

# MySavings

Building a more secure future for your employees

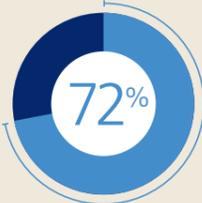


# Helping employees look forward to a secure financial future

For many employees in the GCC, finding a way to build a more secure financial future is a key concern. However, most do not have access to the occupational retirement schemes found in western countries. Instead, employers are obliged to make a lump-sum payment known as the End of Service Gratuity (EoSg).

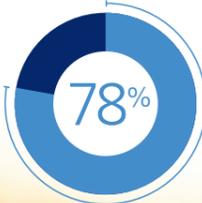
But for the majority of employees the EoSg won't provide sufficient savings for a comfortable future. So employees are increasingly looking to their employers to offer alternatives that will help them secure their financial futures.

The EoSg was designed to compensate expatriate workers for the fact that no government scheme exists for them to build up basic retirement savings. Legislation underpinning this goes back to 1980, and without it many employees would have nothing at all when they retire, as very few save adequately for life after work.



72% of people asked about their retirement savings say they are **not confident** they're saving enough for retirement.

Source: Zurich and Mercer Workplace Savings Survey (UAE) YouGov July 2017.



78% of individuals think their **employer should do more** to help them.

Source: Zurich and Mercer Workplace Savings Survey (UAE) YouGov July 2017.

# MySavings – a holistic solution from Zurich utilising the investment expertise of Mercer

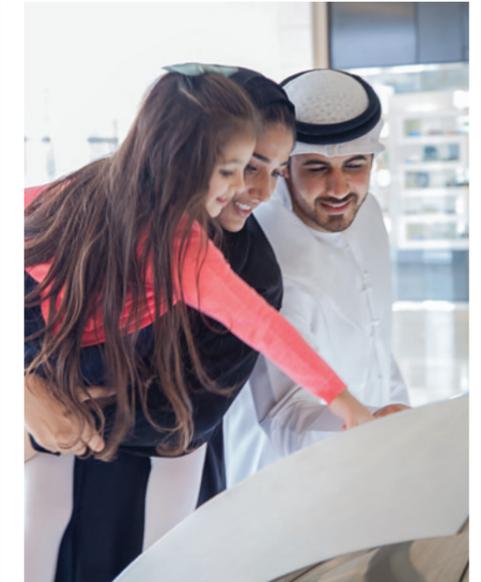
A strong employee benefits package is essential for attracting and retaining the best talent in today's competitive business environment. The challenge is to find a way to deliver this while keeping costs under control.



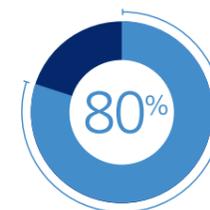
Benchmarking salaries is important in this regard but simply using salary as a retention tool is a blunt instrument – you lack any control once the salary is paid. You also need to consider the long-term financial impact on your business in terms of the calculation of EoS<sub>G</sub> entitlements. Is there a better way – one that is cost-effective and that rewards employees for staying longer with the business?

To meet the needs of your business and your employees, Zurich has developed a holistic solution for workplace savings. **MySavings** makes it easy for employees to save for their future with flexible and tailored investment options from Mercer and a straightforward and transparent product offering from Zurich.

**MySavings** not only helps you to fulfil your EoS<sub>G</sub> obligations – by building up funds on an ongoing basis – it goes one step further and offers a retirement savings solution that helps employees build sufficient savings for a comfortable future.



- **Investment support:** Employees want to invest for the future but many lack experience in doing so. Through **MySavings** you can help employees to make the right investment decisions.
- **Employee engagement:** Through **MySavings** you can communicate regularly with your employees about saving for the future and make benefits visible online, supporting employee engagement and retention.
- **Encouraging saving:** **MySavings** also enables employees to make additional voluntary contributions to their plan.



**80% of employees do not think the End of Service Gratuity will be enough to cover retirement needs.**

Source: Zurich and Mercer Workplace Savings Survey (UAE) YouGov July 2017.

# What sets MySavings apart?



**MySavings** is a workplace savings platform offered by Zurich International Life Limited (Zurich) combining access to a range of dynamic Zurich investment solutions designed and managed by Mercer with Zurich's administration and record-keeping services.

The **MySavings** investment solutions are designed and constructed based on Mercer's innovative investment ideas and investment manager research. Ideas are generated by Mercer's global network of research boutiques, with coverage of more than 30,000 investment strategies.

The combined scale and institutional buying power of Mercer ensures competitive pricing and reduces time spent evaluating different investment approaches and negotiating with managers. As a result, **MySavings** provides Mercer-rated investment solutions at competitive rates.

The **MySavings** platform, including composition of underlying investment solutions, evolves over time to help ensure delivery of better outcomes for members<sup>1</sup>.

*MySavings enables you to create a solution that's tailored to the needs of your employees.*



You can choose to own the plan or set it up under trust using an independent third-party trustee.



Accounts can be segregated to allow for different types of contributions – employer, employee, voluntary contributions, bonus payments, or others as required.



Contributions may be paid at a frequency to fit with your payroll, and ad hoc contributions may be paid at any time.



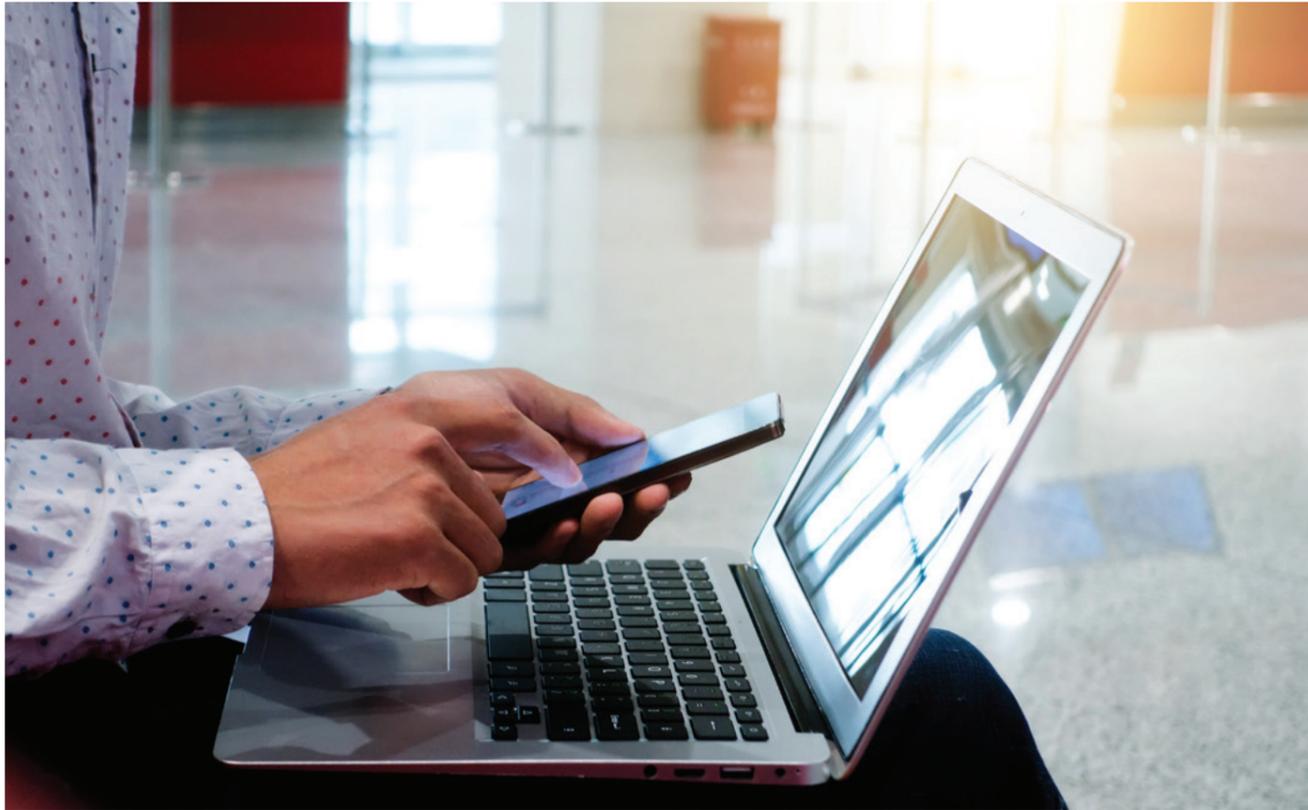
You can set up end-of-service and savings options, including regular withdrawals.



Fees may be taken by unit deduction from members' accounts or by invoice to your business.

<sup>1</sup> Employees who elect to participate in **MySavings** are members of the savings plan.

## Simple online plan administration



Your administrators can manage the plan through Zurich International online, Zurich's secure, internet-based administration system.

It provides:

- around-the-clock password-protected access for plan administrators
- tiered access levels so local administrators can only view and manage those employee accounts for which they are responsible
- functionality to upload employee details and contribution payment details
- password-protected employee access

to their personal account with the ability to:

- view current and historic values
- download reports and valuations
- switch and redirect funds
- nominate beneficiaries
- edit personal details
- view projections of the value of their investments and explore the impact of additional contributions or changes in investment strategy on these values.

### Multiple currency options

- Employees can value their benefits in one of 11 currencies.
- Employee policies will be denominated in the same currency in which their contributions are paid to eliminate currency exchange transactions. Benefits can be paid in any freely convertible currency.

## Comprehensive communications

### Online fund information and analysis

Plan administrators and employees can track investments through a fund centre that provides:

- details of fund prices, charges and various analysis tools
- fact sheets, including performance and holdings data, that can be viewed online or printed
- a tool that enables employees to chart the performance of a portfolio over a selected time period against a chosen fund or sector.



### Delivering effective plan member communications

Zurich will support you with a range of engaging and effective communications that make it easy for employees to understand and join the plan.

Although knowledge of potential lifespan is growing, employees often don't fully understand its impact on their future requirements and how it could affect the amount they need to save. Financially literate individuals are more likely to plan responsibly for their old age, so it's important to raise awareness to help employees make informed choices and take effective action.

Available employee communications include brochures, presentations and webinars, and you can either choose to use the standard materials or tailor the communications to suit your businesses. With the user-friendly interface of the **MySavings** platform and the right communications, your employees will soon feel comfortable with their new savings plan.



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# Flexible and tailored investment options

Long-term savings decisions can be complex and no one solution will be right for everyone.

**MySavings** has the flexibility to cater for all of your employees' needs – from those who wish to construct their own portfolios to those who prefer a default option. Employees will have access to a questionnaire that provides a clear and simple framework to help them make informed investment decisions.

Some employees prefer to have their investment choices made for them, some simply want assistance in allocating investments, and others prefer to make their investment choices on their own.

An employee's preferred investment approach may also change over time.

**MySavings** offers flexible and tailored investment options by segmenting members according to broad investment preferences and designing investment options that will appeal to each segment: 'Do it for me,' 'Help me do it,' or 'Leave me to it.'



## Broad member segments

### 'DO IT FOR ME' MEMBERS

*"I lack the experience and expertise, or time and desire, to make my own investment decisions."*

#### DEFAULT FUND

A professionally managed investment solution that is selected to best cater to the average member

### 'HELP ME DO IT' MEMBERS

*"I want to tailor my investments to my personal requirements, but I need assistance in constructing my portfolio."*

#### RISK-PROFILED FUNDS

A range of five professionally managed multi-asset class funds, varying by investment growth objective. A member questionnaire will help members select the most appropriate option

### 'LEAVE ME TO IT' MEMBERS

*"I want to make my own investment decisions. I am comfortable selecting from the investment options available."*

#### INDIVIDUAL FUNDS

A range of funds categorised by asset class or investment style, which can be used to construct bespoke portfolios

Plan members may adopt one or more of these approaches at any point in their careers

# Working together to support your business

## About Zurich

Zurich International Life is a leading provider of corporate savings plans. For almost 30 years Zurich has been helping customers in the Middle East to protect the financial future of their families and businesses. **MySavings** makes the most of Zurich's global experience, capabilities and financial strength to provide a market-leading offering. Zurich provides the infrastructure on which **MySavings** is built, including the administration platform and employee communications package.

## About Mercer

Mercer delivers advice and technology-driven solutions that help organizations meet the health, wealth and career needs of a changing workforce. The firm is a global provider of investment services with more than 40 years of experience in more than 40 countries, including a dedicated office in the Middle East since 2007. Globally, Mercer advises on more than USD 10.2 trillion in assets (as of 30 June 2016), with assets under management of more than USD 150.7 billion (as of 15 February 2017). The core solutions offered on **MySavings** are designed by Mercer's investment experts based on extensive manager research and asset allocation experience.

## Roles and responsibilities

### Zurich is responsible for:

- issuing **MySavings** policy terms and conditions to the employer
- the collection and investment of all contributions
- the administration and record keeping of member accounts
- access to the range of investment funds available to each plan
- making available an investment questionnaire which helps members understand their risk tolerance
- providing and maintaining ZIO, including issuing passwords to new members.

### Mercer<sup>2</sup> supports Zurich by:

- designing the composition of all investment solutions and ensuring that investment managers continue to meet agreed performance criteria
- allowing the investment solutions to evolve in the future to ensure the range remains competitive and compelling
- avoiding the inefficient build-up of legacy funds within the plan
- providing fund information to allow Zurich to make factsheets available to members
- providing investment and fund management activities for **MySavings**.

## Contact us

### Claudia Maldonado

+971 4327 8700  
claudia.maldonado@mercer.com

### Matthew Thackwray

+971 4327 8700  
matthew.p.thackwray@mercer.com

<sup>2</sup> Reference to Mercer in the Roles and Responsibilities section is to Mercer Global Investments Europe Limited ("MGIE"), incorporated in Ireland under registered number 416688 whose registered office is at Charlotte House, Charlemont Street, Dublin 2. MGIE is authorised by the Central Bank of Ireland as an Investment Firm under Regulation 11 (1) of the European Communities (Markets in Financial Instruments) Regulations 2007. The underlying funds are Irish domiciled UCITS funds (the "Mercer Funds") and the management company is Mercer Global Investments Management Limited ("MGIM"). MGIM and the Mercer Funds are authorised by the Central Bank of Ireland, however, the authorisation by the Central Bank is not an endorsement or guarantee of the Mercer Funds nor does it constitute a warranty as to the performance of the Mercer Funds. MGIE is not registered and does not provide any services in the UAE. The Mercer Funds are not registered for public distribution in the UAE, nor have been reviewed or approved by the UAE Insurance Authority. Nothing in this document constitutes an offer or solicitation of an offer to invest in the Mercer Funds.

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Zurich International Corporate Solutions is a business name of Zurich International Life Limited.

Zurich International Life Limited is fully authorised under the Isle of Man Insurance Act 2008 and is regulated by the Isle of Man Financial Services Authority which ensures that the company has sound and professional management and provision has been made to protect planholders.

For life assurance companies authorised in the Isle of Man, the Isle of Man's Life Assurance (Compensation of Policyholders) Regulations 1991, ensure that in the event of a life assurance company being unable to meet its liabilities to its planholders, up to 90% of the liability to the protected planholders will be met.

The protection only applies to the solvency of Zurich International Life Limited and does not extend to protecting the value of the assets held within any unit-linked funds linked to your plan.

Our International Corporate Products are sold through Zurich International Life Limited.

Zurich International Life Limited is not authorised to offer insurance products for sale in the United States.

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Materials are not intended as an offer to invest and do not constitute an offer or a solicitation of an offer to buy securities in any other country or other jurisdiction in which it is unlawful to make such an offer or solicitation.

Calls may be recorded or monitored in order to offer additional security, resolve complaints and for training, administrative and quality purposes.

Zurich International Life Limited provides life assurance, investment and protection products and is authorised by the Isle of Man Financial Services Authority.

Registered in the Isle of Man number 20126C.

Registered office: 43-51 Athol Street, Douglas, Isle of Man, IM99 1EF, British Isles.

Telephone +44 1624 662266 Telefax +44 1624 662038

[www.zurich.com](http://www.zurich.com)

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The assets under management data reported here include aggregate data for Mercer Investment Management, Inc. and its affiliated fiduciary management businesses globally as of December 31, 2017. The assets under advisement includes aggregated data for Mercer Investment Consulting LLC and its affiliated companies globally ("Mercer"). Data is derived from a variety of sources, including, but not limited to, third-party custodians or investment managers, regulatory filings, and client self-reported data. Mercer has not independently verified the data. Where available, data is provided as of June 30, 2016 (Reporting Date). If data was not available as of the Reporting Date, information from a date closest in time to the Reporting Date, which may be of a more recent date than the Reporting Date, was included. Data includes assets of clients that have engaged Mercer to provide project-based services within the 12-month period ending on the Reporting Date, and assets of clients that subscribe to Mercer's Manager Research database.