

## SAVING FOR RETIREMENT

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# Glacier by Sanlam calculator helps you find best way forward

### Business reporter

Participating in a Glacier by Sanlam retirement campaign has profoundly changed the lives of two women after they were given a glimpse of what they can look forward to in retirement.

Using the Glacier Retirement Salary Calculator, which calculates your retirement income in today's value, they are now seeing life in a different light and are being more serious about their goals.

**Retirement is an essential part of life for which we need to prepare from a young age.**

**Jaco-Chris Koorts**  
Actuarial consultant

The online calculator helps savers realise how their retirement futures are aligning with their actions today and provides an opportunity to do something about it while there's time. Jaco-Chris Koorts, actuarial consultant at Glacier by Sanlam explains: "Retirement is a part of life for which we need to prepare from a young age. The calculator tries to quantify a difficult concept which is your retirement income.

"It does this by taking into ac-

count the capital you have saved for retirement so far, as well as the contributions you are making, and probably will make in your career until you retire.

"It considers the likely future growth in your salary, and also uses a user-selectable investment return which is based on your investment risk profile.

"It takes the total amount and chosen retirement age and calculates the likely income you will be able to receive and shows you this in today's terms, compared to your current salary."

To illustrate the impact, Glacier took three South Africans and asked them to picture their perfect lives. It then put together a video of that imagined life.

Then it gave each participant an envelope containing their retirement salary in today's value. They were asked if they were

willing to live their perfect lives on that salary. All three refused, little knowing they were turning down the salary they're saving for right now, that they'll be paying themselves in retirement.

Weeks later, the two women who participated in the project agree the process opened their eyes to their savings and retirement realities. It induced changes in their lives. And they're getting there; breaking their goals down into doable pieces and then building on that.

Karin Hendriques is 43, a communications manager who lives with her husband. They have no children and recently bought a house in Cape Town. She doesn't believe she was the kind of test subject Glacier was looking for.

"I said afterwards when watching the video that it was almost a spiritual experience. It reflects

the life I'm living right now and that was quite amazing."

She says: "I realised I must reallocate my investments; I can't save more but I can be more clever in terms of how I manage my investments."

Josephine Mbire, a 31-year-old customer support manager working in a corporate environment, says she was born a Generation Xer, but was raised a millennial.

Participating in the project was life changing, but not in the way Glacier may have anticipated.

"To be honest, I haven't really changed savings or buying habits because it's not easy," she says.

**41%**  
**of your retirement salary can be subsidised by the taxman if done properly**

Josephine Mbire as she watches her projection in *The Perfect Life*.

▶ Watch the video online at [www.citizen.co.za/sanlam](http://www.citizen.co.za/sanlam) or [www.glacier.co.za](http://www.glacier.co.za)

