

# Sanlam With-Profit Annuity

The **Sanlam With-Profit Annuity (SWPA)** was developed to give pensioners access to quality retirement solutions.

Pensions are guaranteed to be paid for the life of the member and selected spouse, and are **guaranteed never to decrease**.

The underlying portfolio is invested in **Balanced** and **Absolute return portfolios**, and returns are smoothed over six years.

## Starting Pension

The starting pension will be determined based on a quotation which depends on pensioner-specific details and economic indicators at the time of quotation.

For a quotation to determine the starting income you will receive on your preferred option, please [contact us](#).

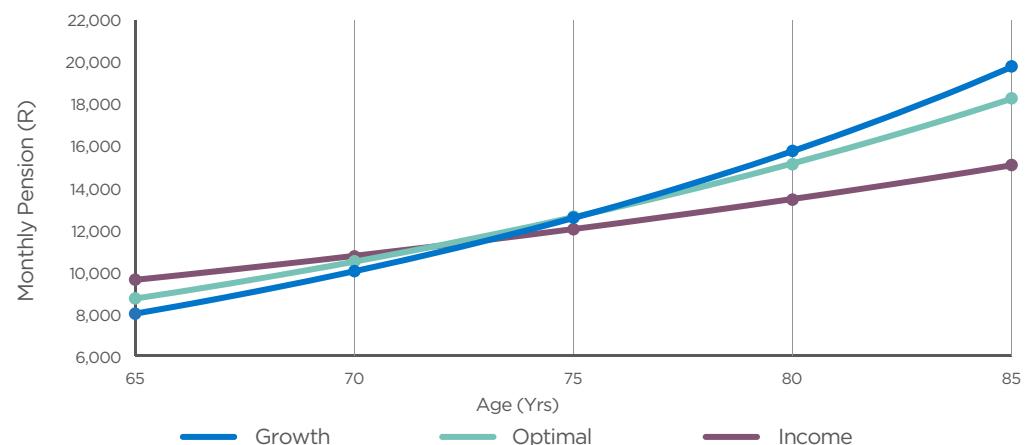
## Future Pension Increases

Future pension increases are driven by performance on the underlying portfolio, smoothed over six years. Increases for the various options differ.

The pension increase is calculated as follows:  
 $(\text{Return} \times \text{IPR}) - \text{PRI} - \text{Product Charge} + \text{Profit Experience}$   
**Return:** the underlying portfolio's gross smoothed return

## Future Pension Projection

Example of the starting and future monthly pension payment for a 65 year old male, assuming 10% per annum future returns before fees.



## The following increase options are available on Sanlam With-Profit Annuity

### Growth

Pensions grow fastest with the Growth option. Pension increases have full investment participation (IPR). Starting pension will be lower than other options. This option will preserve the purchasing power of your pension the longest. The PRI is 3.5%.

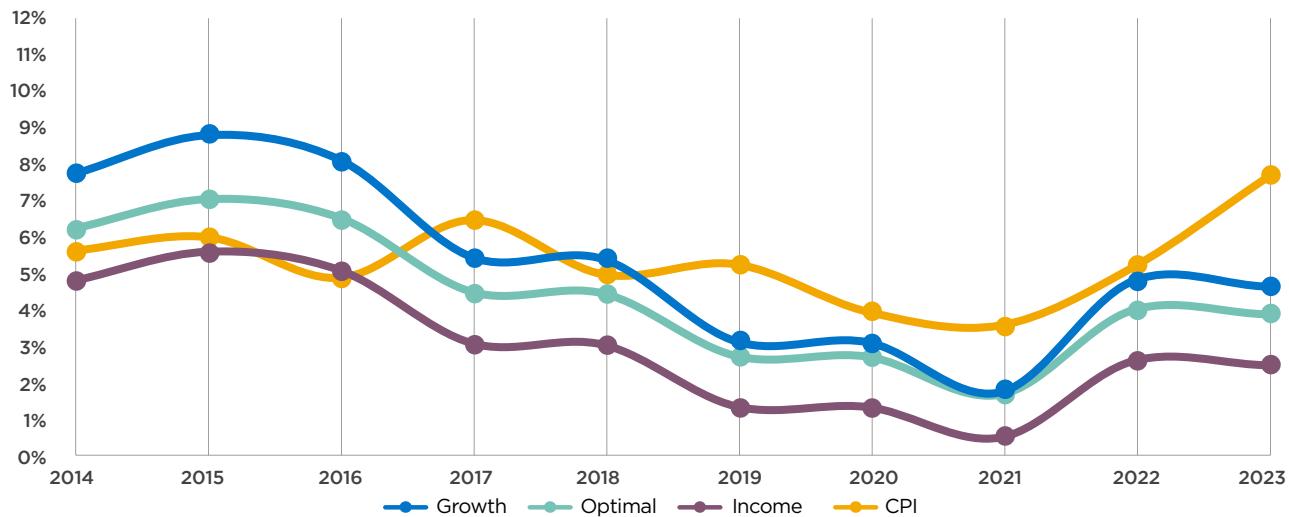
### Optimal

Pensions grow steadily with the Optimal option, whilst still offering a strong starting pension. Pension increases have 75% investment participation. This option offers a balance between a high starting pension and strong future pension increases. The PRI is 2%.

### Income

The starting income will be higher than other options. Pensions grow with good investment returns, but at a slower rate than other options. Pension increases have 75% investment participation. The PRI is 3.5%.

### Past Pension Increases



### Increase Option

### Growth

### Optimal

### Income

### CPI

Increase Option	Growth	Optimal	Income	CPI
<b>2019</b>	2.88%	2.44%	0.95%	5.10%
<b>2020</b>	2.78%	2.36%	0.87%	3.70%
<b>2021</b>	1.27%	1.21%	0.00%	3.30%
<b>2022</b>	4.35%	3.56%	2.05%	5.00%
<b>2023</b>	4.16%	3.41%	1.91%	7.60%
<b>10 Year Average</b>	<b>5.17%</b>	4.18%	2.70%	<b>5.20%</b>
<b>10 Year (% of CPI)</b>	<b>99%</b>	80%	52%	<b>100%</b>

### Post-Retirement Interest Rate (PRI)

Only participating returns above the PRI are converted into pension increases.

### Investment Participation Rate (IPR)

The proportion of investment returns that pension increases will participate in.

### Product Charge

1.5%, which covers the cost of the guarantee that pensions cannot decrease. Gross of fees returns are used in the pension increase formula.

### Profit Experience

Small adjustment if mortality experience differs from expected, because pensioners share in each others' profits and losses.

For more information, [view our brochure](#) or email [annuitysupport@sanlam.co.za](mailto:annuitysupport@sanlam.co.za)

