



Navigating remuneration and member behaviours

Retirement Funds Survey – Eighth edition





Content

01	Foreword	03
02	Executive summary	04
03	About the survey	06
04	Governance features of the funds	07
05	Remuneration	08
06	Two-Pot implementation	17
07	Cybersecurity	20
08	Contacts	22



01 Foreword

We are delighted to present the results of our eighth Retirement Funds Survey. The findings of the survey are based on responses received from 52 funds. Of these funds, 17% have assets greater than R30bn, 71% have assets greater than R50m but less than R30bn and the remainder have assets less than R50m.

Our retirement fund specialist group designed and conducted the survey. Many of the questions were retained from previous surveys to enable us to identify and benchmark unfolding trends. We also introduced new questions to gain a clearer view of how funds are responding to shifts in the industry.

This report covers the following focus areas:

- fund officials' activities and their remuneration;
- Two-Pot implementation; and
- cybersecurity.

I wish to thank all respondents for their generous contribution of time, information, and insights, which has made this report possible. As with previous surveys, individual responses will remain confidential.

Julanie Basson
Retirement Funds Leader
PwC South Africa
March 2026

A photograph of two men in a modern office setting. One man, younger with dark hair and a beard, is wearing a dark blue shirt and is pointing at a laptop screen. The other man, older with grey hair and a beard, is wearing a white shirt and brown trousers. They are standing at a dark table. The background shows a large window with a view of greenery outside.

02 Executive summary

Navigating a changing retirement landscape

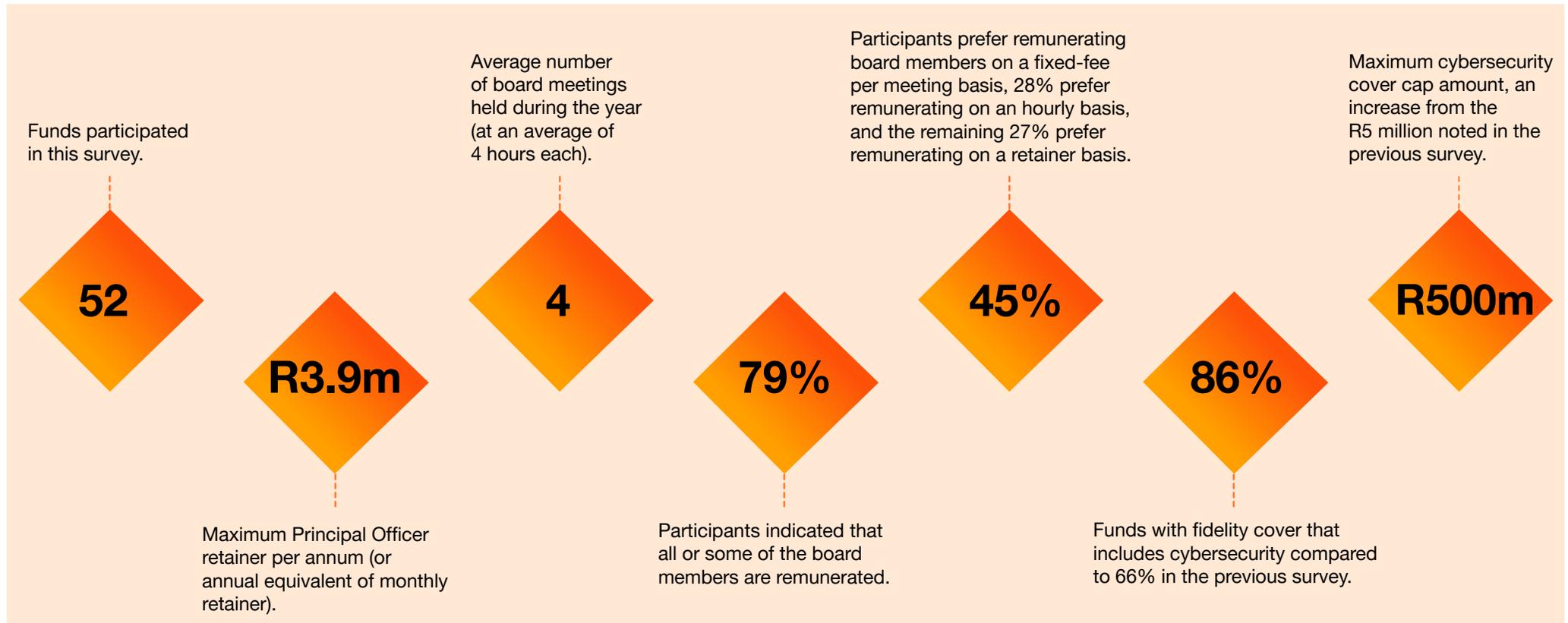
Change is no longer a slow, distant idea in South Africa's retirement system—it's happening right now, reshaping how people save, withdraw and protect their future. Funds across the country are being pushed to rethink long-standing practices as member needs shift and new risks emerge. Boards are adapting how they work, how they make decisions, and how they safeguard members' interest in a world where access to savings is easier. This eighth edition of the survey captures these turning points and what they mean for members, employers and leaders who guide the system.

One visible sign of this increased pressure is the shift in how board members and Principal Officers are compensated. Payment structures have become far more intentional, with the majority of funds opting for fixed fees per meeting, while the remainder remunerate equally between hourly rates and retainer-based models. For Principal Officers, remuneration remains on a monthly or annual retainer, as expected. The responsibility for determining and funding these remuneration approaches is now shared across boards, sponsors, and the funds themselves.

The Two-Pot System has added another layer of change. With members now allowed to access a portion of their retirement savings during their working years, funds are seeing steady withdrawal activity—especially from members facing financial strain. This shift is not just about process; it's about behaviour. It challenges funds to guide members more confidently, helping them understand how short-term relief can affect long-term security.

Cybersecurity has quickly become one of the biggest responsibilities on a board's agenda. Even without recent attacks, funds are responding to the reality that threats are constant and evolving. Many now include cyber protection as part of their insurance cover, and new regulatory standards are pushing funds to take a deeper, more critical look at the security of their service providers. Tougher questions, stronger controls, and ongoing testing are becoming the norm.

The survey tells a clear story of adaptation. Governance structures are becoming more professional. Member access is becoming more flexible. And protection of data, processes, and outcomes is taking centre stage. Times are changing, and people need to understand these shifts because their everyday decisions, whether taking a withdrawal, trusting a digital process, or voting for a trustee—now carry bigger and faster consequences.



Source: PwC analysis

03 About the survey

Our eighth Retirement Fund Survey is based on responses received from 52 funds of which 17% have assets greater than R30bn, 71% have assets greater than R50m but less than R30bn, and the remainder have assets less than R50m.

Of the 52 participants:

22 were stand-alone funds

30 were made up of specialised funds (umbrella, preservation and retirement annuity funds)

Of the funds surveyed:

27%

are managed as a group, typically made up of 2 to 5 funds, with a single remuneration structure covering the entire group, as opposed to separate fees for each fund.

Table 1: Participating funds

	2026	2023
Stand-alone funds (funds that serve a single employer)	22	27
Specialised funds	30	33

Source: PwC analysis

Table 2: Asset of respondents

	2026	2023
Large public interest entity funds (assets greater than R30bn) (R10bn threshold used in 2023)	9	15
Large non-public interest entity funds (assets greater than R50m but less than R30bn) (R10bn threshold used in 2023)	37	41
Medium funds (assets greater than R6m but less than R50m)	6	3
Small funds (assets less than R6m)	0	1

Source: PwC analysis



04 Governance features of the funds

Administration

Ninety-six percent of the funds surveyed are administered by a professional service provider, while the remaining 4% are self-administered.

Number of board members

Boards have an average of eight members of which two are independent.

Number of board meetings

On average, boards hold four meetings per year, with each meeting running for an average of four hours per meeting, down from an average six hours compared to 2023.

Sub-committees

Majority of the participants have the following sub-committees:

- audit and risk meeting on average 3 times per year;
- investments meeting on average 4 times per year;
- benefits meeting on average 5 times per year; and
- communication meeting on average 4 times per year.

These sub-committees meet on average for three hours per meeting.

05 Remuneration

Remuneration of board members

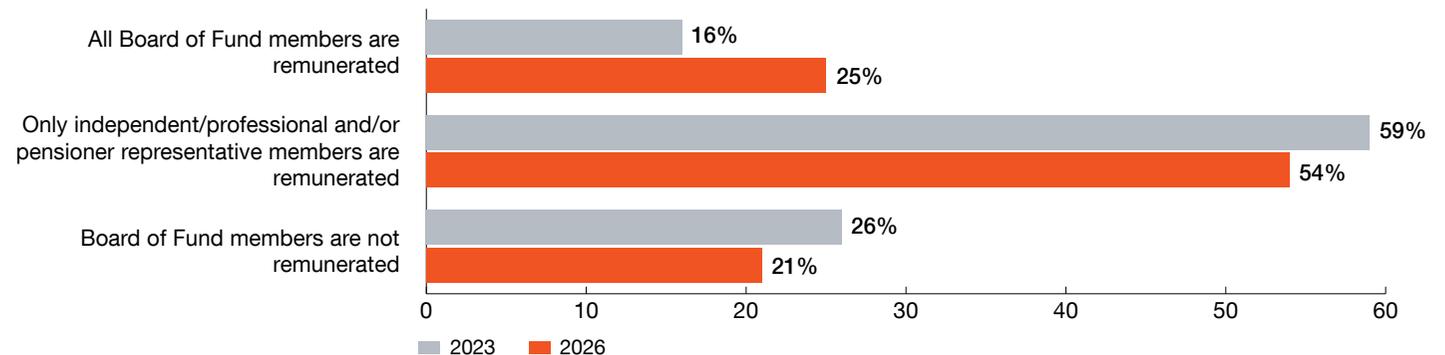
Between 2023 and 2026, the data shows a clear shift towards more inclusive board remuneration.

- Funds that remunerate all board members increased notably from 16% to 25%, pointing to a growing move towards consistent remuneration practices.
- Funds that only pay independent or professional trustees and/or pensioner representatives dropped from 59% to 54%, suggesting a shift away from compensating a narrow group of board members only.
- Funds with unpaid boards also declined from 26% in 2023 to 21% in 2026.

These shifts suggest that funds are re-evaluating how they structure and support boards, moving towards balanced remuneration practices.

As with previous surveys, if respondents indicated that board members were not remunerated, we asked them to indicate the reason. In most cases the reason given was that board members were already employed by the employer or the sponsor and no additional remuneration was considered necessary.

Figure 1: Remuneration of board members by fund type (% remunerated)



Source: PwC analysis



Responsibility for setting remuneration

Among the funds that remunerate their board members, the responsibility for determining how much they are paid is shared between different governance factors.

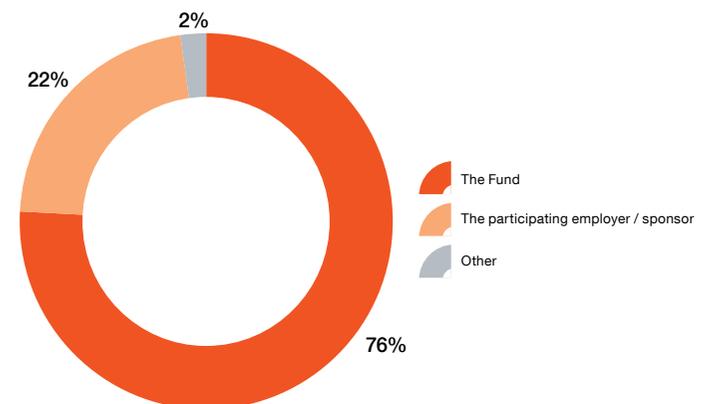
45% of the participants indicated that the board or sub-committee is responsible for setting the remuneration level of their board members. Whereas, for 50% of the funds, the level of remuneration is set by the participating employer or sponsor. Lastly, 5% of funds indicated that the setting of the remuneration levels is a combined decision of the sponsor and the Board of Fund.

This mix of approaches highlights the varying levels of autonomy and oversight within fund governance structures.

Responsibility for paying remuneration

The responsibility for paying board remuneration also varies across funds. 76% of the participants indicated that the fund is responsible for paying the remuneration of board members, and 22% indicated that the remuneration is paid by the participating employer/sponsor. A small proportion, 2%, adopt a shared-cost approach, with both the fund and the sponsor contributing to remuneration payments.

Figure 2: Responsible party for paying remuneration to the Board



Source: PwC analysis

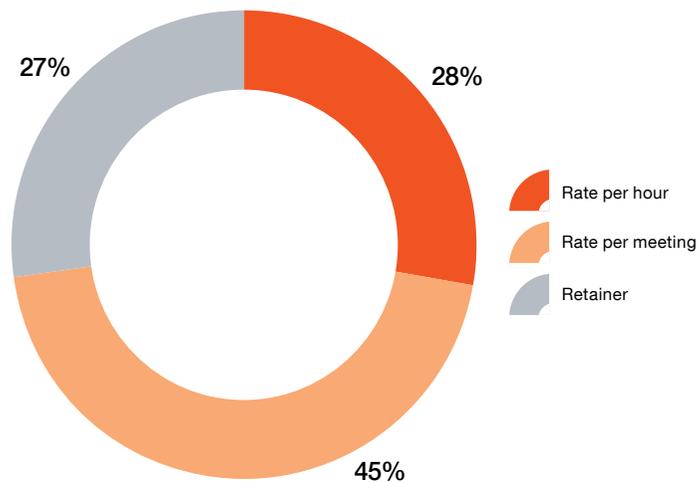
Frequency of remuneration review

As in previous surveys, remuneration is typically reviewed or benchmarked annually, with 88% of funds conducting a yearly review. This year, no funds indicated that remuneration review/benchmarking has never been undertaken.

Basis of remuneration of board members

We noted a growing number of funds choosing to pay their board members a fixed amount for each meeting attended (45%). An equal split between funds remunerating on an hourly basis and a retainer basis was noted for the remainder of the respondents, indicating that diverse approaches remain in place depending on governance needs and board workload.

Figure 3: Basis of remuneration of the board members



Source: PwC analysis





Average remuneration for board members

The tables below depicts the average and maximum remuneration earned by chairpersons, independent/professional, employer and member elected, and pensioner representative board members for serving on the board. Overall the average rate per hour varied between R2,929 per hour to R4,727 per hour, with a maximum rate per hour of R6,820.

For fixed fee per meeting, which 45% of participants indicated as the preferred model of remuneration, the average fee ranged between R7,690 to R15,303, with a maximum fee per meeting of R28,957.

Table 3.1: Average and maximum remuneration of board members for serving on the board

Chairperson	2026				2023			
	Stand-alone funds		Specialist funds		Stand-alone funds		Specialist funds	
	Average	Maximum	Average	Maximum	Average	Maximum	Average	Maximum
Retainer per annum	R371,934	R655,920	R381,160	R1,350,000	R375,550	R612,800	R422,463	R683,600
Fixed fee per meeting	R15,303	R25,182	R14,069	R28,957	R7,970	R15,000	R8,237	R15,000
Rate per hour	R4,727 **	R6,820 **	R3,383	R3,901	R3,782	R3,800	R3,909	R5,275
Increase of the rate per hour (3 years)	25.0%		(13.5%) ^a					

^aThis decrease is specifically attributed to 2 funds included in the 2023 survey at high rates, and did not participate in the current year.

Independent/professional board member	2026				2023			
	Stand-alone funds		Specialist funds		Stand-alone funds		Specialist funds	
	Average	Maximum	Average	Maximum	Average	Maximum	Average	Maximum
Retainer per annum	*	*	R143,071	R258,300	R301,046	R499,992	R301,190	R410,159
Fixed fee per meeting	R11,455	R19,491	R13,774	R23,116	R7,066	R9,600	R7,300	R10,000
Rate per hour	R4,000 ***	R4,000 ***	R2,929	R4,000	R3,178	R3,200	R4,503	R4,748
Increase of the rate per hour (3 years)	25.9%		(35.0%) ^a					

Source: PwC analysis

^aThis decrease is specifically attributed to 2 funds included in the 2023 survey at high rates, and did not participate in the current year.

* No amount indicated by any of the participants

** Only 2 surveyed funds indicated remuneration on this basis

***Only 1 surveyed fund indicated remuneration on this basis

Navigating remuneration and member behaviours – Retirement Funds Survey



Employer appointed/member elected board member	2026				2023			
	Stand-alone funds		Specialist funds		Stand-alone funds		Specialist funds	
	Average	Maximum	Average	Maximum	Average	Maximum	Average	Maximum
Retainer per annum	R249,115	R374,046	*	*	*	*	*	*
Fixed fee per meeting	R7,690	R25,182	R600***	R600***	R6,133	R11,000	R6,950	R10,400
Rate per hour	R3,446 **	R6,820 **	*	*	R1,922	R2,750	R2,083	R3,467
Increase of the rate per hour (3 years)	79.3%							

Source: PwC analysis

* No amount indicated by any of the participants

** Only 2 surveyed funds indicated remuneration on this basis

***Only 1 surveyed fund indicated remuneration on this basis

We asked participants to specifically indicate the level of remuneration paid to pensioner representatives. The average and maximum remuneration for pensioner representatives for serving on the board are indicated below.

Table 3.2: Average and maximum remuneration of pensioner representative for serving on the board

	2026		2023	
	Stand-alone funds		Stand-alone funds	
	Average	Maximum	Average	Maximum
Fixed fee per meeting	R12,911	R24,000	R7,950	R13,700
Rate per hour	**	R6,820	R2,013	R3,425
Retainer per annum	**	R374,046	*	*

Source: PwC analysis

* No amount indicated by any of the participants

** Only one respondent indicated that pensioner representative Board members are remunerated on a Rate per hour or Retainer basis respectively. No average has therefore been disclosed.



Average remuneration for serving on sub-committees

The table below depicts the average fee per meeting earned by chairpersons, independent/professional, and employer-appointed and member-elected board members for their participation in sub-committee meetings.

Table 4: Average per meeting earned by Board members for serving on sub-committees

Fee per meeting	2026				2023			
	Stand-alone funds		Specialist funds		Stand-alone funds		Specialist funds	
	Average	Maximum	Average	Maximum	Average	Maximum	Average	Maximum
Chairperson	R7,941	R14,145	*	*	R6,197	R12,020	R7,015	R13,500
Increase of the fee per meeting (3 years)	28.1%							
Independent/professional board member	R13,050	R19,491	*	*	R5,525	R9,595	R6,846	R9,600
Increase of the fee per meeting (3 years)	36.0%							
Employer/member elected	R6,557	R11,160	*	*	R3,733	R5,400	R6,170	R10,000
Increase of the fee per meeting (3 years)	143.4%							

Source: PwC analysis

* No amount indicated by any of the participants.

Specialist funds predominantly indicated that Independent/Professional trustees are remunerated on an hourly basis for sub-committees at an average of R2,827 per hour.

Table 5.1: Rate per hour earned by board members for serving on sub-committees

Rate per hour	2026	
	Specialist	
	Average	Maximum
Chairperson	R3,801	R3,901
Independent/professional board member	R2,827	R3,701

Table 5.2: Monthly retainer earned by board members for serving on sub-committees

Monthly retainer	2026	
	Specialist	
	Average	Maximum
Chairperson	R12,718	R31,805

Some funds indicated that the remuneration for servicing a sub-committee of the Board is included in the retainer amount paid to the Board members.

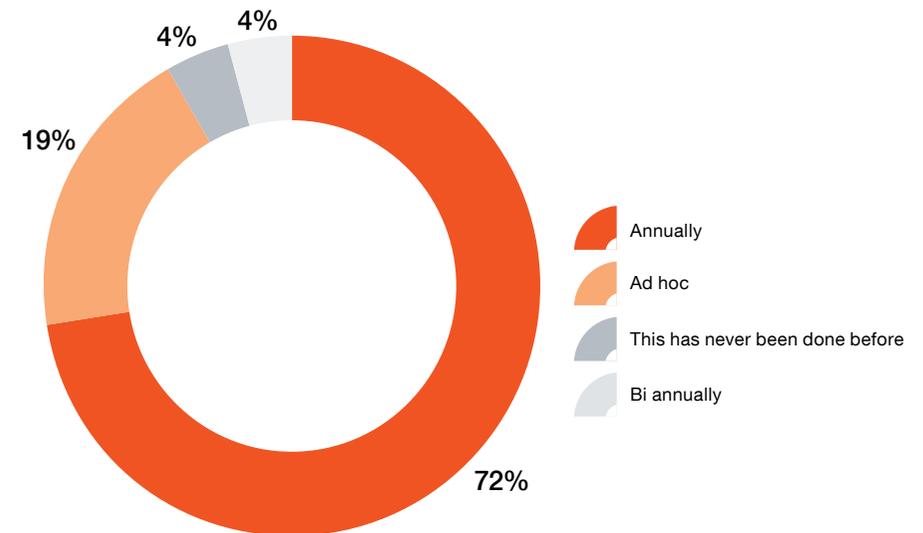


Remuneration of Principal Officers

90% of the respondents indicated that the Principal Officer of the fund is remunerated. In a few cases where the Principal Officer is not remunerated, this is because the individual is already employed by the participating employer or sponsor and is therefore compensated through their existing role.

The Principal Officer's remuneration is determined by the board 57% of the time, while 32% of funds rely on a participating employer to set this amount. For the remainder of the funds, the sponsor/participating employer and the Board both determined the Principal Officer's remuneration. 72% of the time the Principal Officer's remuneration is reviewed annually. In addition, 17% of the funds surveyed have a deputy Principal Officer appointed.

Figure 4: How often is the level of Principal Officer remuneration reviewed?



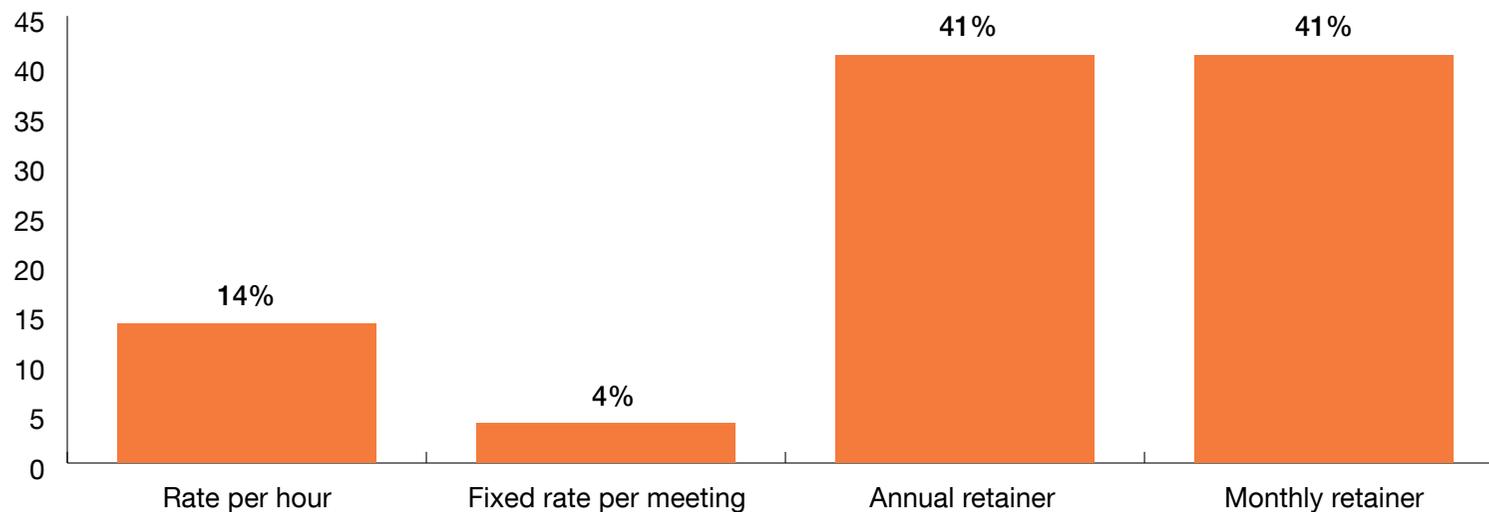
70% of the funds surveyed indicated that the Principal Officer's role is an appointment of an independent individual. In 24% of funds, the Principal Officer is an employee of the fund or an employee of the principal employer, and the remaining funds have an SLA in place with a Principal Officer's office.



Basis of remuneration of the Principal Officer

The majority of the respondents prefer remunerating the Principal Officer using either an annual or monthly retainer.

Figure 5: Basis of remuneration of the Principal Officer



Source: PwC analysis

Average remuneration for the Principal Officer

The table below depicts the remuneration earned by a Principal Officer

Table 6: Remuneration for Principal officer

Remuneration type	2026				2023			
	Stand-alone funds		Specialist funds		Stand-alone funds		Specialist funds	
	Average	Maximum	Average	Maximum	Average	Maximum	Average	Maximum
Retainer per annum (or monthly equivalent of monthly retainer)	R1,479,601	R3,900,000	R1,125,643	R2,700,000	R730,904	R2,000,000	R1,043,721	R2,649,908
Rate per hour	*	*	R1,714	R2,895	R1,465	R1,950	R1,675	R3,050
Increase of the rate per hour (3 years)			2.23%					

Source: PwC analysis

* No amount indicated by any of the participants

Some Principal Officers' remuneration includes a performance component. The key performance indicators are agreed to contractually or aligned with the participating employer's performance management framework.

17% of respondents indicated that the fund has a deputy Principal Officer. Where the deputy Principal Officer is remunerated, this is done on a retainer basis, with an annual amount ranging between R122,850 to R1,522,500.



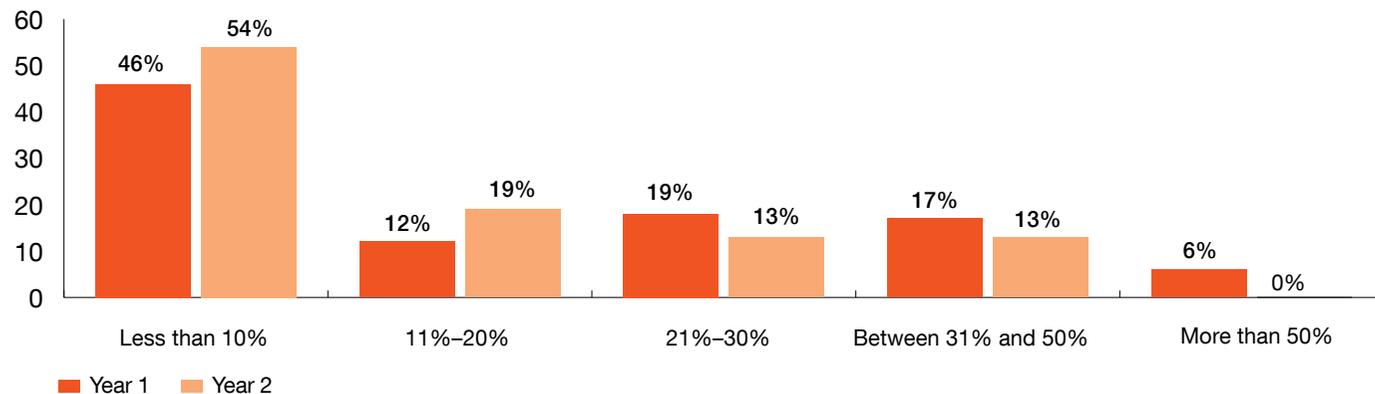
06 Two-Pot implementation

From 1 September 2024, members were able to gain access to the savings “pot” under the Two-Pot retirement system. This change had a significant impact across the retirement industry, with millions of rands being paid to members in the first few weeks of the new system being effective. As a result, clear and consistent member education has become even more critical to ensure that members understand the implications that early withdrawal could have on their future retirement benefits.

In our survey, 46% of the participants indicated that less than 10% of their members accessed their savings benefits in the first year of implementation. By the second year, this had increased, with 54% of respondents reporting that less than 10% of members had taken withdrawals.

This finding is unexpected when compared to broader industry trends which indicate higher withdrawal levels and repetitive behaviour in the second year as members become more familiar with the system.

Figure 6: What percentage of fund members accessed their savings pot in year 1 of Two-Pot implementation, compared to the second year? (1 September 2024 to 28 February 2025 vs 1 March 2025 to date)

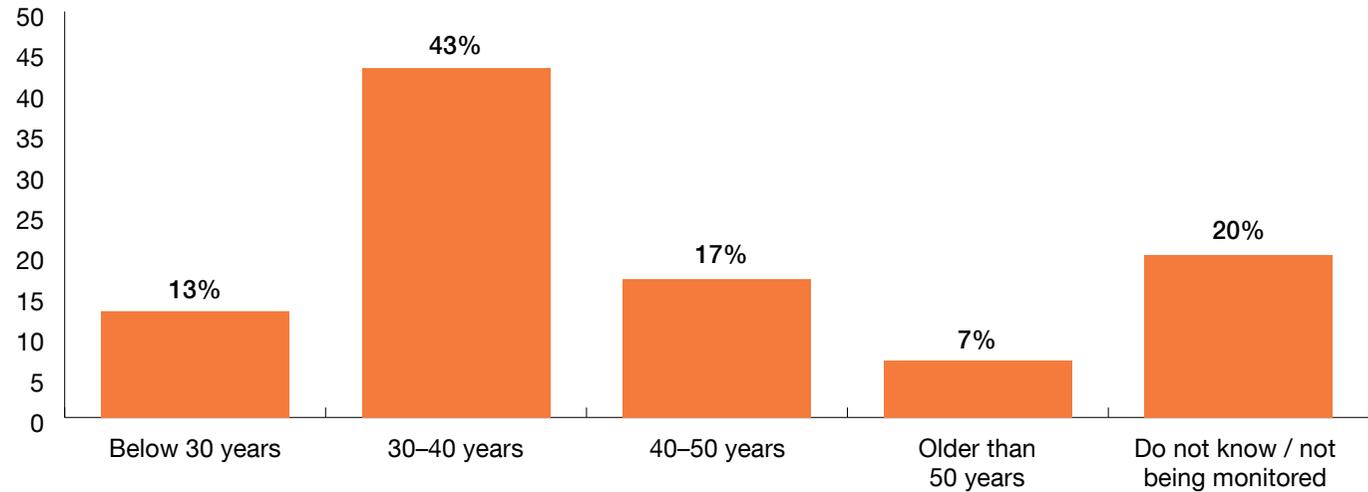


Source: PwC analysis



43% of respondents indicated that the average age of members who elected to have their savings benefits paid out were between the ages of 30 and 40 years, indicating that mid-career individuals, who may be facing financial pressures or changing life circumstances, are more likely to make use of the savings withdrawal option. However, 20% of the funds reported that they are not monitoring the age of the members claiming their savings benefits.

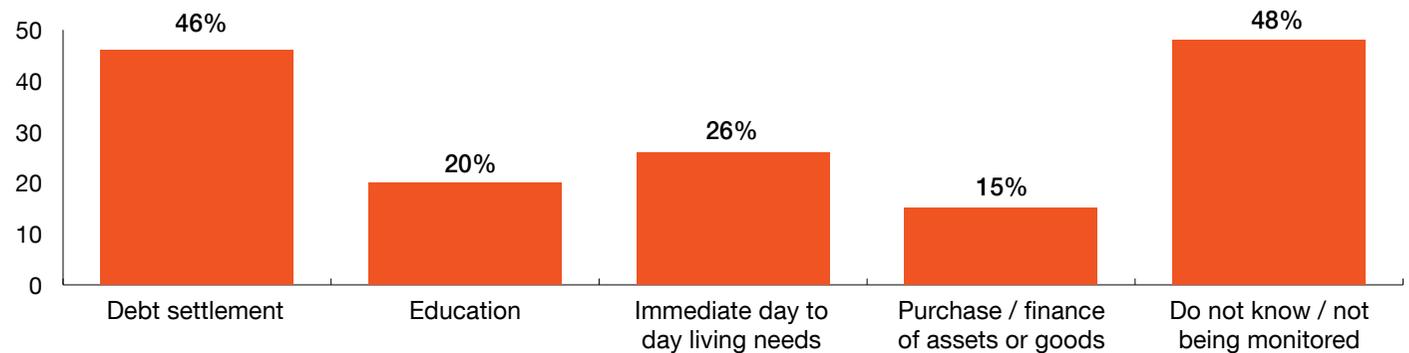
Figure 7: What is the age group of the majority of the savings benefit claims?



Source: PwC analysis

85% of participants indicated that the fund does not enquire about the reason for the savings benefit claim, however the most common known or perceived reason for members claiming these benefits was for debt settlement.

Figure 8: What are the perceived/known reasons for the Two-Pot withdrawals in your fund?



Source: PwC analysis

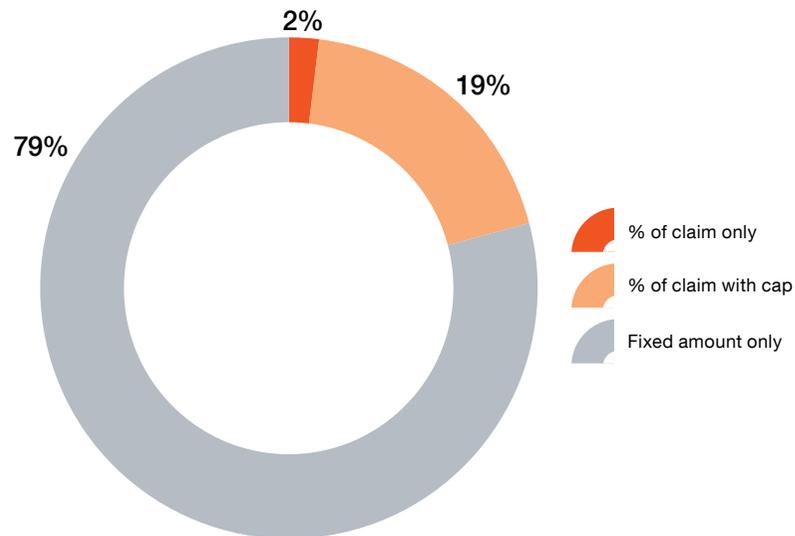


Just over half of respondents (52%) felt that the fund does not need to know the reason for the request. A further 27% said that members should only share this information voluntarily, and then only for statistical reporting purposes. The remaining 21% believed that funds should actively engage with members to clearly explain the consequences of early savings withdrawal on long term retirement planning.

There was, however, a strong consensus on the importance of ongoing communication. 92% of respondents felt that funds should remind members annually how early withdrawals can reduce their future retirement savings.

The Two-Pot System has also influenced administrators' charges for processing withdrawals. In our survey, 92% of participants indicated that the fees charged by administrators per savings claim were tabled and negotiated. Most respondents noted that these fees are charged as a fixed amount per claim.

Figure 9: What type of fee is charged by the administrator per savings claim?



Source: PwC analysis

Where the savings withdrawal fee was capped, we noted that a fee of 2% was charged with a cap of R600. Where a fixed amount was charged, an average of R283 was noted.

Responses were equally divided when participants were asked whether Two-Pot fees should be regulated, and whether the general administration fee has increased as a result of Two-Pot.

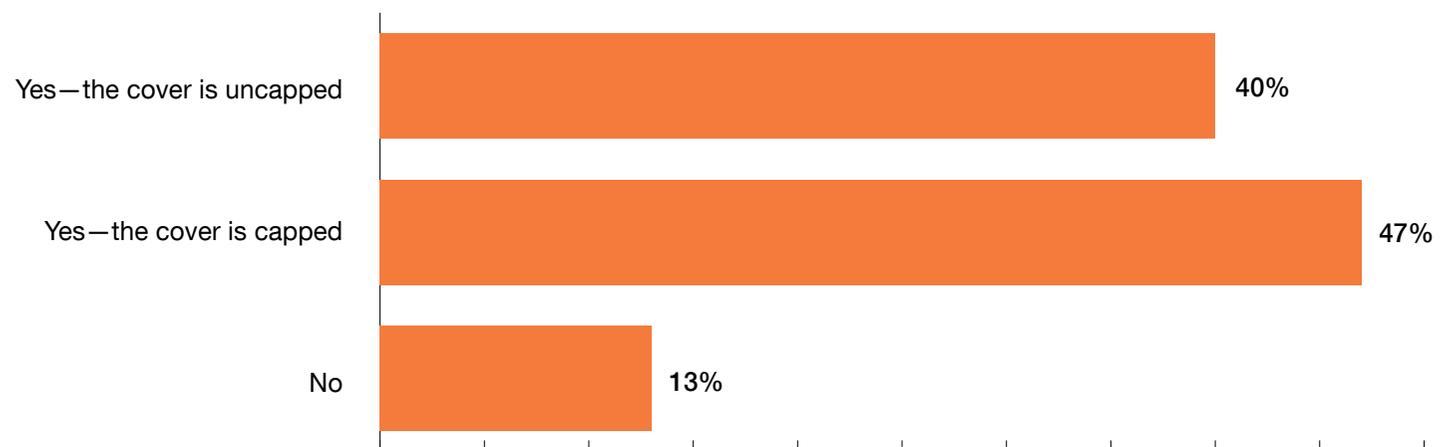
07 Cybersecurity

Given the extensive integration between business models and information technology across most entities, the prevalence of cybersecurity threats and attacks has continued to escalate. In recognition of this growing risk, the Financial Sector Conduct Authority (FSCA) issued the Joint Standard on Cybersecurity and Cyber Resilience, which underscores the need for regulated institutions to adopt robust measures that safeguard critical systems, protect sensitive data, and ensure business continuity.

We asked participants if their funds and/or service providers of the fund have had a cybersecurity threat and/or attack during the most recent financial year. None of the participants indicated that their fund and/or service provider has had a cybersecurity threat and/or attack during the most recent financial year of the fund.

Cybersecurity threats and/or attacks have resulted in an increasing need to have cybersecurity cover. This is an insurance policy which helps manage the impact of cyberattacks on the operations of an entity. 87% of the participants indicated that the fund's fidelity cover includes cyber security/data protection. 47% indicated that the cover is uncapped while 40% indicated that the cover is capped. Where the cover is capped, the cap amount ranged from R100,000 to a maximum of R500m.

Figure 10: Does the fund's fidelity cover include cybersecurity/data protection cover



Source: PwC analysis

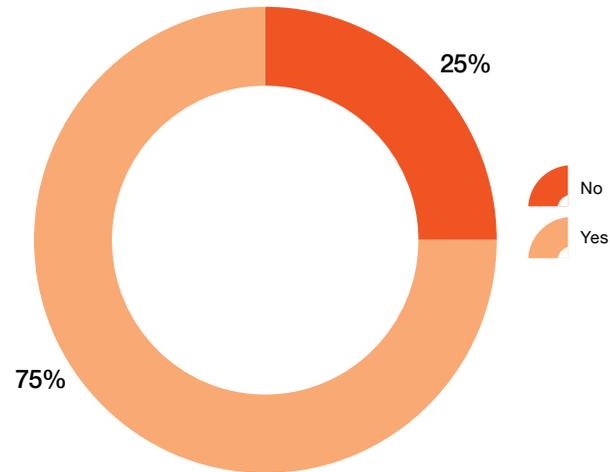


The Joint Standard 2 of 2024, which outlines the requirements for Cybersecurity and Cyber Resilience became effective for funds from 1 June 2025. This standard is applicable to all financial institutions and requires funds to look at how they assess their own cybersecurity risks as well as that of their service providers.

This year's survey results indicate that the standard has had a meaningful impact on governance practices. 75% of respondents indicated that the Joint Standard changed the way that the Fund considers cyber risks at their service providers, and 92% indicated that they have considered the cyber security of their service providers.

These findings highlight that funds are increasingly recognising cybersecurity as a core governance priority and are adapting their practices to meet heightened regulatory expectations.

Figure 11: Did the Joint Standard 2 of 2024: Cybersecurity and Cyber Resilience (effective 1 June 2025) change the way the Fund is considering cyber risks at their service providers?



Source: PwC analysis

Concluding points

South Africa's retirement funds are moving into a new operating reality. Member behaviour is changing under the Two-Pot System, governance roles are becoming more professionalised, and cyber risk is now a standing item rather than an occasional threat. Funds that respond with clearer accountability and better member guidance can protect value for members. The evidence across remuneration practices, Two-Pot System and cybersecurity points to the same destination: better communication, clearer guidance, and the preparedness to meet what's coming next.

08 Contacts



Julanie Basson

Retirement Funds Leader, PwC
South Africa
julanie.basson@pwc.com



Carryn Drummond

Associate Director | Retirement
Funds, PwC South Africa
carryn.drummond@pwc.com



Kopano Mola

Manager | Retirement Funds,
PwC South Africa
kopano.mola@pwc.com



At PwC, we help clients build trust and reinvent so they can turn complexity into competitive advantage. We're a tech-forward, people-empowered network with more than 364,000 people in 136 countries and 137 territories. Across audit and assurance, tax and legal, deals and consulting, we help clients build, accelerate, and sustain momentum. Find out more at www.pwc.com. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

© 2026 PwC. All rights reserved (2026-386-66)