

ANNEXURE “H”

LIVING ANNUITIES STATISTICS

1 PURPOSES OF STATISTICAL ACTIVITY

1.1 The purposes of the living annuities statistical activities set out in this **Annexure “H”** include:

1.1.1 measuring and monitoring drawdown levels on retirement capital;

1.1.2 identifying trends in living annuity drawdowns;

1.1.3 providing a centralised source of living annuity drawdown information for ease of access by the public and industry participants;

1.1.4 educating consumers on living annuities and accepted drawdown rates so that they don't risk diminishing their income;

1.1.5 having industry living annuity statistics available to provide to government or regulatory authorities when required.

1.2 By sharing the information contemplated in the statistical activity set out in this **Annexure “H”**, it is also envisioned that economic efficiency, competition and consumer wellbeing in the living annuity market will be enhanced.

2 PARTICIPATING MEMBERS

2.1 ASISA members who offer living annuity policies may choose to participate.

3 PROCESS

3.1 Participating Members must submit the required data in the required format to

ASISA's Third-Party Service Provider on an annual basis by 31 March each year (or such alternative period as specified by ASISA from time to time).

- 3.2 ASISA's Third-Party Service Provider will collect and collate the Individual-Level Data and generate the Collated Statistics.

4 LIVING ANNUITY STATUS (“LAS”) REPORT

- 4.1 The LAS Report consists of the proportional split of clients categorised by age group and drawdown bands as per the table below.

Age band	Income band							Total
	2.5%-5.0%	>5.0% - 7.5%	>7.5% - 10.0%	>10.0% - 12.5%	>12.5% - 15.0%	>15.0% - 17.5%	>17.5% - 20.0%	
<55	2%	3%	2%	3%	5%	2%	3%	20%
55-59	2%	3%	2%	3%	5%	2%	3%	20%
60-64	2%	3%	2%	3%	5%	2%	3%	20%
65-69	2%	3%	2%	3%	5%	2%	3%	20%
70-74	-	2%	2%	2%	2%	2%	-	10%
≥75	-	2%	2%	2%	2%	2%	-	10%

4.2 Guidelines for completing the table:

- 4.2.1 Two tables are required, using number of policies and assets as the weights respectively;
- 4.2.2 The percentages in the tables must be expressed relative to the total fund size, i.e. the table as a whole adds up to 100%;
- 4.2.3 The tables are based on the most recent income percentage selected by the client.

4.3 In addition the LAS Report includes the following information:

- 4.3.1 the size of the member's living annuity book;
- 4.3.2 the number of living annuity policies;



- 4.3.3 the gross flows into living annuity funds for the year;
- 4.3.4 the average income drawdown level (client and fund size weighted) across all of the living annuity funds under administration;
- 4.3.5 the percentage of clients not compliant with the guidance on appropriate investments as set out in **Standard 2** of the **Standard on Living Annuities**.

5 COLLATED STATISTICS

- 5.1 From the Individual-Level Data submitted, ASISA’s Third-Party Service Provider will produce Collated Statistics containing Aggregated Data only,

6 SHARING AND PUBLICATION

- 6.1 Collated Statistics will be published on the ASISA website on an annual basis.

7 RESPONSIBLE SPA AND COMMITTEES

Responsible Senior Policy Advisor	ASISA Point Person to the Marketing and Distribution Board Committee
Responsible Board Committee	Marketing and Distribution Board Committee
Responsible Standing Committee	Standards and Disclosures Standing Committee

8 DOCUMENT HISTORY

Effective date	31 July 2023
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Date of amendment	Nature of amendment