



FUND FACT SHEET

Engineering Industries Pension Fund

FUND INFORMATION AS AT 31 MARCH 2025

Your pension fund is in excellent health and fully funded. Over the past 7 years, it has consistently outperformed inflation by an average of 6.6%, helping your savings grow in real terms. Even during challenging market conditions, the fund safeguards your bonuses, ensuring stability and peace of mind.

Below is a summarised breakdown of the Fund's membership and financial position:



Fund membership
+/- 11 000 and **20 000**
active pensioners



Investment management fees
0.14% of total Fund value
per annum



Total Fund value
R97bn



Financial position
100% Funded

TWO-POT RETIREMENT SYSTEM

Legislation refers to "pots" as "components".



**VESTED
POT**

Can only access retirement money at termination of employment



**SAVINGS
POT**

Allows access to a portion of retirement while in employment



**RETIREMENT
POT**

Cannot access money while employed. Help save for retirement

EMERGENCIES ONLY



REMINDER

Two Pot withdrawals reduce the benefit that will be available on retirement!

INVESTMENT PERFORMANCE AS AT 31 MARCH 2025

OUTPERFORMED INFLATION

Annual average
over the last
7 years

interest
DECLARED

11.3%

INFLATION

4.7%

OUTPERFORMED
inflation by

6.6%
per annum

DECLARED FUND INTEREST

The table below sets out the history of declared returns in comparison to inflation earned over the past 7 years:

Period	Final fund interest rate declared	Inflation rate	Return above inflation
1 April 2018 - 31 March 2019	8.0%	4.5%	3.5%
1 April 2019 - 31 March 2020	0.0%	4.1%	(4.1%)
1 April 2020 - 31 March 2021	26.0%	3.2%	22.8%
1 April 2021 - 31 March 2022	14.0%	5.9%	8.1%
1 April 2022 - 31 March 2023	7.0%	7.1%	(0.1%)
1 April 2023 - 31 March 2024	11.0%	5.3%	5.7%
1 April 2024 - 31 March 2025	15.0%	2.7%	12.3%
Annual average over the last 3 years	11.0%	5.0%	6.0%
Annual average over the last 7 years	11.3%	4.7%	6.6%



BONUS SMOOTHING:

Actual returns earned in a particular year which are held back are transferred to the investment reserve and distributed to exiting members as an exit bonus in line with the Fund's bonus smoothing policy.

"When the Fund performs very well, some profits are saved for later. If the Fund has a bad year, these savings help keep bonuses stable,"



Contributions towards your retirement

BREAKDOWN OF RETIREMENT CONTRIBUTION CALCULATIONS

Description	Contributions as a percentage of pensionable salary
Employer Gross Contributions ¹	10.50%
Member Retirement Contributions	7.50%
Total contributions	18.00%
Less: Death Benefits (3 x Salary+ Fund Credit)	-2.00%
Less: Disability Benefits (75% of Salary on Disability) ²	-0.80%
Less: Administration fees	-0.50%
Total Net Retirement Contributions ³	14.70%

1. The Employer Gross Contribution includes a subsidy currently set at 2.20% of Salary, from the Fund's Reserve Account.
2. Contribution for disability benefit is paid to the separate Permanent Disability Scheme.
3. Net retirement contributions



TOTAL MONTHLY CONTRIBUTION TOWARDS RETIREMENT AS A PERCENTAGE OF PENSIONABLE SALARY

14.7%

IN SERVICE MEMBER BENEFITS

- **Fund credit at:**
 - Retirement
 - Resignation
 - Retrenchment
- **Death benefit**
 - 3 X Annual salary plus Fund Credit
- **Disability**
 - 75% of salary + Full Employer Contribution waiver (i.e. 10.5% less PDS actual contribution)

UNCLAIMED BENEFITS

Former members can verify unclaimed withdrawal benefits on the FSCA website



Pension increases and bonuses

PENSION INCREASES



Annual average over the last **7 years**

PENSION increases

5.95%

INFLATION

4.68%

OUTPERFORMED inflation by

1.26% per annum

The returns are net of investment fees and are based on the market value of assets. The Fund's pension increase policy is to grant pension increases equal to inflation (CPI).

Period*	Pension increase	*Inflation rate	Pension increase above inflation	**Annual Bonus
31 March 2019	4.50%	4.52%	-0.02%	-
31 March 2020	4.20%	4.14%	0.06%	-
31 March 2021	5.00%	3.20%	1.80%	2.00
31 March 2022	7.50%	5.90%	1.60%	1.50
31 March 2023	7.50%	7.10%	0.40%	2.00
31 March 2024	8.00%	5.30%	2.70%	1.80
31 March 2025	5.00%	2.70%	2.30%	1.00
3 year average p.a	6.83%	5.02%	1.81%	1.60
7 year average p.a	5.95%	4.68%	1.26%	0.83

History of pension increases in comparison to inflation

* Pension increases are awarded on 1 July of each year but based on inflation and returns at 31 March

** Multiple of monthly pension

BONUSES

0.83 TIMES monthly pension

Annual average over the last **7 years**

IMPORTANT:

Although the annual average has been indicated, it should be noted that bonuses are not guaranteed and depend on performance and affordability.

RECOMMENDATION ON ANNUITIES



THE TRUSTEES RECOMMEND THAT YOU PURCHASE YOUR PENSION IN THE ENGINEERING INDUSTRIES PENSION FUND PENSIONER POOL

FOR MORE INFORMATION CONTACT US



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Or visit our website
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