

CONTENTS

FOREWORD	3
RESEARCH METHODOLOGY	5
SECTION A: DEMOGRAPHICS	7
SECTION B: ON BOARD EXPERIENCE AT NEW EMPLOYER	10
SECTION C: RETIREMENT FUNDING	12
SECTION D: MEMBER KNOWLEDGE ASSESSMENT	16
SECTION E: MEMBER INVESTMENT	17
SECTION F: EDUCATION AND COMMUNICATION	18
SECTION G: FINANCIAL ADVICE	21
SECTION H: MAKING ADEQUATE RETIREMENT PROVISION	23
SECTION I: RETIREMENT FUND PRESERVATION	25
SECTION J: POST RETIREMENT MEDICAL AID	26
SECTION M: TREATING CUSTOMERS FAIRLY	27



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.

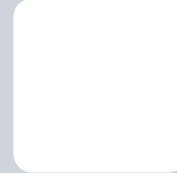
For the second consecutive year, we have included a subset of interviews with trade union retirement funds with an average of R3.3 billion assets under management. We believe that it is important to explore the benefit design trends as they develop over the next few years in this sector.

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.

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



**WAGIEDA
SULIMAN**

Sanlam
Investments:
Business
Intelligence



**LINDA
FINDLAY**

BDRC:
Managing
Director

Respondents were selected at random and it may be possible that some are currently members of retirement funds which are administered by Sanlam.

The size and the scope of the 2014 member survey have remained largely consistent with the 2013 study. Participation was based on respondents being permanently employed or self-employed. Respondents are either members of their employers' sponsored retirement funds (75% of the sample) or those individuals who are self-employed are members of a retirement annuity fund (25% of the sample).

For the second consecutive year 20% of the sample was dedicated to individuals who joined their employer's retirement fund within the last 12 months.

Respondents were selected at random and it may be possible that some are currently members of retirement funds which are administered by Sanlam. As it is not a requirement of the study we did not select respondents on the basis of their current retirement fund administrator. The entire fieldwork process is outsourced to BDRC. This is to ensure that the confidentiality of all respondents is maintained at all times.

Interview technique

Telephonic interviews were conducted in English, Afrikaans, isiZulu, isiXhosa and Sesotho, with each being approximately 20 minutes in length.

Field work was conducted between 11 February and 17 March this year.



Sampling method and size

For the purposes of this survey the sampling frame has been defined as all permanent employees who are members of their employer sponsored retirement funds and self-employed individuals who are members of a retirement annuity fund.

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

This year we have retained the sample size of approximately 500 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 500 nationwide produces a likely margin of sampling error within the 3% to 5% range with 95% confidence level.

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

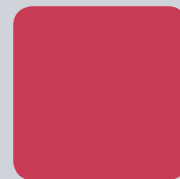
Data tables and graphs

The tables and graphs in this report are based on 512 responses. In some instances the sample responses are ≠ 512: Where

- the number of responses is less 500 the question was not applicable to all respondents
- the number of responses is greater than 500 the question allowed for multiple responses

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

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

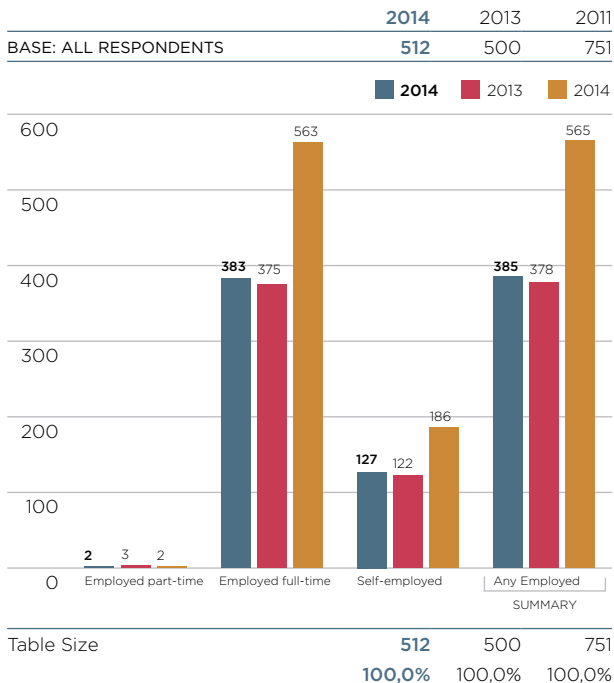


SECTION A: DEMOGRAPHICS

QA.0 City



QA.1 How would you describe your current working status, using one of the following categories?



QA.1B How long have you been working at your current employment?

	2014	2013
BASE: ALL EMPLOYED FULL TIME	383	375
1 year or less	105	99
	27,4%	26,4%
2 - 5 years	49	42
	12,8%	11,2%
6 - 10 years	62	51
	16,2%	13,6%
More than 10 years	167	183
	43,6%	48,8%
Mean	8,56	9,06
Table Size	383	375
	100,0%	100,0%

QA.2 Do you contribute towards any of the following forms of retirement provision at present?

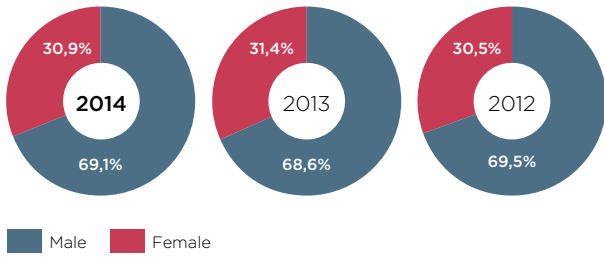
	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Company sponsored pension fund	239	241	356
	46,7%	48,2%	47,4%
Company sponsored provident fund	141	137	204
	27,5%	27,4%	27,2%
Retirement Annuity (RA)	201	209	309
	39,3%	41,8%	41,1%
Umbrella fund	2	8	16
	0,4%	1,6%	2,1%
Union fund	3	21	5
	0,6%	4,2%	0,7%
Other	5	5	0
	1,0%	1,0%	0,0%
Table Size	591	622	890
	115,5%	124,4%	118,5%

QA.3 For classification purposes only, could you tell me which of the following best describes the value of your retirement fund?

	2014
BASE: ALL RESPONDENTS	512
Less than R100,000	57
	11,1%
R100,000 - R500,000	193
	37,7%
R500,001 - R1 million	60
	11,7%
More than R1 million	74
	14,5%
Don't know/ Refused	128
	25,0%
Mean	R 512 174
Table Size	512
	100,0%

QA.4 Gender

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Table Size	512	500	751
	100,0%	100,0%	100,0%

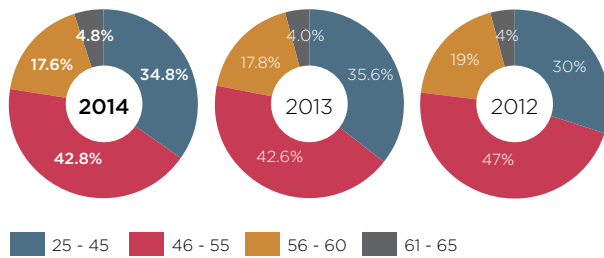


QA.5 Ethnicity

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Black	154	149	222
	30,1%	29,8%	29,6%
Coloured	54	53	80
	10,5%	10,6%	10,7%
Indian	53	53	80
	10,4%	10,6%	10,7%
White	251	245	369
	49,0%	49,0%	49,1%
Table Size	512	500	751
	100,0%	100,0%	100,0%

QA.6 Which of the following best describes your age category?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Table Size	512	500	751
	100,0%	100,0%	100,0%



QA.7 Which of the following best describes the highest level of education that you have achieved?

	2014	2013
BASE: ALL RESPONDENTS	512	500
Some primary	1	3
	0,2%	0,6%
Completed primary	1	7
	0,2%	1,4%
Some secondary	57	49
	11,1%	9,8%
Completed secondary (Matric/ Grade 12)	256	256
	50,0%	51,2%
Tertiary (Any Certificate / Dip / B.Degree)	197	185
	38,5%	37,0%
Table Size	512	500
	100,0%	100,0%

QA.8 Which of the following best describes your personal monthly income before taxes?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
R1 000 - R9 999	137	124	185
	26,8%	24,8%	25%
R10 000 - R19 999	170	159	232
	33,2%	31,8%	31%
R20 000 - R29 999	79	73	88
	15,4%	14,6%	12%
R25 000 - R39 999	59	58	116
	11,5%	11,6%	15%
R40 000 +	61	49	120
	11,9%	9,8%	16%
Refused/ Don't know	6	37	10
	1,2%	7,4%	1%
Mean	R19 466,40	R19 376,89	R22 154,52
Table Size	512	500	751
	100,0%	100,0%	100,0%

QA.9 What is your marital status?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Single	106	106	100
	20,7%	21,2%	13,3%
Unmarried but cohabiting/ living together	44	38	79
	8,6%	7,6%	10,5%
Married	298	302	475
	58,2%	60,4%	63,2%
Widowed	23	14	27
	4,5%	2,8%	3,6%
Divorced	35	35	63
	6,8%	7,0%	8,4%
Separated	6	5	7
	1,2%	1,0%	0,9%
Table Size	512	500	751
	100,0%	100,0%	100,0%

QA.10 How many dependants do you have, including your spouse(s) (if applicable), child(ren) and any others who are financially dependent on you? - **Child dependants**

	2014	2013
BASE: ALL RESPONDENTS	512	500
1 to 2	260	236
	50,8%	47,2%
3 to 4	77	69
	15,0%	13,8%
5 to 6	8	8
	1,6%	1,6%
Other/ Not applicable	167	187
	32,6%	37,4%
Mean	2,04	2,05
Table Size	512	500
	100,0%	100,0%

QA.10 How many dependants do you have, including your spouse(s) (if applicable), child(ren) and any others who are financially dependent on you? - **Total (Children + Adults)**

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
1 to 2	214	207	313
	41,8%	41,4%	42%
3 to 4	172	160	249
	33,6%	32,0%	33%
5 to 6	36	30	61
	7,0%	6,0%	8%
Other/ not applicable	90	103	128
	17,6%	20,6%	17%
Mean	2,71	2,66	2,65
Table Size	512	500	751
	100,0%	100,0%	100,0%

QA.10 How many dependants do you have, including your spouse(s) (if applicable), child(ren) and any others who are financially dependent on you? - **Adult dependants (incl. spouse)**

	2014	2013
BASE: ALL RESPONDENTS	512	500
1 to 2	332	315
	64,8%	63,0%
3 to 4	15	18
	2,9%	3,6%
5 to 6	0	2
	0,0%	0,4%
Not applicable	165	165
	32,2%	33,0%
Mean	1,29	1,3
Table Size	512	500
	100,0%	100,0%

SECTION B: ON BOARD EXPERIENCE AT NEW EMPLOYER

QB.1 Was retirement benefit funding covered in your induction at the company where you are currently employed?

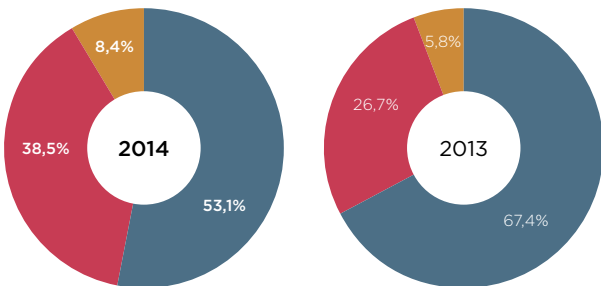
	2014
BASE: ALL NEW FUND MEMBERS	102
Yes	92
	90,2%
No	5
	4,9%
Can't remember	5
	4,9%
Table Size	102
	100,0%

QB.2 In addition to your employment contract, were you provided with documents and application forms relating to your retirement benefits?

	2014	2013
BASE: ALL NEW FUND MEMBERS	102	97
Yes	96	86
	94,1%	88,7%
No	4	10
	3,9%	10,3%
Can't remember	2	1
	2,0%	1,0%
Table Size	102	97
	100,0%	100,0%

QB.3i Did your employer / HR provide some assistance in completing the following forms and documents? - **Medical Aid**

	2014	2013
BASE: ALL WHO RECEIVED DOCUMENTS/FORMS	96	86

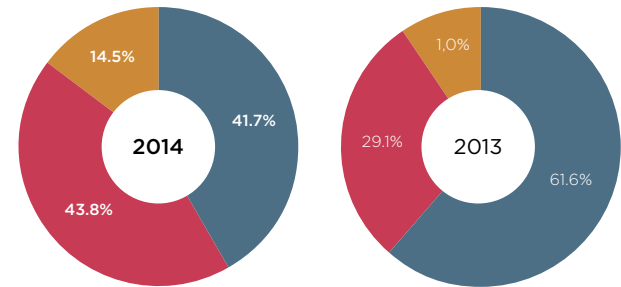


■ Yes ■ No ■ Don't know

Table Size	96	86
	100,0%	100,0%

QB.3ii Did your employer / HR provide some assistance in completing the following forms and documents? - **Risk benefits**

	2014	2013
BASE: ALL WHO RECEIVED DOCUMENTS/FORMS	96	86

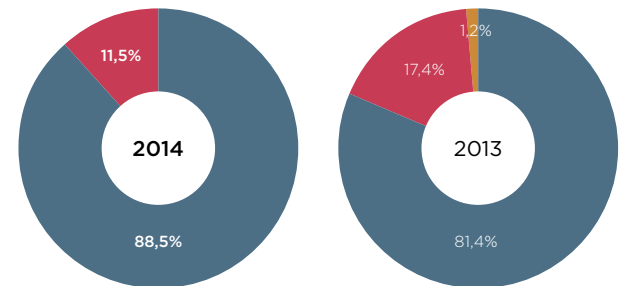


■ Yes ■ No ■ Don't know

Table Size	96	86
	100,0%	100,0%

QB.3iii Did your employer / HR provide some assistance in completing the following forms and documents? - **Retirement Benefits**

	2014	2013
BASE: ALL WHO RECEIVED DOCUMENTS/FORMS	96	86



■ Yes ■ No ■ Don't know

Table Size	96	86
	100,0%	100,0%

QB.4 How much time were you given to complete these documents?

	2014	2013
BASE: ALL WHO RECEIVED DOCUMENTS/FORMS	96	86
A few hours	15	16
	15,5%	18,6%
A day or two	35	38
	36,5%	44,2%
Less than a week	33	19
	34,4%	22,1%
Less than a month	7	9
	7,3%	10,5%
More than a month	2	4
	2,1%	-
Not sure / can't remember	4	0
	4,2%	4,7%
Table Size	96	86
	100,0%	100,0%

QB.5A Now that you have been with your company for a little while, have you ever revisited the decisions you made and the options which you originally elected regarding your retirement and risk benefits?

	2014	2013
BASE: ALL NEW FUND MEMBERS	102	97
Yes	6	10
	5,9%	10,3%
No	96	87
	94,1%	89,7%
Table Size	102	97
	100,0%	100,0%

QB.5B Why not?

	2014	2013
BASE: ALL WHO HAVE NOT REVISITED THEIR DECISIONS	96	87
I haven't been with the company long enough	35	23
	36,5%	26,4%
I'm happy with the decisions I originally made	33	45
	34,4%	51,7%
I don't know enough about retirement planning to make alternative choices	20	17
	20,8%	19,5%
I'm just happy to have retirement benefits provided - I'm not particularly interested in the detail	11	12
	11,5%	13,8%
I did not see the need	0	1
	0,0%	1,1%
I am caught up by work, don't have time to revisit	2	0
	2,1%	0,0%
Table Size	101	98
	105,3%	112,6%

QB.6 Has your employer provided you with any feedback or information regarding the decisions or options you elected with regard to retirement, risk benefits or medical aid since the first day you joined?

	2014	2013
BASE: ALL NEW FUND MEMBERS	102	97
Yes, provided feedback on my retirement	36	38
	35,3%	39,2%
Yes, provided feedback on my risk benefits	12	27
	11,8%	27,8%
Yes, provided feedback on my medical aid	25	32
	24,5%	33,0%
No, I have not received any communication or feedback	56	49
	54,9%	50,5%
Table Size	129	146
	126,5%	150,5%

SECTION C: RETIREMENT FUNDING

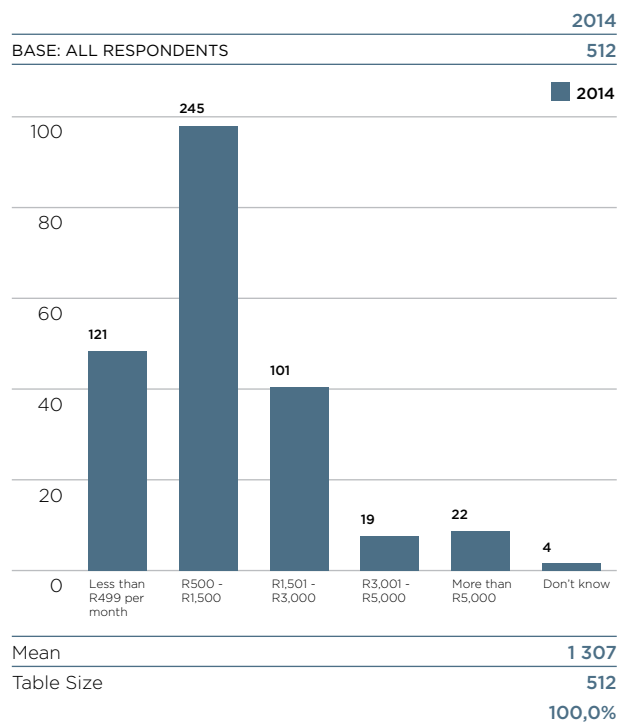
QC.1 What is the retirement age of your fund/company?

	2014	2013	2011
BASE: ALL MEMBERS OF COMPANY, UNION & UMBRELLA FUNDS	385	376	564
Under 50	0	3	0
	0,0%	0,8%	0,0%
51 - 55	20	20	12
	5,2%	5,3%	2%
56 - 60	123	113	181
	31,9%	30,1%	32%
61 - 63	40	35	56
	10,4%	9,3%	10%
64 - 65	127	131	236
	33,0%	34,8%	42%
65+	48	52	61
	12,5%	13,8%	11%
Don't know/ Not applicable	27	22	18
	7,0%	5,9%	3%
Mean	61,68	61,77	62,12
Table Size	358	376	564
	100,0%	100,0%	100,0%

QC.3 How much do you currently contribute each month to your retirement annuity?

	2013	2011
BASE: ALL RESPONDENTS	500	309
Less than R499 per month	159	53
	31,8%	17%
R500 - R1,500	219	141
	43,8%	46%
R1,501 - R2,000	46	52
	9,2%	17%
R2,001 - R3,000	28	36
	5,6%	12%
R3,001 - R5,000	18	21
	3,6%	7%
More than R5,000	11	2
	2,2%	1%
Don't know	19	4
	3,8%	1%
Mean	1 106	1 399
Table Size	500	309
	100,0%	100,0%

QC.2a How much IN TOTAL do you currently contribute each month towards retirement funding?



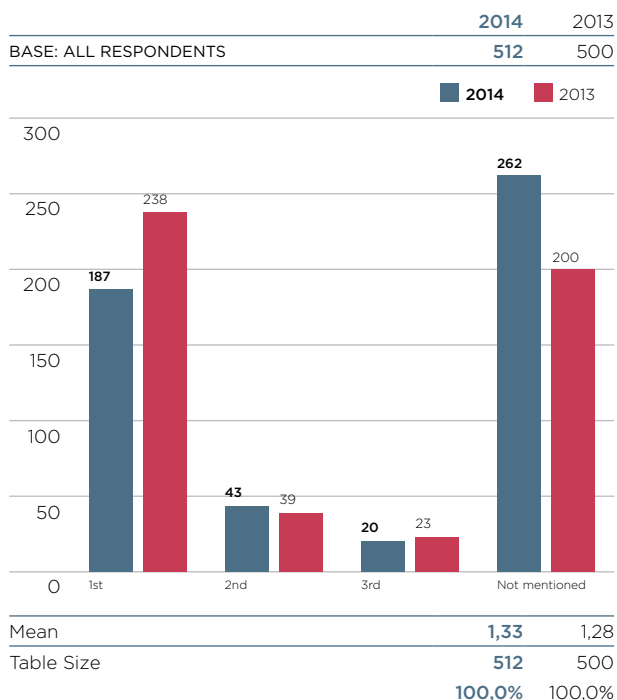
QC.2b How much of this total do you contribute towards your EMPLOYER'S RETIREMENT FUND each month?

	2014
BASE: ALL RESPONDENTS	512
Less than R499 per month	123
	24,0%
R500 - R1,500	178
	34,8%
R1,501 - R3,000	62
	12,1%
R3,001 - R5,000	8
	1,6%
More than R5,000	10
	2,0%
None - do not contribute to an employers retirement fund	124
	24,2%
Don't know	7
	1,4%
Mean	816
Table Size	512
	100,0%

QC.2c And how much of this total do you contribute towards a **RETIREMENT ANNUITY** each month?

	2014
BASE: ALL RESPONDENTS	512
Less than R499 per month	46
	9,0%
R500 - R1,500	95
	18,6%
R1,501 - R3,000	43
	8,4%
R3,001 - R5,000	6
	1,2%
More than R5,000	10
	2,0%
None - do not contribute to an employer's Retirement fund	305
	59,6%
Don't know	7
	1,4%
Mean	R 533,66
Table Size	512
	100,0%

QC.3a Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Mortgage / bond or rent / accommodation**



QC.3b Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Vehicles and transport**

	2014	2013
BASE: ALL RESPONDENTS	512	500
1st	83	92
	16,2%	18,4%
2nd	104	121
	20,3%	24,2%
3rd	93	104
	18,2%	20,8%
Not mentioned	232	183
	45,3%	36,6%
Mean	2,04	2,04
Table Size	512	500
	100,0%	100,0%

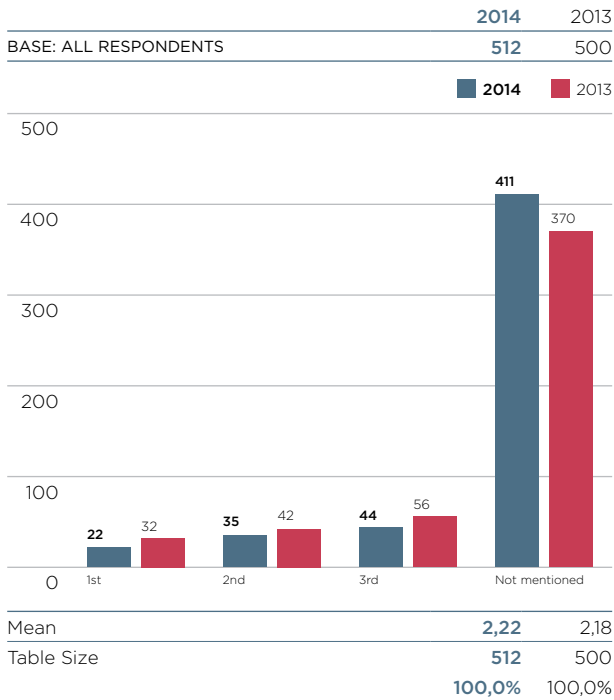
QC.3c Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Medical aid contributions**

	2014	2013
Base: All Respondents	512	500
1st	43	24
	8,4%	4,8%
2nd	46	78
	9,0%	15,6%
3rd	59	76
	11,5%	15,2%
Not mentioned	364	322
	71,1%	64,4%
Mean	2,11	2,29
Table Size	512	500
	100,0%	100,0%

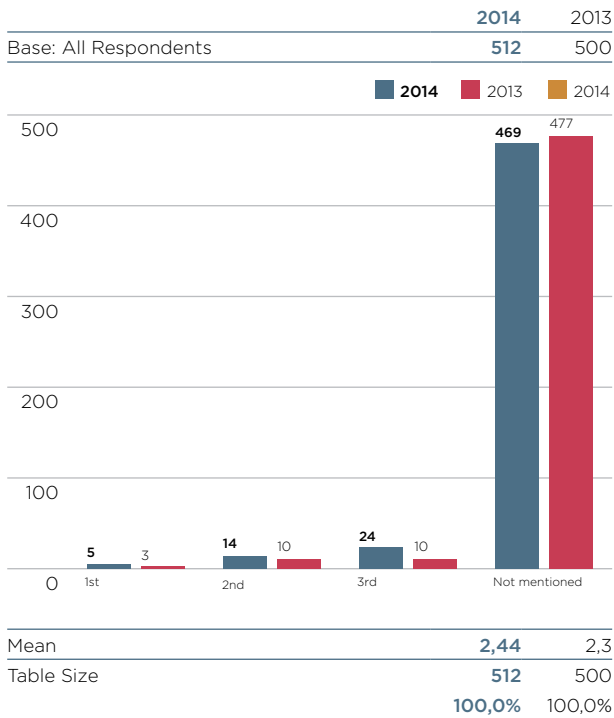
QC.3d Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Healthcare expenses not covered under medical aid**

	2014	2013
Base: All Respondents	512	500
1st	4	7
	0,8%	1,4%
2nd	10	17
	2,0%	3,4%
3rd	18	12
	3,5%	2,4%
Not mentioned	480	464
	93,8%	92,8%
Mean	2,44	2,14
	512	500
Table Size	100,0%	100,0%

QC.3e Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Retirement savings**



QC.3f Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Other savings**



QC.3g Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Insured benefits, such as life insurance, funeral plan, short term insurance (house / car) etc..**

	2014	2013
Base: All Respondents	512	500
1st	36	31
	7,0%	6,2%
2nd	63	75
	12,3%	15,0%
3rd	73	80
	14,3%	16,0%
Not mentioned	340	314
	66,4%	62,8%
Mean	2,22	2,26
Table Size	512	500
	100,0%	100,0%

QC.3h Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Utilities and municipal expenses (e.g. electricity, rates, taxes)**

	2014	2013
Base: All Respondents	512	500
1st	45	51
	8,8%	10,2%
2nd	99	92
	19,3%	18,4%
3rd	65	102
	12,7%	20,4%
Not mentioned	303	255
	59,2%	51,0%
Mean	2,1	2,21
Table Size	512	500
	100,0%	100,0%

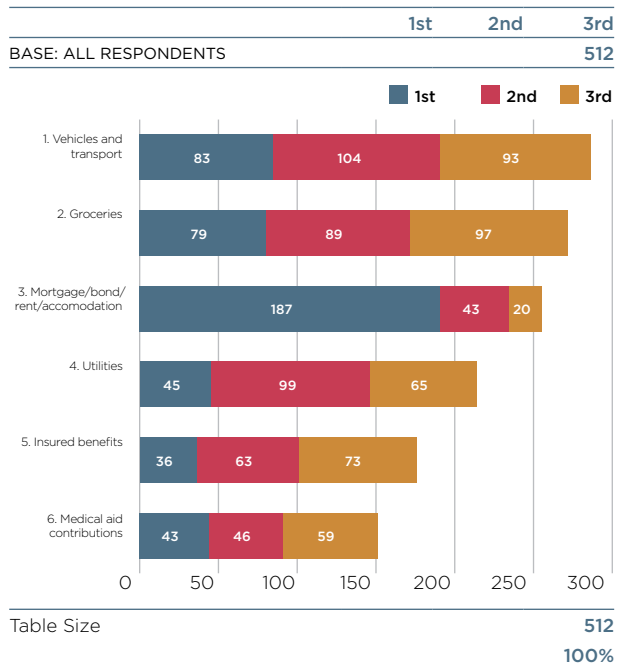
QC.3i Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Telephone / mobile**

	2014	2013
Base: All Respondents	512	500
1st	3	3
	0,6%	0,6%
2nd	9	11
	1,8%	2,2%
3rd	19	23
	3,7%	4,6%
Not mentioned	481	463
	93,9%	92,6%
Mean	2,52	2,54
Table Size	512	500
	100,0%	100,0%

QC.3j Can you tell me what items are your 1st, 2nd and 3rd biggest expenses from your personal monthly income? - **Groceries**

	2014
Base: All Respondents	512
1st	79
	15,4%
2nd	89
	17,4%
3rd	97
	18,9%
Not mentioned	247
	48,2%
Mean	2,07
Table Size	512
	100,0%

Summary: Top 6 expenses for 2014

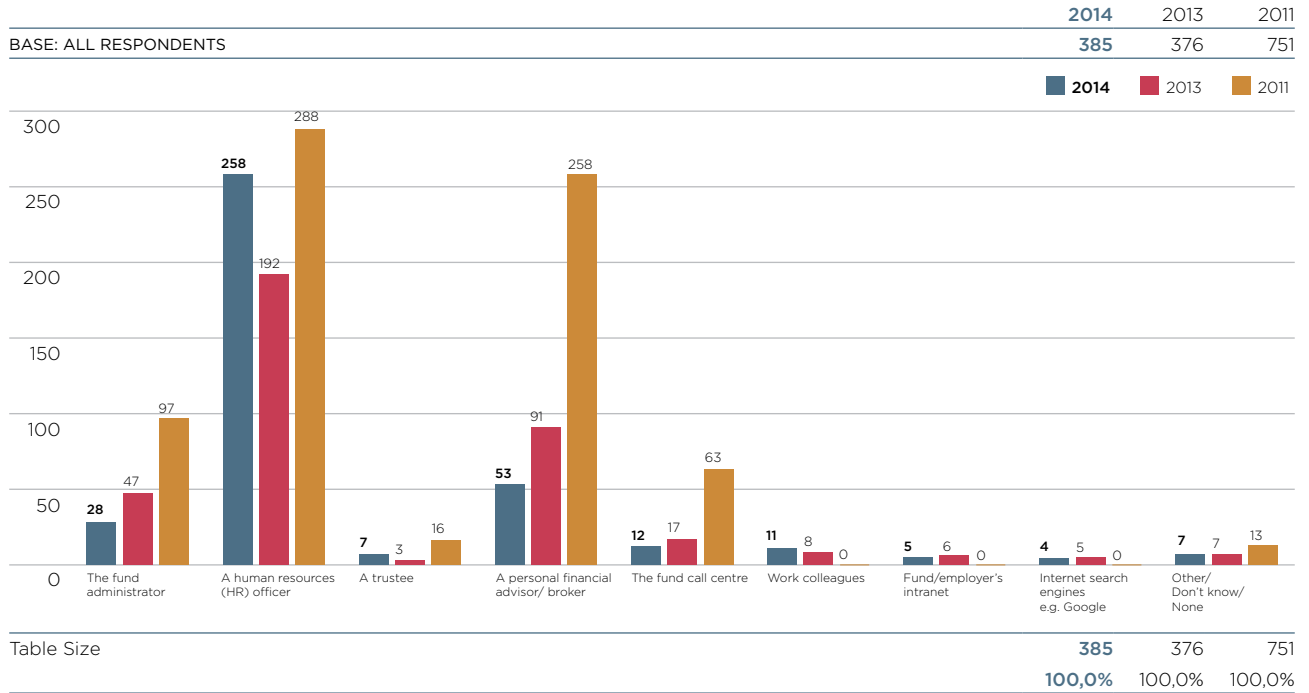


QC.4 Apart from your retirement savings, do you have personal savings in any of the following?

	2014	2013
Base: All Respondents	512	500
Bank accounts	265	284
	51,8%	56,8%
Unit trusts	51	71
	10,0%	14,2%
Stokvel	67	77
	13,1%	15,4%
Shares via a stockbroker or bank	24	28
	4,7%	5,6%
Endowment policy at a life company	155	176
	30,3%	35,2%
Property investment	56	83
	10,9%	16,6%
No, I have no other savings	128	107
	25,0%	21,4%
Summary:		
Any personal savings	384	393
	75,0%	78,6%
Table Size	746	826
	145,7%	165,2%

SECTION D: MEMBER KNOWLEDGE ASSESSMENT

QD.1 Who (or what) would be your first point of contact when you have questions/problems related to your fund (e.g. understanding your benefit statement, looking at your fund value etc.)?



SECTION E: MEMBER INVESTMENT

QE.1 Can you tell me whether or not your retirement fund / annuity provider allows you to make your own investment choice?

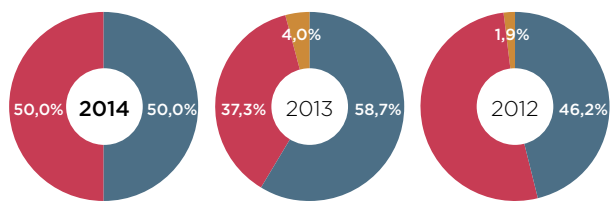
	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Yes, it does allow member investment choice	154 30,1%	202 40,4%	292 38,9%
No, it does not allow member investment choice	272 53,1%	219 43,8%	300 39,9%
Don't know	86 16,8%	79 15,8%	159 21,2%
Table Size	512 100,0%	500 100,0%	751 100,0%

QE.2A Can you tell me whether your retirement fund offers a default investment portfolio or not? This is an investment portfolio that trustees have chosen for members who do not wish to exercise their own investment choices.

	2014	2013	2011
BASE: ALL MEMBERS OF COMPANY, UNION AND UMBRELLA FUNDS WHO HAVE MIC	85	123	190
Yes, it does offer a default option	42 49,4%	75 61,0%	104 54,7%
No, it does not offer a default option	21 24,7%	27 22,0%	28 14,7%
Don't know	22 25,9%	21 17,1%	58 30,5%
Table Size	85 100,0%	123 100,0%	190 100,0%

QE.2B Do you invest in the default option?

	2014	2013	2011
BASE: ALL WHO HAVE A DEFAULT OPTION	42	75	104



	2014	2013	2011
Table Size	42 100,0%	75 100,0%	104 100,0%

QE.2C Why do you invest in the default investment portfolio?

	2014	2013	2011
BASE: ALL WHO INVEST IN THE DEFAULT INVESTMENT PORTFOLIO	21	44	48
I trust the Trustees to make sound investment choices	5 23,8%	24 54,5%	27 56,3%
I don't have enough knowledge/experience of investments to structure my own portfolio	8 38,1%	15 34,1%	8 16,7%
I don't trust/understand the other investment options available to me	0 0,0%	4 9,1%	0 0,0%
I just want to know that my retirement savings are growing, I'm not really interested in where the monies are invested	9 42,9%	18 40,9%	20 41,7%
Other	0 0,0%	0 0,0%	1 2,1%
Table Size	22 104,8%	61 138,6%	56 116,7%

QE.3 On what basis did you choose your current investment portfolio?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Your own investment knowledge	102 19,9%	118 23,6%	168 22,4%
Random choice	50 9,8%	53 10,6%	44 5,9%
Advice from a colleague	94 18,4%	106 21,2%	125 16,6%
Advice from an investment accredited intermediary (e.g. financial advisor or broker)	188 36,7%	250 50,0%	364 48,5%
Recommended by the trustees (i.e. the default option)	86 16,8%	44 8,8%	137 18,2%
Had no choice	14 2,7%	52 10,4%	3 0,4%
HR/Employer recommendation/ Company decides	71 11,5%	15 3,0%	0 0%
Other/ Not applicable/Don't know	11 1,8%	7 1,1%	56 6%
Table Size	616 120,3%	646 129,2%	897 119,4%

SECTION F: EDUCATION AND COMMUNICATION

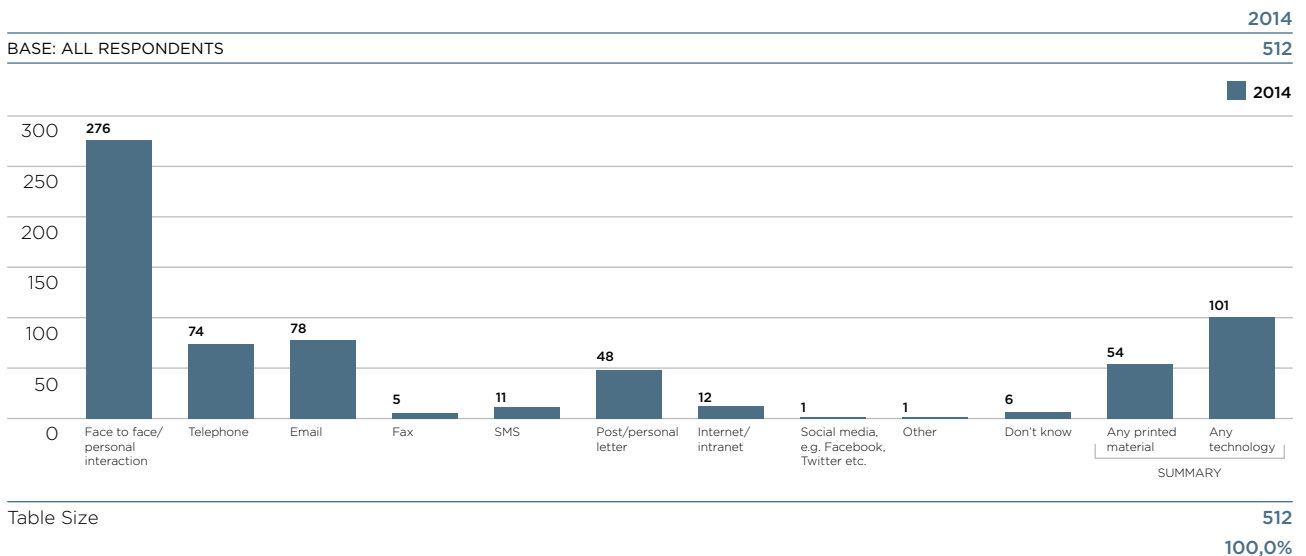
QF.1A What is your most preferred way to communicate with your retirement fund / annuity provider in each of the following situations?
 - Initial engagement/interaction. By initial engagement/interaction I mean when you are looking for information or advice on the fund, benefits provided etc.

	2014
BASE: ALL RESPONDENTS	512
Face to face / personal interaction	271
	52,9%
Telephone	88
	17,2%
Email	81
	15,8%
SMS	2
	0,4%
Post / personal letter	51
	10,0%
Internet / intranet	18
	3,5%
Social media, e.g. Facebook, Twitter etc.	1
	0,2%
Summary:	
Any printed material	51
	10,0%
Any technology	101
	19,7%
Table Size	512
	100,0%

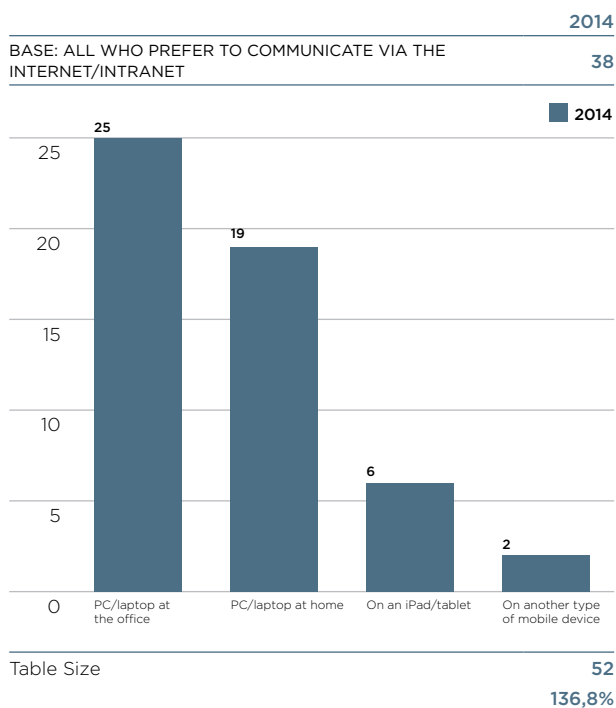
QF.1B What is your most preferred way to communicate with your retirement fund / annuity provider in each of the following situations?
 - Ongoing engagement/interaction. By ongoing engagement/interaction I mean when you are looking to update your personal contact details, beneficiary details, contribution related queries etc.

	2014
BASE: ALL RESPONDENTS	512
Face to face / personal interaction	191
	37,3%
Telephone	98
	19,1%
Email	120
	23,4%
SMS	10
	2,0%
Post / personal letter	61
	11,9%
Internet / intranet	27
	5,3%
Mobile app	2
	0,4%
Other	2
	0,4%
Don't know	1
	0,2%
Summary:	
Any printed material	62
	12,1%
Any technology	159
	31,1%
Table Size	512
	100,0%

QF.1C What is your most preferred way to communicate with your retirement fund / annuity provider in each of the following situations? - Benefit withdrawal or transfer to another fund.



QF.2 How do you usually access the web?



QF.3 Which of the following do you access on the web?

	2014	2013	2011
BASE: (2014) ALL WHO PREFER TO COMMUNICATE VIA THE INTERNET/INTRANET	38	261	306
BASE: (2010-2013) ALL WHO ACCESS THE WEB			
Own fund value	16 42,1%	142 54,4%	135 44,1%
Fund information i.e. rules, newsletters etc.	18 47,4%	91 34,9%	62 20,3%
Retirement calculators	7 18,4%	52 19,9%	48 15,7%
Beneficiary details to make changes / updates	13 34,2%	69 26,4%	44 14,4%
Investment options to choose/switch investments	6 15,8%	25 9,6%	36 11,8%
Other/Nothing/Not applicable/Don't know	4 10,5%	61 23,4%	105 34%
Table Size	64 168,4%	440 168,6%	430 140,5%

QF.4 How frequently do you access the web to view your fund values?

	2014	2013	2011
BASE: (2014) ALL WHO PREFER TO COMMUNICATE VIA THE INTERNET/INTRANET	16	261	306
BASE: (2010-2013) ALL WHO ACCESS THE WEB			
Daily	0 0,0%	7 2,7%	3 1,0%
Weekly	0 0,0%	4 1,5%	7 2,3%
2 - 3 times a month	0 0,0%	6 2,3%	5 1,6%
Monthly	1 6,3%	28 10,7%	19 6,2%
Quarterly	4 25,0%	43 16,5%	37 12,1%
Biannually	3 18,8%	17 6,5%	25 8,2%
Annually	6 37,5%	53 20,3%	41 13,4%
Less often than annually	2 12,5%	44 16,9%	56 18,3%
Never/ Don't know	0 0,0%	59 22,6%	113 37%
Table Size	16 100,0%	261 100,0%	306 100,0%

QF.5 Would you consider using a mobile app or social media, such as Facebook, Twitter etc. to receive communication about your retirement fund benefits?

	2014
BASE: ALL RESPONDENTS	512
Yes - a mobile app	70 13,7%
Yes - social media	13 2,5%
Yes - both	32 6,3%
No	397 77,5%
Table Size	512 100,0%

QF.6 Why do you say that?

	2014
BASE: ALL WHO WOULD CONSIDER A MOBILE APP	70
I want easy access to my retirement fund values 24/7	40 57,1%
I don't have ready access to the internet at work	1 1,4%
It allows me to share important information with my family and friends	6 8,6%
It acts as a reminder when I want to spend money on unnecessary items	3 4,3%
There is an app for everything - it just makes life easier	32 45,7%
This information is personal and confidential	11 15,7%
Social media is for fun stuff and I don't want to receive information on retirement matters when I am online chatting to my friends	3 4,3%
Other	2 2,8%
Table Size	98 140,0%

QF.6 Why do you say that?

	2014
BASE: ALL WHO WOULD CONSIDER SOCIAL MEDIA	13
I want easy access to my retirement fund values 24/7	8 61,5%
It allows me to share important information with my family and friends	4 30,8%
It acts as a reminder when I want to spend money on unnecessary items	3 23,1%
This information is personal and confidential	4 30,8%
Table Size	19 146,2%

QF.6 Why do you say that?

	2014
BASE: ALL WHO WOULD CONSIDER BOTH A MOBILE APP AND SOCIAL MEDIA	32
I want easy access to my retirement fund values 24/7	17 53,1%
It allows me to share important information with my family and friends	7 21,9%
It acts as a reminder when I want to spend money on unnecessary items	4 12,5%
There is an app for everything - it just makes life easier	14 43,8%
This information is personal and confidential	4 12,5%
Table Size	46 143,8%

QF.6 Why do you say that?

	2014
BASE: ALL WHO WOULD NOT CONSIDER A MOBILE APP OR SOCIAL MEDIA	397
I don't have ready access to the internet at work	12 3,0%
This information is personal and confidential	276 69,5%
My mobile device is not compatible, so I cannot access it	26 6,5%
Social media is for fun stuff and I don't want to receive information on retirement matters when I am online chatting to my friends	132 33,2%
Other	11 2,8%
Table Size	457 115,1%

SECTION G: FINANCIAL ADVICE

QG.1A Do you make financial decisions jointly with your spouse/partner?

	2014
BASE: ALL THOSE WHO ARE MARRIED OR CO-HABITING	342

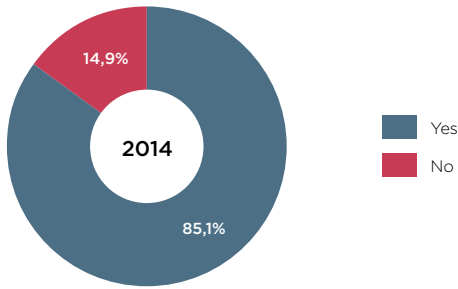


Table Size	342
	100,0%

QG.1B Why not?

	2014
BASE: ALL WHO DO NOT MAKE FINANCIAL DECISIONS JOINTLY WITH THEIR SPOUSE/PARTNER	51

I am the sole breadwinner, so I make all the financial decisions	16	31,4%
I am the main income earner, so I make all the financial decisions	15	29,4%
I am not confident on financial matters, so I leave financial decisions to my spouse/partner	3	5,9%
My spouse/partner and I organize our finances independently of each other	17	33,3%
Table Size	51	
	100,0%	

QG.2 How many years before retirement do you expect to seek professional financial advice about your retirement needs?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
More than 20 years before retirement	58	100	100
	11,3%	20,0%	13,3%
15 - 20 years before retirement	59	57	80
	11,5%	11,4%	10,7%
10 - 14 years before retirement	70	51	92
	13,7%	10,2%	12,3%
5 - 9 years before retirement	90	99	143
	17,6%	19,8%	19,0%
Less than 5 years before retirement	132	130	201
	25,8%	26,0%	26,8%
Not necessary to seek financial advice	56	35	76
	10,9%	7,0%	10,1%
Don't know	47	28	59
	9,2%	5,6%	7,9%
Mean	10,81	12,02	10,4
Table Size	512	500	751
	100%	100,0%	100,0%

QG.3 What type of assistance do you think you may require at retirement?

	2014
BASE: ALL RESPONDENTS	512

Guidance on financial issues I may need to take into consideration at retirement	250	48,8%
Advice on how to convert my retirement savings into retirement income	213	41,6%
One on one discussion with a financial professional about options for generating retirement income	167	32,6%
A self-help online tool and calculator to help me set realistic retirement goals	29	5,7%
Advice on how to invest and prepare for retirement	207	40,4%
Other/None/Don't know	22	2,5%

Table Size	888
	173,4%

QG.4 Do you currently make use of a personal financial advisor/broker to help you make decisions regarding your retirement savings and investments?

	2014
BASE: ALL RESPONDENTS	512

Yes, I rely on my advisor/broker to assist me	161	31,4%
Yes, I consult with my advisor/broker, but I usually make the final decisions myself	109	21,3%
No I rely on myself to make financial decisions	242	47,3%

Table Size	512
	100,0%

QG.4 Do you currently make use of a personal financial advisor/broker to help you make decisions regarding your retirement savings and investments?

	2014
BASE: ALL WHO USE A FINANCIAL ADVISOR/BROKER	270

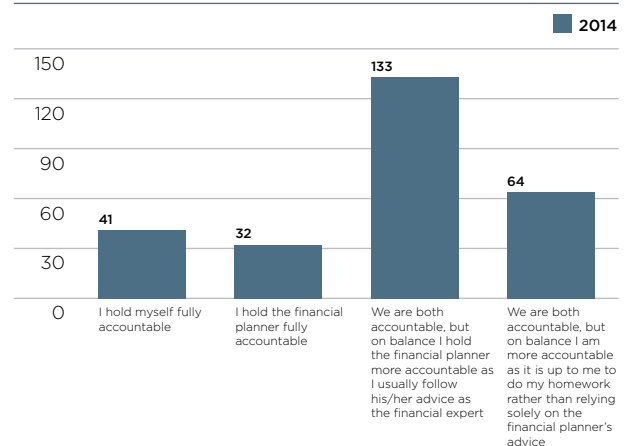


Table Size	270
	100,0%

QG.6 Who would you contact for advice related to your financial options at retirement?

	2014
BASE: ALL WHO DO NOT USE A PERSONAL FINANCIAL ADVISOR/BROKER	242
Personal Financial Advisor / broker	30
	12,4%
Intermediary appointed by the Fund	16
	6,6%
Your bank	64
	26,4%
Trustees of the fund	22
	9,1%
Human Resources officer	118
	48,8%
Fund Administrator	42
	17,4%
Work colleagues	19
	7,9%
Nobody / Won't seek advice	28
	11,6%
Other	7
	2,9%
Don't know	2
	0,8%
Table Size	348
	143,9%

QG.6 Who would you contact for advice related to your financial options at retirement?

	2013	2011
BASE: (2010-2013) ALL RESPONDENTS	500	751
Personal Financial Advisor / broker	277	426
	55,4%	56,7%
Intermediary appointed by the Fund	37	69
	7,4%	9,2%
Your bank	93	111
	18,6%	14,8%
Trustees of the fund	25	49
	5,0%	6,5%
Human Resources officer	160	220
	32,0%	29,3%
Fund Administrator	58	107
	11,6%	14,2%
Work colleagues	19	20
	3,8%	2,7%
Nobody / Won't seek advice	13	29
	2,6%	3,9%
Other/ Don't know	8	22
	1,2%	2%
Table Size	690	1 053
	138,0%	140,2%

SECTION H: MAKING ADEQUATE RETIREMENT PROVISION

QH.1 What are the biggest financial concerns you have about your future retirement?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Knowing how much money I will need at retirement	141 27,5%	0 0,0%	0 0,0%
Will my retirement monies last for the rest of my life?	237 46,3%	333 66,6%	443 59,0%
Will my monthly income / pension be sufficient to live from?	223 43,6%	281 56,2%	337 44,9%
A significant decline in the market immediately before or after my retirement	24 4,7%	0 0,0%	0 0,0%
Is my current investment strategy right for my needs?	31 6,1%	0 0,0%	0 0,0%
Will I be able to afford medical aid contributions and medical expenses?	52 10,2%	112 22,4%	113 15,0%
Will I become dependent on my family / children?	48 9,4%	95 19,0%	138 18,4%
Will I need to generate additional income in my retirement years?	84 16,4%	129 25,8%	162 21,6%
How will my lifestyle change after retirement?	82 16,0%	134 26,8%	211 28,1%
Will I be forced to 'downscale' my property / assets?	20 3,9%	50 10,0%	60 8,0%
Will my children still be financially dependent on me?	33 6,4%	65 13,0%	82 10,9%
Other/ Don't know/ Not applicable	15 1,5%	10 0,4%	23 1%
Table Size	990	1 209	1 569
	193,4%	241,8%	208,9%

QH.2A Are you concerned that you are currently investing too aggressively?

	2014
BASE: ALL THOSE CONCERNED ABOUT THEIR CURRENT INVESTMENT STRATEGY	31
Yes	2 6,5%
No	29 93,5%
Table Size	31
	100,0%

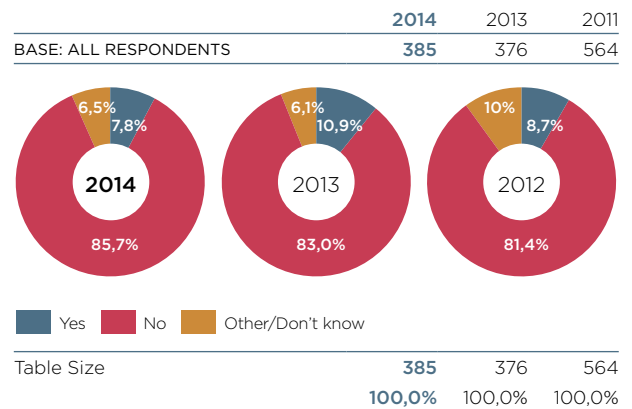
QH.2B Are you concerned that you are currently investing too conservatively?

	2014
BASE: ALL THOSE CONCERNED ABOUT THEIR CURRENT INVESTMENT STRATEGY	31
Yes	28 90,3%
No	3 9,7%
Table Size	31
	100,0%

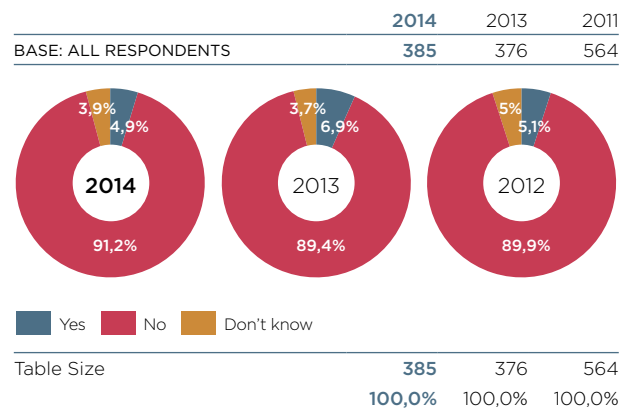
QH.3 In light of the 2007/2008 global financial crisis, which of the following statements best describes your current view with regard to your personal financial investments?

	2014
BASE: ALL RESPONDENTS	512
I am more cautious with my retirement assets than ever before	209 40,8%
I wish my assets were better protected from market volatility	106 20,7%
I am now hesitant to invest more in equities and other unit trusts despite potential future growth opportunities	31 6,1%
The financial crisis has not motivated me to change my financial behaviour or investment options	166 32,4%
Table Size	512
	100,0%

QH.4 If you had the choice to 'opt-out' from compulsory contributions to your company / union / umbrella retirement fund, would you?



QH.5 If you could reduce your current contribution to your retirement fund, would you?



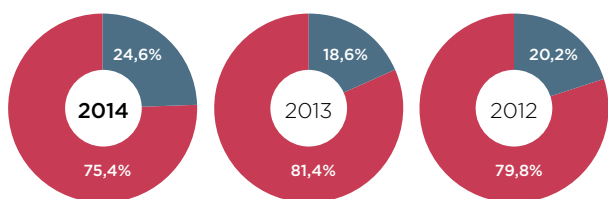
QH.6 Imagine you are reaching retirement age right now. Which of the following options would you choose?

	2014	2013	2011
BASE: ALL RESPONDENTS	385	376	564
A company pension	239	266	361
	62,1%	70,7%	64,0%
Income from an annuity guaranteed by an insurance company	129	137	166
	33,5%	36,4%	29,4%
Income from an investment linked living annuity	35	47	59
	9,1%	12,5%	10,5%
Invest my payout in property	37	44	78
	9,6%	11,7%	13,8%
Invest my payout in unit trusts	40	43	82
	10,4%	11,4%	14,5%
Other/ Don't know	26	10	25
	6,8%	2,7%	4%
Table Size	506	547	771
	131,4%	145,5%	136,7%

SECTION I: RETIREMENT FUND PRESERVATION

Q1.1A Have you ever withdrawn from a retirement fund through resignation or retrenchment from a previous employer?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751



■ Yes ■ No

Table Size	2014	2013	2011
	512	500	751
	100,0%	100,0%	100,0%

Q1.1B What did you do with your retirement benefit at the time?

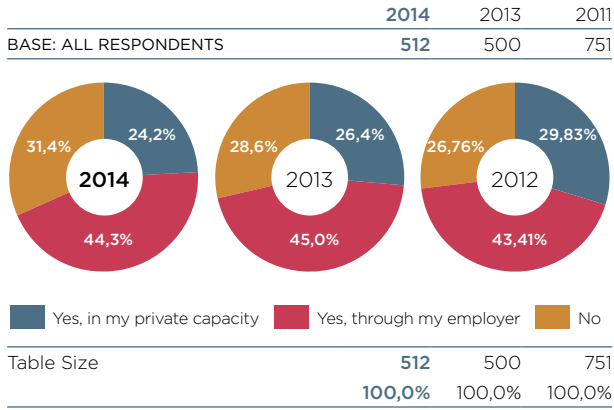
	2014	2013	2011
BASE: ALL WHO WITHDREW FROM A RETIREMENT FUND	126	93	152
I withdrew the full benefit in cash	68	58	107
	54,0%	62,4%	70,4%
Preserved part of the benefit and took the rest in cash	28	21	14
	22,0%	22,6%	9,2%
Moved the entire benefit to another employer's fund	14	7	14
	11,1%	7,5%	9,2%
Moved the entire benefit to a preservation fund	4	1	3
	3,2%	1,1%	2,0%
Purchased an annuity with the benefit	14	6	9
	11,1%	6,5%	5,9%
Purchased unit trusts with the benefit	0	2	2
	0,0%	2,2%	1,3%
Other/ Don't know	0	1	5
	0,0%	1,1%	3,29%
Summary			
Any reinvested all	31	15	27
	24,6%	16,1%	17,8%
Table Size	128	96	154
	101,6%	103,2%	101,3%

Q1.1C What did you spend the cash on?

	2014	2013	2011
BASE: ALL WHO TOOK THE CASH	96	78	121
Settled or reduced mortgage bond	14	13	35
	14,6%	16,7%	28,9%
Made home improvements	32	22	31
	33,3%	28,2%	25,6%
Education	14	2	9
	14,6%	2,6%	7,4%
Travel	1	6	5
	1,0%	7,7%	4,1%
Reduced short term debt (e.g. car, credit cards, loans etc.)	43	36	44
	44,8%	46,2%	36,4%
Started own business	16	22	27
	16,7%	28,2%	22,3%
Invested in other 'non-retirement' savings or investment products	5	6	10
	5,2%	7,7%	8,3%
Living expenses	38	23	29
	39,6%	29,5%	24,0%
Other	4	4	4
	4,2%	5,1%	3,3%
Summary			
Any invested	37	28	40
	38,5%	35,9%	33,1%
Any reduced debt	52	45	72
	54,2%	57,7%	59,5%
Table Size	167	134	194
	174,0%	171,8%	160,3%

SECTION J: POST RETIREMENT MEDICAL AID

QJ.1 Do you contribute to a medical aid scheme, either in your private capacity or through your employer?



QJ.2 Are you personally contributing to a savings vehicle to make provision for your medical contributions after retirement?

	2014	2013	2011
BASE: ALL RESPONDENTS	512	500	751
Yes, as part of the RA investment. That annuity at retirement will be used to fund the medical aid contributions	58 11,3%	75 15,0%	85 11,3%
Yes, through separate investments	34 6,6%	56 11,2%	41 5,5%
Yes, through an insurance policy	20 3,9%	54 10,8%	60 8,0%
Yes, through an insurance hospital plan	20 3,9%	47 9,4%	58 7,7%
No	377 73,6%	299 59,8%	498 66,3%
Yes, in some other way	6 1,2%	4 0,8%	6 0,8%
Don't know	6 1,2%	13 2,6%	33 4,4%
Table Size	521	548	781
	101,8%	109,6%	104,0%

SECTION M: TREATING CUSTOMERS FAIRLY

QM.1 Apart from achieving good investment returns, what else would you like to see your retirement fund do to improve your overall satisfaction as a customer?

	2014
BASE: ALL RESPONDENTS	512
Regular updates on retirement fund growth/ health of retirement fund	44 8,6%
Improve investment returns to ensure a comfortable retirement	31 6,1%
Allow access to retirement fund monies, if necessary/ desired	29 5,7%
Updates on changes in retirement fund matters	26 5,1%
Guidance on investment of retirement fund benefits after retirement	23 4,5%
Additional benefits as part of the fund, e.g. medical aid, life, disability cover	23 4,5%
More information/ transparency on fund specifics, e.g. trustees, investment managers, investments and costs	19 3,7%
Make sure that my money is safe/ guaranteed	17 3,3%
Better tax incentives/ lower tax / no tax	12 2,3%
Allow members to specify what they want to do with their money on retirement	11 2,1%
Better/ more frequent communication/ awareness campaigns	11 2,1%
Guaranteed increases that are in line with or exceed inflation rates	8 1,6%
Communication on new products/ alternative products to supplement our retirement savings	7 1,4%
Provide advice on optimum contributions to my retirement fund	7 1,4%
Tell me exactly how much I will get at retirement	7 1,4%
Provide an advisor to ensure your retirement investments stay on track	7 1,4%

	2014
BASE: ALL RESPONDENTS	512
Provide information in layman's terms	5 1,0%
More personal interaction with members through workshops or one-on-one meetings	5 1,0%
Minimize my risk	4 0,8%
More member choice/ more investment options	4 0,8%
Provide advice on how to prepare for retirement/ adapt to lifestyle changes	4 0,8%
Provide incentives, such as cash back after 5/ 10 years, or annual gifts	4 0,8%
Provide general advice on savings/ financial management/ impact of inflation	4 0,8%
Provide advice that is in the member's best interest, not the advisor's or company's	3 0,6%
Corporate social investment in our children	3 0,6%
Lower contributions	3 0,6%
Provide retirement planning education at an earlier age	2 0,4%
My annuity must be kept stable	2 0,4%
Allow us to change or move our money to other companies	2 0,4%
Other/Don't know/Nothing	235 41,8%
Table Size	562 109,8%

CONTACT DETAILS

DANIE VAN ZYL

Head: Guaranteed Investments

Sanlam Employee Benefits

Tel: 021 950 2853

Email: danievz@sim.sanlam.com

MAYURI REDDY

Actuarial Specialist

Sanlam Employee Benefits

Tel: 021 950 2988

Email: mayurir@sim.sanlam.com

THERESA TICHAGWA

Actuarial Specialist

Sanlam Employee Benefits

Tel: 021 950 2976

Email: theresat@sim.sanlam.com

VIRESH MAHARAJ

Chief Marketing Actuary

Sanlam Employee Benefits

Tel: 021 950 2795

Email: Viresh.maharaj@sanlam.co.za

WAGIEDA SULIMAN

Business Intelligence

Sanlam Investments Marketing

Tel: 021 950 2952

Email: wagiedas@sim.sanlam.com

KARIN MULLER

Head: Growth Market Solutions

Sanlam Personal Finance

Tel: 021 947 2396

Email: Karin.muller@sanlam.co.za

