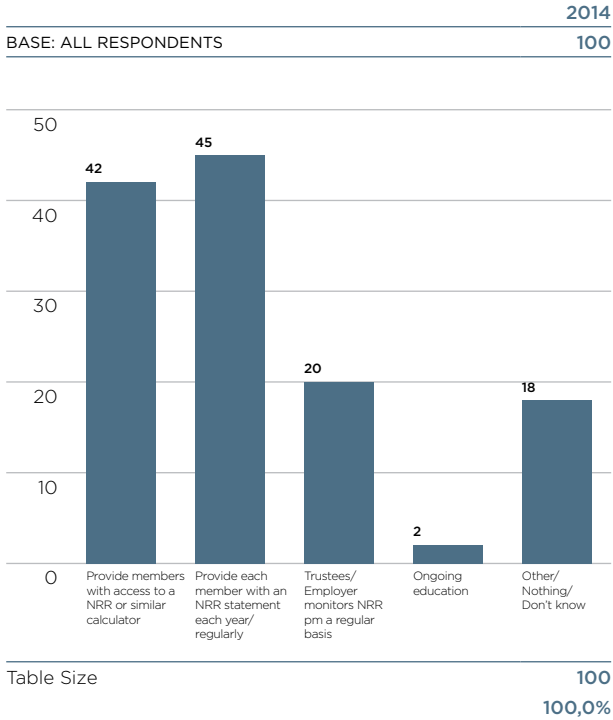
	2014	2013
BASE: ALL RESPONDENTS	100	100
Yes	46	43
	46,0%	43,0%
No	53	56
	53,0%	56,0%
Not sure	1	1
	1,0%	1,0%
Table Size	100	100
	100,0%	100,0%

## Q10.8 Whose responsibility do you think it is to encourage members to preserve their withdrawal benefit?

	2014	2013
BASE: ALL RESPONDENTS	100	100
The employer / HR	61	73
	61,0%	73,0%
The Trustees of the umbrella fund	34	38
	34,0%	38,0%
The members' own responsibility	55	34
	55,0%	34,0%
The government	17	-
	17,0%	-
Other	2	3
	2,0%	3,0%
Table Size	169	148
	169,0%	148,0%

# SECTION K: RETIREMENT

**Q11.1** What, if anything, does the sub-fund currently have in place to assess and improve the Net Replacement Ratio (NRR) of its members?



**Q11.2** Is the employer concerned about how members utilize their retirement benefits?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	78	70	72
	78,0%	70,0%	72,0%
No	22	30	28
	22,0%	30,0%	28,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

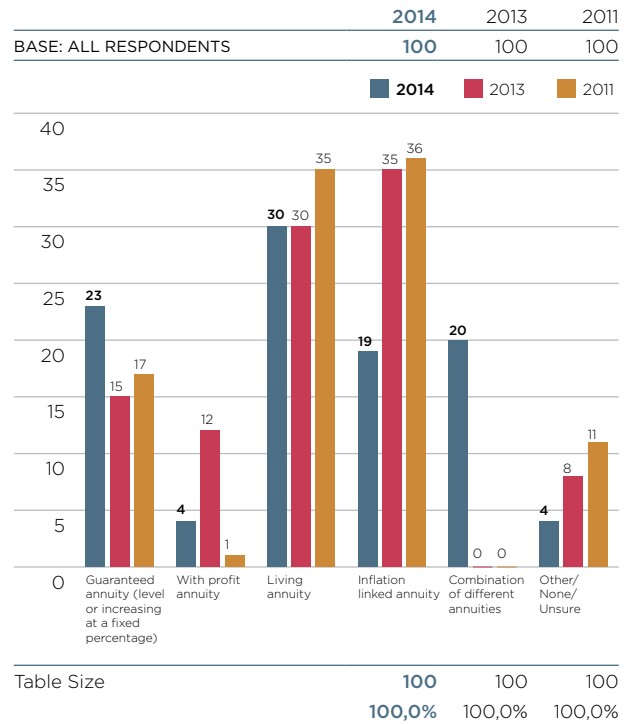
**Q11.3** Does the employer want to have further involvement with members after retirement?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes	14	20	16
	14,0%	20,0%	16,0%
No	86	80	83
	86,0%	80,0%	83,0%
Don't know	0	0	1
	0,0%	0,0%	1,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q11.4** Do retirees ever come back to the company to complain after they have retired from the sub-fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Yes, often	4	2	2
	4,0%	2,0%	2,0%
Yes, sometimes	16	8	13
	16,0%	8,0%	13,0%
Yes, but only rarely	10	12	19
	10,0%	12,0%	19,0%
No	69	76	60
	69,0%	76,0%	60,0%
No retirees yet	0	1	0
	0,0%	1,0%	0,0%
Unsure	1	1	6
	1,0%	1,0%	6,0%
Summary			
Any yes	30	22	34
	30,0%	22,0%	34,0%
Table Size	100	100	100
	100,0%	100,0%	100,0%

**Q11.5** In your opinion, which annuity would be more appropriate for an 'average' member of your sub-fund?



**Q11.6** Are you aware that National Treasury is proposing that every retiring member must be enrolled in a default annuity product as selected by the Trustees of the umbrella fund unless the retiring member opts for a different post-retirement product?

	<b>2014</b>
BASE: ALL RESPONDENTS	<b>100</b>

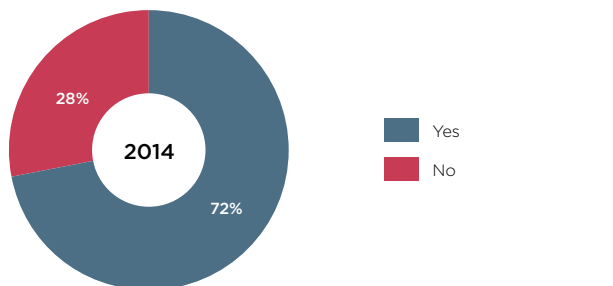


Table Size	<b>100</b>
	<b>100,0%</b>

**Q11.7** Are you in favour of or against this idea?

	<b>2014</b>
BASE: ALL RESPONDENTS	<b>100</b>

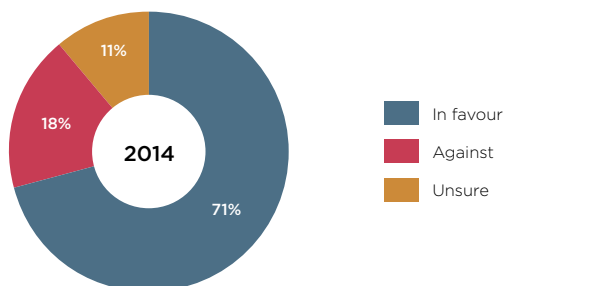


Table Size	<b>100</b>
	<b>100,0%</b>

**Q11.8a** Have the Trustees of the umbrella fund determined an appropriate default annuity product for your members?

	<b>2014</b>
BASE: ALL RESPONDENTS	<b>100</b>
Yes, they have already determined an appropriate default annuity product	<b>15</b> <b>15,0%</b>
They are working on this and it will be done within the next 12 months	<b>12</b> <b>12,0%</b>
They are working on this and it will be done within the next 24 months	<b>7</b> <b>7,0%</b>
No	<b>46</b> <b>46,0%</b>
Unsure	<b>20</b> <b>20,0%</b>
Table Size	<b>100</b> <b>100,0%</b>

**Q11.8b** Which default annuity product have the Trustees of the umbrella fund selected?

	<b>2014</b>
BASE: ALL WHOSE UMBRELLA FUND HAS ALREADY DETERMINED AN APPROPRIATE DEFAULT ANNUITY PRODUCT	<b>15</b>
Guaranteed annuity (level or increasing at a fixed percentage)	<b>6</b> <b>40,0%</b>
Living annuity	<b>7</b> <b>46,7%</b>
Combination of different annuities	<b>2</b> <b>13,3%</b>
Table Size	<b>15</b> <b>100,0%</b>

Caution: low base

**Q11.8c** Have the Trustees of the umbrella fund negotiated preferential fees for the default annuity taking into account the fund's membership size?

	<b>2014</b>
BASE: ALL WHOSE UMBRELLA FUND HAS ALREADY DETERMINED AN APPROPRIATE DEFAULT ANNUITY PRODUCT	<b>15</b>
Yes, institutional fees	<b>1</b> <b>6,7%</b>
Yes, retail fees	<b>1</b> <b>6,7%</b>
Yes (not further specified)	<b>1</b> <b>6,7%</b>
No	<b>4</b> <b>26,7%</b>
Unsure	<b>8</b> <b>53,3%</b>
Table Size	<b>15</b> <b>100,0%</b>

Caution: low base

**Q11.8d** Is your fund's Living Annuity solution provided by the umbrella fund sponsor or a different financial services provider?

	<b>2014</b>
BASE: ALL WHOSE TRUSTEES HAVE SELECTED A LIVING ANNUITY AS THEIR DEFAULT ANNUITY PRODUCT	<b>7</b>
Umbrella fund sponsor	<b>6</b> <b>85,7%</b>
Different provider	<b>1</b> <b>14,3%</b>
Table Size	<b>7</b> <b>100,0%</b>

Caution: low base

**Q11.9** What do you believe are the biggest mistakes that members make when saving for retirement?

	2014
BASE: ALL RESPONDENTS	100
Low levels of contribution rates in retirement savings	44 44,0%
Not preserving retirement benefits and therefore having too little investment or insufficient time to save for retirement	70 70,0%
Investing too conservatively	16 16,0%
Investing too aggressively	2 2,0%
Member apathy, i.e. not taking retirement planning seriously or leaving it too late to start saving for retirement	78 78,0%
Table Size	210 210,0%

# SECTION L: FUND SELECTION

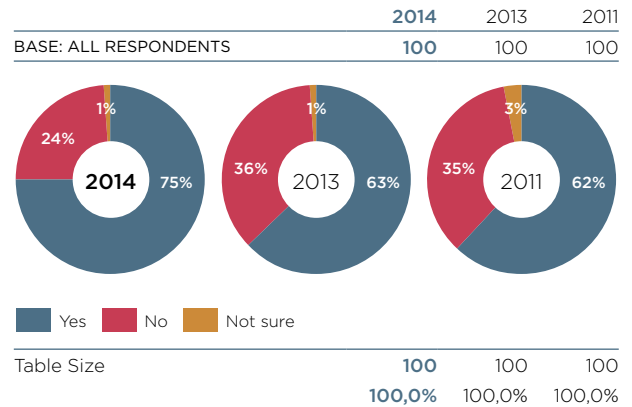
## Q12.1 How long has the employer been in an umbrella fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
1 to 5 years	39	32	33
	39,0%	32,0%	33%
6 to 10 years	31	37	42
	31,0%	37,0%	42%
More than 10 years	29	29	18
	29,0%	29,0%	18,0%
Other/ Don't know	1	2	7
	1,0%	2,0%	7,0%
Mean	8,78	9,43	7,74
Table Size	100	100	100
	100,0%	100,0%	100,0%

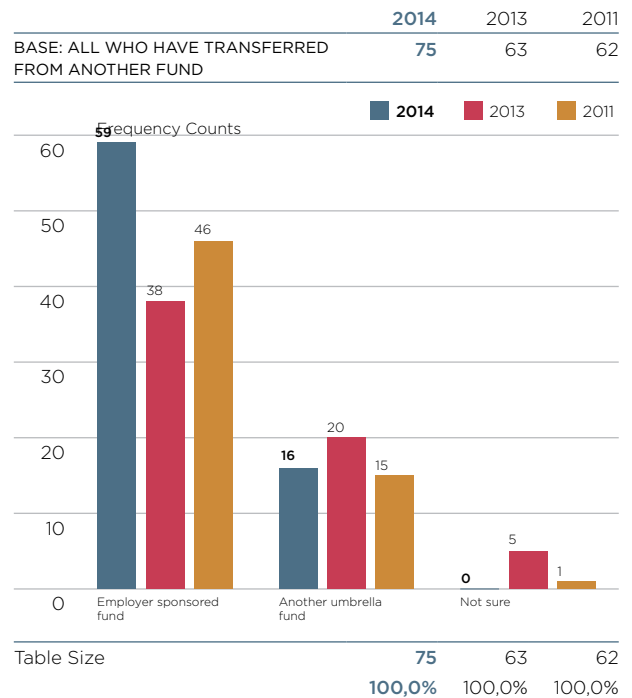
## Q12.2 What were the three main reasons for joining an umbrella fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Ease of administration/less time consuming	50	52	55
	50,0%	52,0%	55,0%
More cost effective/cost saving	50	45	53
	50,0%	45,0%	53,0%
Allows us to focus on core business	22	15	27
	22,0%	15,0%	27,0%
Less responsibility/Less fiduciary responsibility	42	40	38
	42,0%	40,0%	38,0%
Small company/ too few staff members to run a fund ourselves	19	14	13
	19,0%	14,0%	13,0%
Better /more investment options	12	14	21
	12,0%	14,0%	21,0%
Investment expertise/better investment advice	21	17	21
	21,0%	17,0%	21,0%
Better benefits for employees	24	13	19
	24,0%	13,0%	19,0%
Better returns on investment	9	11	14
	9,0%	11,0%	14,0%
Expertise in fund governance/ compliance with legislation	23	18	26
	23,0%	18,0%	26,0%
Change in company ownership	2	1	0
	2,0%	1,0%	0,0%
Union requested that we join	1	1	0
	1,0%	1,0%	0,0%
No fund in place/ DB Fund closed	0	3	0
	0,0%	3,0%	0,0%
Stability of investment because of size of fund	0	2	0
	0,0%	2,0%	0,0%
Spreading risk	0	1	0
	0,0%	1,0%	0,0%
Larger pool	1	0	0
	1,0%	0,0%	0,0%
Other/ Don't know	7	12	9
	7,0%	12,0%	9%
Table Size	283	259	296
	283,0%	259,0%	296,0%

## Q12.3 Has the employer ever transferred from another fund?



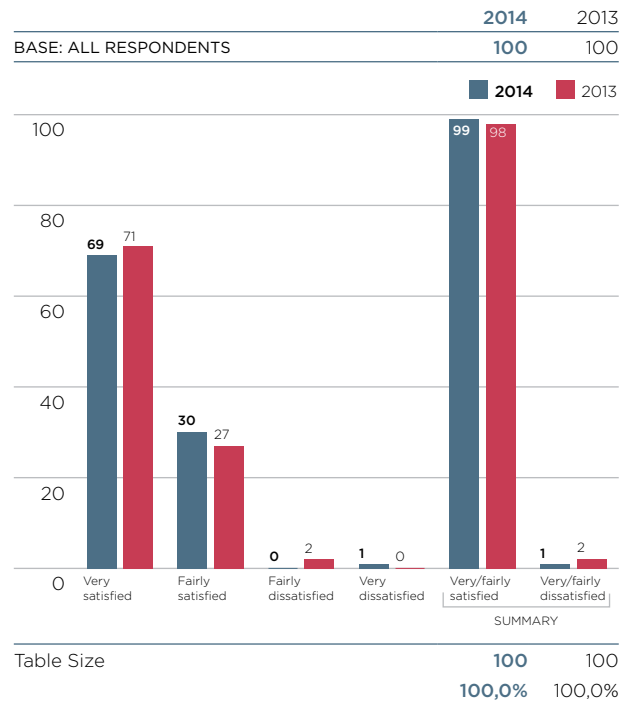
## Q12.4 From which fund did the employer transfer?



## Q12.5 What were the three principal reasons for doing so?

	2014	2013	2011
BASE: ALL WHO HAVE TRANSFERRED FROM ANOTHER FUND	75	58	62
Better benefits	0 0,0%	8 13,8%	1 1,6%
Better benefits for members	20 26,7%	0 0,0%	15 24,2%
Better investment returns	18 24,0%	12 20,7%	15 24,2%
Bigger financial pool	12 16,0%	4 6,9%	2 3,2%
Change in company policy	5 6,7%	0 0,0%	0 0,0%
Change in company ownership/ management	3 4,0%	6 10,3%	13 21,0%
Cost saving	43 57,3%	26 44,8%	33 53,2%
Don't have expertise	0 0,0%	1 1,7%	6 9,7%
Better / Easier administration	30 40,0%	31 53,4%	30 48,4%
Flexibility/more options/investment choices	0 0,0%	0 0,0%	2 3,2%
Lack of trust	0 0,0%	1 1,7%	0 0,0%
Less risk/fiduciary responsibility now lies with the fund	7 9,3%	2 3,4%	2 3,2%
More investment choice for members	8 10,7%	5 8,6%	5 8,1%
Moved from DB TO DC	2 2,7%	1 1,7%	2 3,2%
Poor administration/fund not managed well	0 0,0%	0 0,0%	2 3,2%
Poor communication	0 0,0%	0 0,0%	2 3,2%
Poor service/communication from previous provider	9 12,0%	9 15,5%	7 11,3%
Restructuring of fund	0 0,0%	1 1,7%	0 0,0%
Returns were bad/Poor investment results	0 0,0%	0 0,0%	2 3,2%
Better expertise	26 34,7%	15 25,9%	15 24,2%
More stable investment option/ fund governance	0 0,0%	4 6,9%	0 0,0%
Changing legislation/Expertise with legislation	0 0,0%	3 5,2%	0 0,0%
Educate about responsibilities	0 0,0%	1 1,7%	0 0,0%
Company issues	0 0,0%	1 1,7%	0 0,0%
The company was getting smaller	0 0,0%	1 1,7%	0 0,0%
Transparency of funds	0 0,0%	1 1,7%	0 0,0%
It was the company's decision	0 0,0%	1 1,7%	0 0,0%
Burden of legislation in respect of compliance & governance	2 2,7%	0 0,0%	0 0,0%
Other/ Don't know	3 3,0%	3 3,0%	7 7%
Table Size	188 250,7%	137 236,2%	163 262,9%

## Q12.6 How satisfied are you with your current life insurer?



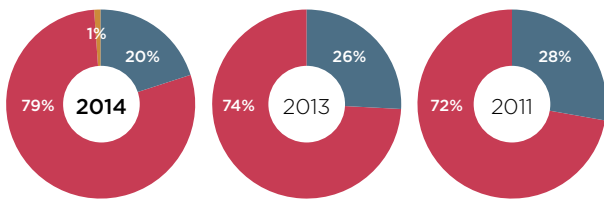
## Q12.7 How often does the sub-fund seek comparable quotes from other umbrella funds?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100
Annually	41 41,0%	32 32,0%	23 23,0%
Every 2 years	7 7,0%	10 10,0%	9 9,0%
Every 3 years	5 5,0%	11 11,0%	18 18,0%
Every 4 years	2 2,0%	6 6,0%	2 2,0%
Every 5 years	15 15,0%	7 7,0%	6 6,0%
Never	18 18,0%	23 23,0%	17 17,0%
Ad hoc	4 4,0%	4 4,0%	0 0,0%
Other/ Don't know/ Not applicable	8 8,0%	7 7,0%	25 25%
Mean	1,76	1,62	2,29
Table Size	100 100,0%	100 100,0%	100 100,0%



### Q12.8 Has the employer ever considered moving to another umbrella fund?

	2014	2013	2011
BASE: ALL RESPONDENTS	100	100	100



Legend: Yes (Blue), No (Red), Not sure (Yellow)

Table Size	100	100	100
	100,0%	100,0%	100,0%

### Q12.9 Which company provides the umbrella fund that you participate in?

	2014
BASE: ALL RESPONDENTS	100
Alexander Forbes/Investment Solutions	27
	27,0%
Old Mutual	19
	19,0%
Liberty Life	17
	17,0%
Sanlam	14
	14,0%
Momentum	5
	5,0%
NMG	5
	5,0%
NBC	2
	2,0%
Metropolitan	1
	1,0%
First Light	1
	1,0%
Guard Risk	1
	1,0%
KZN Master Builders	1
	1,0%
Robson Savage	1
	1,0%
Gallet Fundwise	1
	1,0%
Fussel & Associates	1
	1,0%
M Cubed	1
	1,0%
Aon	1
	1,0%
Verso	1
	1,0%
Royal Financial Services	1
	1,0%
Table Size	100
	100,0%

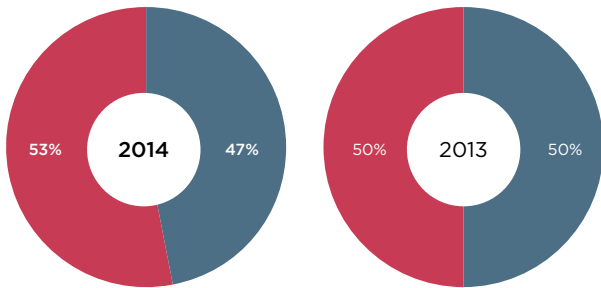
# SECTION M: DEMOGRAPHICS

## Q13.1 What is the highest level of qualification that you hold?

	2014	2013
BASE: ALL RESPONDENTS	100	100
Degree	30	39
	30,0%	39,0%
National Certificate	5	20
	5,0%	20,0%
Diploma	16	17
	16,0%	17,0%
Chartered Accountant	16	11
	16,0%	11,0%
Honours degree	12	10
	12,0%	10,0%
Chartered Secretary	1	3
	1,0%	3,0%
Matric	17	0
	17,0%	0,0%
MBA	3	0
	3,0%	0,0%
Table Size	100	100
	100,0%	100,0%

## Q13.2 Gender

	2014	2013
BASE: ALL RESPONDENTS	100	100



Male Female

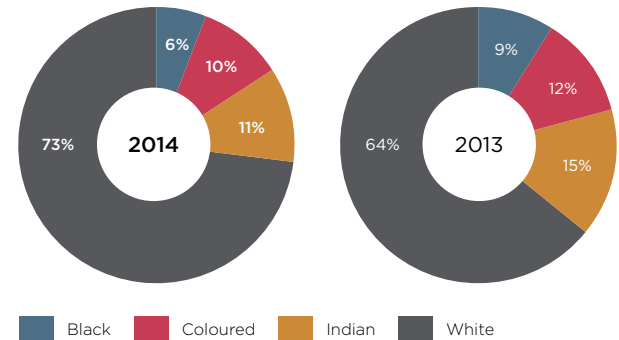
Table Size	100	100
	100,0%	100,0%

## Q13.3 Which of the following best describes your age group?

	2014	2013
BASE: ALL RESPONDENTS	100	100
25-34	9	13
	9,0%	13,0%
35-44	27	32
	27,0%	32,0%
45-54	34	29
	34,0%	29,0%
55-64	24	25
	24,0%	25,0%
65 or Older	6	1
	6,0%	1,0%
Table Size	100	100
	100,0%	100,0%

## Q13.4 Ethnic group

	2014	2013
BASE: ALL RESPONDENTS	100	100



Black Coloured Indian White

Table Size	100	100
	100,0%	100,0%

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