Retirement

Alexforbes Invest Retirement Funds

Annual Report 2025

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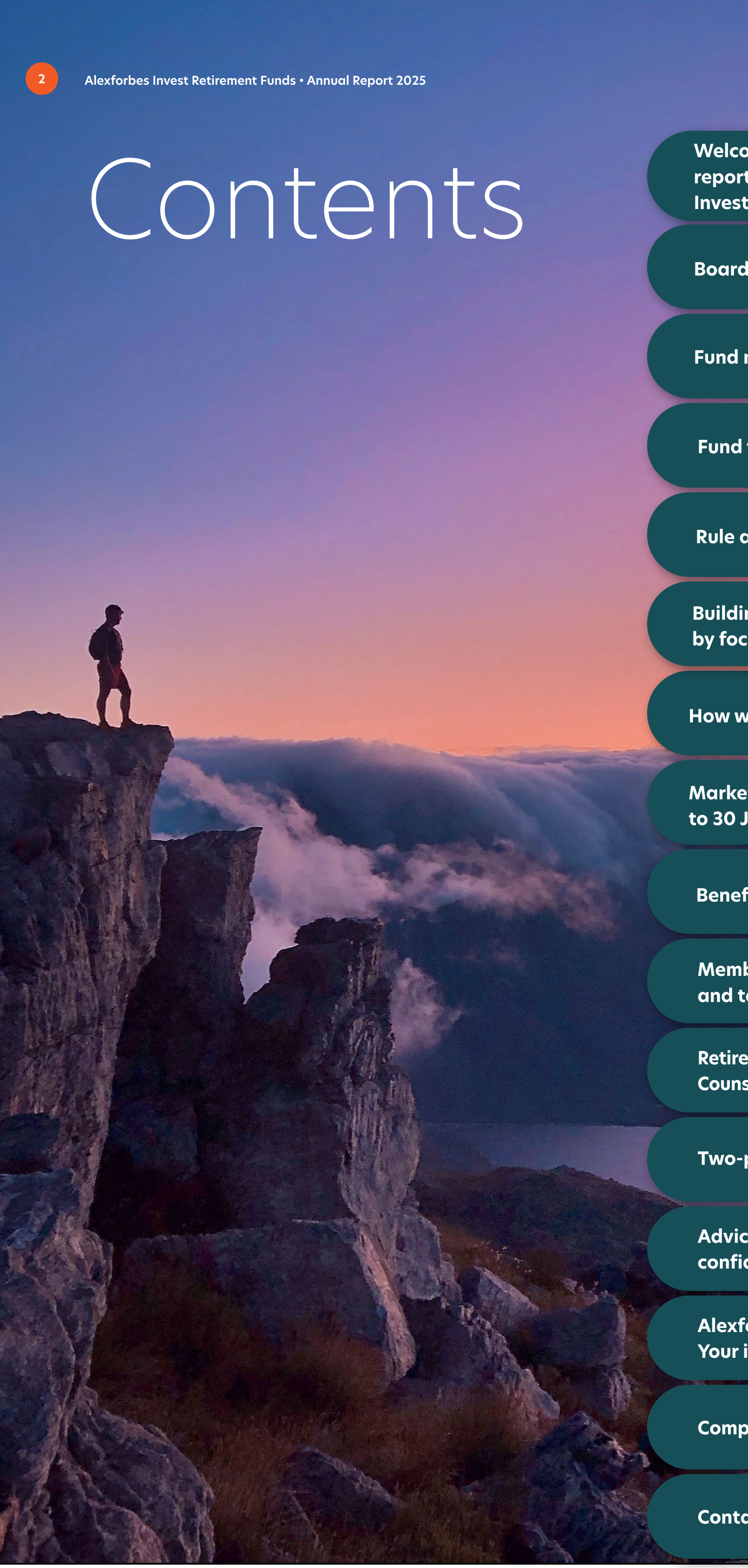
Contents



Welcome to the annual report of the **Alexforbes Invest Retirement Funds**

The Alexforbes Invest Retirement Funds consist of the following **three funds:**

- **Alexforbes Invest Retirement Annuity Fund – 12/8/38212**
- **Alexforbes Invest Pension Preservation Fund – 12/8/38213**
- **Alexforbes Invest Provident Preservation Fund – 12/8/38214**

As a member of one or more of these funds, this report serves to provide you with an update on the activities and financial status of the funds for the period ending 30 June 2025.

Board members

The Alexforbes Invest Retirement Annuity became operational in December 2019 and the two preservation funds in March 2020. While the three funds are separate legal entities, they are managed by the same board.

The board consists of six members, three being external independent members and three members representing the sponsor, Alexforbes Invest (Pty) Ltd.

In addition, the funds have an independent principal officer.

The current board members are:

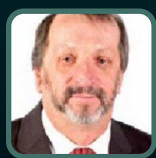
Cheryl Mestern
Independent and chairperson

Sandy Oberholzer
Independent

Michael Prinsloo
Sponsor appointed

Elio E'Silva
Sponsor appointed

Anderson Pillay
Independent



Mark de Klerk
Principal officer

Gareth van Deventer
Sponsor appointed

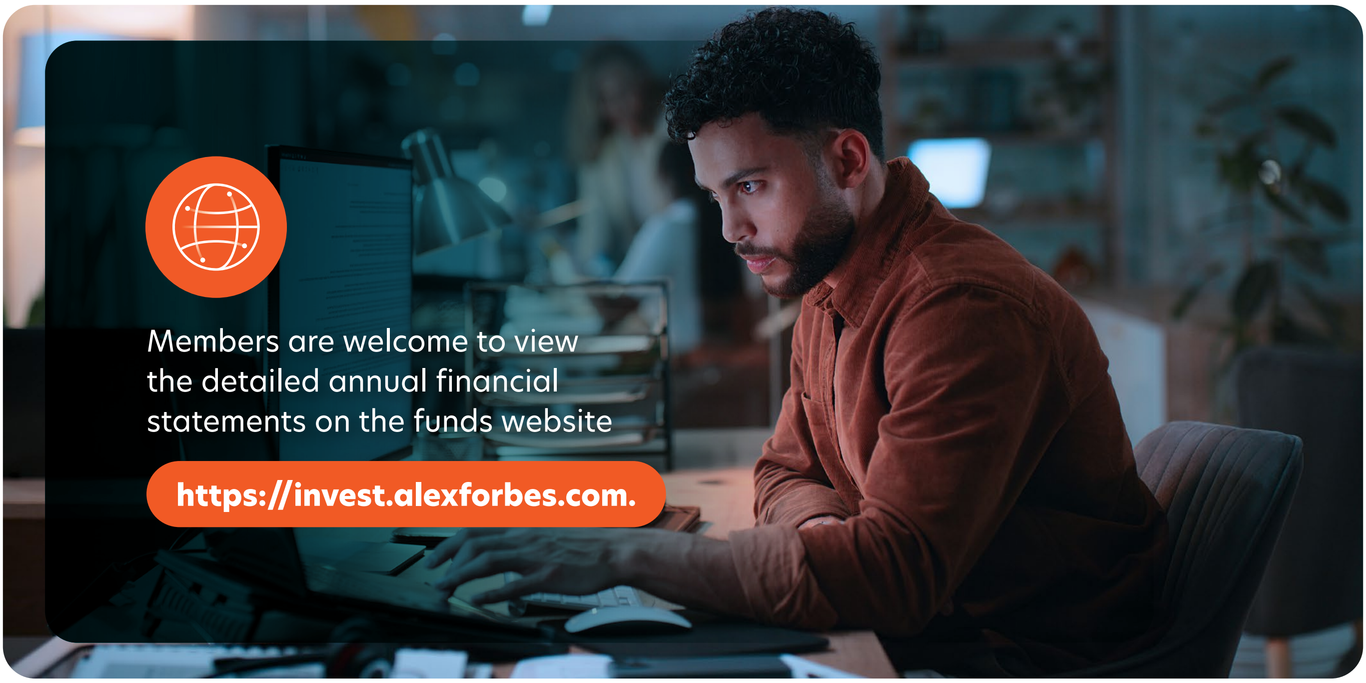
Fund membership
(July 2024 to June 2025)

Fund	Opening balance	Adjustments	New members	Exits	Closing balance
Alexforbes Invest Retirement Annuity Fund	4 123	-1	1 130	-172	5 080
Alexforbes Invest Pension Preservation Fund	150	0	213	-93	270
Alexforbes Invest Provident Preservation Fund	112	1	182	-9	286

Fund financials
(July 2024 – June 2025)

The financial year-end for the funds is 30 June of each year and the annual financial statements are then audited by an external auditor, Deloitte. The board has finalised the review of the annual financial statements and these will be submitted to the Financial Sector Conduct Authority (FSCA) within their set deadline of six months from the year-end date.

July 2024 to June 2025	Assets as at 30 June 2024	Assets as at 30 June 2025
Alexforbes Invest Retirement Annuity Fund	R1 011 903 505.00	R1 301 973 002.00
Alexforbes Invest Pension Preservation Fund	R272 563 395.00	R356 105 424.00
Alexforbes Invest Provident Preservation Fund	R163 332 832.00	R276 136 735.00



Rule amendments

The following rule amendments were made to the fund's rules during the year ending 30 June 2025.

	Date approved by the board	Date registered by the FSCA	Summary
Alexforbes Invest Retirement Annuity Fund (12/8/38212)			
Amendment 10	28 May 2024	21 August 2024	(1) ensuring that the Member's Share as at 31 August 2024 will form the Member's Vested Component; (2) ensuring that all contributions made by and on behalf of the Member that are due and payable with effect from 1 September 2024 are split between a Retirement Component and a Savings Component as required by legislation; (3) making provision for a withdrawal from the Savings Component should the Member so elect; and (4) ensuring that Members may not access their total value of their Member's Share prior to retirement.
Amendment 11	20 November 2024	22 November 2024	To provide that the Expense Account may never have a negative balance
Amendment 12	26 February 2025	13 March 2025	To reflect that the number of Independent Board Members required in order to form a quorum at a Board meeting be at least two, for reasons of practicality
Alexforbes Invest Pension Preservation Fund (12/8/38213)			
Amendment 7	28 May 2024	04 July 2024	(1) To change the name of the Fund; (2) To change the registered address of the Fund; (3) To reflect that the name of the managing entity, referred to as the Sponsor for the purposes of these Rules has changed, by replacing the definition of "Sponsor" in Rule 2.3.45; (4) To correct Rule 3.10.5 as the Rule should not contain two different powers of the Board and to subsequently renumber Rules 3.10.6 to Rule 3.10.12 in the Rules; (5) To correct Rule 3.10.8 to reflect the correct definition of Annuity Strategy Policy as defined in the Rules of the Fund.
Amendment 8	28 May 2024	21 August 2024	(1) ensuring that the Member's Share as at 31 August 2024 will form the Member's Vested Component and may be available to the Member should he exit the Fund prior to retirement; (2) making provision for a withdrawal from the Savings Component should the Member so elect; and (3) ensuring that Members may not access their total value of their Member's Share prior to retirement.
Amendment 9	20 November 2024	26 November 2024	To provide that the Expense Account may never have a negative balance.
Amendment 10	26 February 2025	06 March 2025	To reflect that the number of Independent Board Members required in order to form a quorum at a Board meeting be at least two, for reasons of practicality.

	Date approved by the board	Date registered by the FSCA	Summary
Alexforbes Invest Provident Preservation Fund (12/8/38214)			
Amendment 8	28 May 2024	23 August 2024	(1) ensuring that the Member's Share as at 31 August 2024 will form the Member's Vested Component and may be available to the Member should he exit the Fund prior to retirement; (2) making provision for a withdrawal from the Savings Component should the Member so elect; and (3) ensuring that Members may not access their total value of their Member's Share prior to retirement.
Amendment 9	20 November 2024	26 November 2024	To provide that the Expense Account may never have a negative balance.
Amendment 10	26 February 2025	08 April 2025	To reflect that the number of Independent Board Members required in order to form a quorum at a Board meeting be at least two, for reasons of practicality.

The board has decided that given the number of amendments made to the funds to date, it is now appropriate to consolidate and revise the rules during the 2025/26 year. The revised rules will be submitted to the FSCA for approval.

Building financial security by focusing on outcomes

Alexforbes Invest is designed, first and foremost, as an outcomes based online investment platform. The primary aim of an outcomes based platform, in conjunction with the board, is to help members achieve a measure of financial security at retirement.

Alexforbes Invest supports this by creating personalised retirement solutions for every member. We do this by combining highly efficient, well-diversified investment exposures with our investment tracking technology at a very low cost.

This solution has been proven to work over the previous few years.

In fact, **84%** of all investments on the Alexforbes Invest platform have achieved

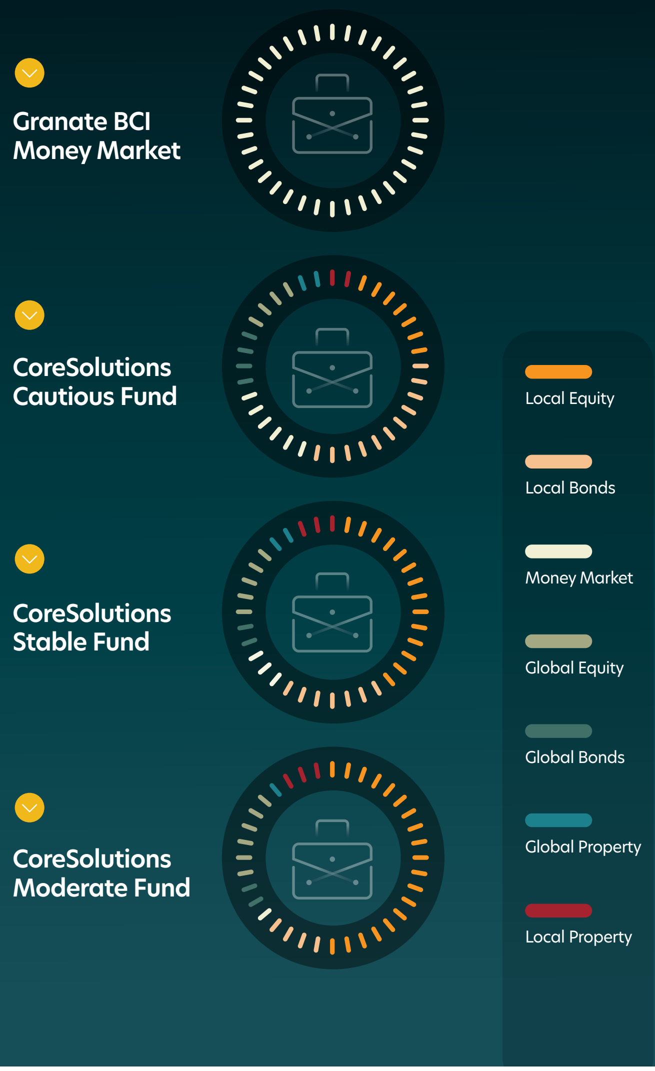
95% or more of their objectives after fees, where investors have followed the guidance of the online digital advice platform and have not withdrawn early.

How we invest for our members

The board uses an investment approach developed by Alexforbes Invest in conjunction with Granate Asset Management. The investment exposures are designed to act as a spectrum of graduated investment risk and return outcomes. Each of them are calibrated to a set of investment time horizons, using a mix of rules-based (passive) and active approaches to investment management.

In the CoreSolutions Funds, a set of strategic asset allocations are followed to manage the funds. The Granate BCI Money Market Fund is a traditional active money market fund. Evidence indicates that active stock selection in money market instruments has added value, whereas for equity markets, it is harder for a traditional active approach to outperform a low-cost rules-based investment approach.

The board, in conjunction with Alexforbes Invest, meets quarterly to review the performance of the funds on the platform, helping ensure that our investment exposures are doing their part in helping members achieve a comfortable retirement. The board will also examine the individual member returns against an inflation-related target to assist members to achieve growth relative to inflation over longer investment periods.



Market review - one year to 30 June 2025

Globally, 2024 ended on a strong note with expectations for moderating inflation and lower interest rates creating a positive outlook going into 2025.

The United States (US) market, in particular, was a standout performer, underpinned by a robust economic backdrop. This dual tailwind of solid growth and cooling inflation created a fertile environment for equities to thrive with equity markets delivering an extraordinary performance, with a remarkable 25% gain (in USD) in 2023 followed by another impressive 18% rise for 2024.

The first half of 2025 was however marred by trade policy uncertainty and geopolitical tensions after US President Trump unveiled sweeping 'liberation day' tariffs in April, and the US and Israel bombed Iran's nuclear sites in June.

These concerns weighed heavily on US and global economies, causing further volatility in financial markets, while raising questions around inflation, interest rate trajectories and monetary policy.

Locally, politics took centre stage as the Government of National Unity (GNU) parties disagreed over the 2025 Budget. Before the dust could settle over the Budget impasse, tensions rose again as President Cyril Ramaphosa fired the Democratic Alliance's (DA's) Deputy Minister of Trade, industry and competition.

Financial markets were however seemingly unfazed by the bouts of political tension, as the DA toned down on threats to leave the coalition. The JSE All Share Index increased by 25.2% (in ZAR) for the 12 months to June 2025 while the All Bond Index and SA Listed Property Index recorded gains of 18.4% and 24.0% (in ZAR) respectively, over the same period, reflecting increased investor ease.

One of the most important ways in which we ensure that our members achieve adequate returns is through a comparison of the returns of the funds against their CPI objectives. Overall, all the funds in which we invest have outperformed their CPI targets over both three and five years.

Fund performance - three years to June 2025:

Fund	3 Year return	CPI target	% of CPI target
CoreSolutions Cautious Fund	11.7%	6.8%	173%
CoreSolutions Stable Fund	13.5%	7.8%	173%
CoreSolutions Moderate Fund	14.9%	8.8%	168%

Fund performance - five years to June 2025:

Fund	5 Year return	CPI target	% of CPI target
CoreSolutions Cautious Fund	19.9%	7.2%	151%
CoreSolutions Stable Fund	12.5%	8.2%	151%
CoreSolutions Moderate Fund	13.9%	9.2%	150%

Sources: Alexforbes Invest, Infront and Morningstar. NAV to NAV, net distributions reinvested. Peer group comparisons are performed using the oldest share class for each fund in the peer group. Past performance is not illustrative of future returns and cannot be guaranteed. CPI targets are based on headline CPI over the periods (3 and 5 years) and annualised. * Annualised return is calculated as the geometric mean return over periods longer than 1 year.

Beneficiary nominations

Beneficiaries can be your dependants or nominees. A dependant can be either a legal dependant, such as your spouse and children, or a factual dependant, a person you are not legally obliged to support but still provide financial assistance to, such as extended family members or friends in need. A nominee is someone who is neither a legal nor a factual dependant but is someone you wish to receive a portion of the benefit.

The Pension Funds Act states that, in the event of your death, your dependants receive preference over non-dependent beneficiaries. This means the death benefit from your fund will not necessarily be paid as you have specified on your nomination form.

The question is then, why bother to nominate at all? It is still important to indicate who you want as your beneficiaries, as the board of your retirement fund will place great weight on your nomination as part of their fiduciary duties in deciding the best outcome for your dependants. The law is enacted to protect vulnerable people who may be overlooked. After every major life-changing event, such as getting married, the birth of a child, getting divorced or if one of your nominated beneficiaries passes away, it is essential to update your beneficiary nomination and ensure we have your beneficiaries' contact details.

You should also revisit your nomination on your retirement funds when you update your will. Nominations save a lot of time, money and delays, and your loved ones will be grateful for your diligence in keeping your nominations updated.

You can update your nominations easily and seamlessly by logging on to your online profile through our website at https://invest.alexforbes.com or on the Alexforbes app.

Member statements and tax certificates

You can obtain your member statement and tax certificates by logging in at **https://invest.alexforbes.com**. You can log in to your profile and retrieve statements at any time, including investment statements and tax certificates.

Retirement Benefit Counselling (RBC)

Legislation requires boards of retirement funds to provide their members with access to retirement benefit counselling (RBC) when they are close to or approaching retirement. RBC gives fund members information about the retirement options available and the issues to consider. It is not a replacement for sound financial advice, but RBC does prepare members to receive advice, as members' personal circumstances differ from person to person.

We believe in the value of relevant information, counselling and objective financial advice from a suitably qualified financial adviser in preparing members to achieve good financial outcomes.

With effect from November 2025, all members will have access to Alexforbes' Enhanced Retirement Benefit Counselling service which will give members the best chance of making informed decisions and provide them with access to financial advice if they need help making decisions that are right for them.

Prioritising early preparation for retirement

Early preparation for retirement provides members with the crucial opportunity to address potential issues, make necessary adjustments and ensure a smoother transition into retirement. Accordingly, Alexforbes will begin engaging members at least five years from retirement, beginning with invitations to attend Retirement Readiness seminars that include the opportunity to meet the local team of financial advisers.

We recommend that you visit the My Money website here

Two-pot retirement system

The two-pot retirement system came into effect on 1 September 2024 with all members having both a savings and a retirement component. A substantial number of members accessed their savings in 2024 and 2025. It must be remembered that the main objective of the savings component is to meet cash needs and retirement income needs at retirement. An option is available for members to meet cash needs before retirement due to financial hardship, but this is not an objective. If the savings component is depleted before retirement, then the member may not have enough savings to meet cash needs at retirement. We suggest that members save for emergencies separately instead of relying on their savings component, as it should only be used as a last resort. They should always get financial advice from an authorised adviser first to make sure it suits their needs.

Advice for all: helping you make **confident financial decisions**

At Alexforbes, **our purpose is to pioneer insight and deliver advice and solutions that genuinely impact people's lives**. Our "advice for all" philosophy is at the heart of this commitment, ensuring that every member, no matter your background, career stage or investment size, has access to expert, accredited financial advice and guidance.

Why does this matter?

Accessible to everyone: Financial advice shouldn't be complicated, expensive or reserved for the wealthy. Every Alexforbes Invest member is part of a powerful advice ecosystem, with no income barriers.

No hidden costs: Your total fee is always shown in rands and cents to keep things as simple and transparent as possible. Our Onefee model also means you don't pay more when you invest more.

Personalised support Whether you're just starting out, saving for your family or planning your retirement, our dedicated advisers are here to guide you every step of the way.

Ongoing support, wherever you are

As an Alexforbes Invest member, you have access to a full ecosystem of support:

Digital platform: 24/7 access to your investments, personalised advice and smart tools to help you stay on track.

280+ professional advisers: Available in person, online or telephonically—ready to answer your questions and guide your decisions.

Ongoing education: Timely updates and learning via WhatsApp, online resources and workplace events.

Recognised for excellence

Alexforbes' dedication to making financial advice accessible and effective was acknowledged at the EBnet Evolutionary Awards, where the organisation received recognition for its innovation in enhancing individual member outcomes. This achievement underscores our sustained commitment to supporting clients at every stage of their financial journey.

Real results for members

This evolution in how advice is delivered is already making a difference for our members and its impact will only grow in the years ahead:

60 000

Trusted by thousands:
Over **60 000** people benefit from our financial advice.

95%

High satisfaction:
95% Customer Satisfaction Score for our advisers.

84%

Digital results:
84% of users on our digital advice platform reach their chosen investment goals.

450 000+

Engaged community:
450 000+ members connected digitally between April 2024 and March 2025.

600

Personal touch:
600+ in-person financial wellness days hosted at workplaces.

Alexforbes Invest:
Your investment destination

Choosing where to invest is about more than just returns. It's about finding a partner who understands your goals, supports your journey and empowers you to achieve financial security. At Alexforbes Invest, we are proud to be that destination for thousands of South Africans.

A platform built for you: Alexforbes Invest is a next-generation digital platform, created to make investing simple, transparent and accessible—no matter your experience level or investment size.

Flexible solutions: Whether you want to invest independently, with guidance or through managed portfolios, Alexforbes Invest offers a range of options to suit your needs.

Personalised guidance: Our digital advice tools help you set and track your goals, while our network of accredited advisers is always available for personal support—online, telephonically or in person.

Ongoing education and support: Stay informed with regular updates, educational content and easy access to your investments – anytime, anywhere.

Alexforbes Invest isn't just a place to invest—it's where your financial goals find a home and where your investment ambitions are our priority.

As a member of Alexforbes Invest, you've chosen more than just a place to invest, you've chosen a trusted partner with a proven track record of helping South Africans achieve their financial goals.

Being part of Alexforbes means you're supported by a comprehensive advice ecosystem, connecting you to expert advisers, digital tools and ongoing support at every stage of your journey. Whether you prefer to invest on your own, with guidance or through a fully managed solution, you have access to world-class investment opportunities, both locally and globally.

Our focus is on making investing accessible, transparent and tailored to your needs. You benefit from:

- **Expert guidance and support:** Accredited advisers and specialists who understand your goals and help you build a plan that fits your life.
- **A wide range of solutions:** From self-directed investing to curated portfolios and global investment ideas.
- **Ongoing education and updates:** Regular performance snapshots, market insights and educational content to keep you informed and empowered.
- **Security and trust:** Your investments are managed with care, transparency and your best interests at heart.

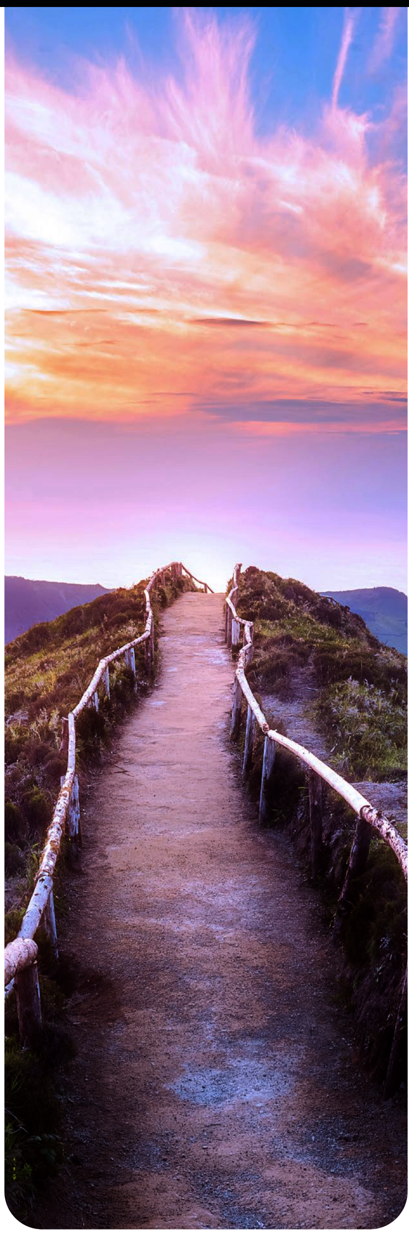
Choosing Alexforbes as your investment destination means you're in the right place to pursue your goals with confidence, knowing you have a partner committed to your success, every step of the way.

Complaints management

The funds are committed to treating their members and beneficiaries fairly, and maintaining a complaints management system and procedure. This procedure is documented should a member or beneficiary wish to lodge a complaint and sets out how the funds intend to resolve it. Where there is any conflict between the policy and the provisions of the Pension Funds Act or the rules of the funds, the Pension Funds Act and the funds' rules, in that order, will apply.

The funds are committed to:

- Resolving member and beneficiary complaints through a fair and practical resolution process
- Dealing with complaints in a timely and fair manner, with each complaint receiving due consideration in a process that is managed appropriately and effectively
- Monitoring complaints from members and beneficiaries to improve the provision of benefits information and to identify any improvements that can be made to the management of the funds
- Reviewing the outcomes of complaints, which can serve as a source of information about the health of the funds' operations and management and administration systems
- Investigating the root causes of complaints to improve the member's experience
- Considering whether a complaint may have affected a wider class of members or beneficiaries and what should be done to remedy this
- Measuring the length of time taken to deal with a complaint, the outcome and how the outcome is communicated to the member or beneficiary to ensure that the funds are treating their members and beneficiaries fairly



Should you wish to lodge a complaint this can be done by submitting the complaint to Alexforbes Invest on invest@alexforbes.com.

If you are not satisfied with the response, you can contact the principal officer of the funds. If your complaint is still not resolved, you are entitled to approach the Pension Funds Adjudicator to lodge a formal complaint in terms of the Pension Funds Act.

Pension funds adjudicator:

Call centre:	0860 662 837
Fax:	086 693 7472
Email:	enquiries@pfa.org.za
Website:	www.pfa.org.za

Contact details

Please visit our website https://invest.alexforbes.com to:

- View your personal information
- Switch portfolios, change or update personal details, change or update your nomination of beneficiaries
- Access your tax certificates and member statements, and view your latest values
- Access the investments funds' fact sheets and the funds' Investment Policy Statement
- View the funds' rules and annual financial statements
- View the Complaints Policy and the Code of Conduct

Alternatively, call our Client Care on 0860 688 837 or send an email to invest@alexforbes.com. The principal officer can be contacted via email at deklerkma@alexforbes.com.

The administrator and fund address details:

115 West Street, Sandton, 2196

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