

Retirement



Alexander Forbes Retirement Fund newsletter

Issue 1 for 2026



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insight • advice • impact

Welcome to the first AFRF newsletter for 2026.

In this issue, we share important fund updates, close off our cyber security awareness series, highlight the value of professional financial advice and introduce tools and resources designed to help you make confident financial decisions.

Stand a chance to win one of 20 Take-a-lot vouchers to the value of R250, by simply participating in our newsletter survey - click on the link below - good luck.

<https://forms.office.com/r/csySyAWXzx>

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Fund updates

Alignment of boards of trustees - Work in progress

The board of trustees for Alexforbes One and the Alexander Forbes Retirement Fund (AFRF) are gearing up to operate as a single board. This change supports consistency, stronger governance and improved oversight across both funds. We look forward to sharing ongoing updates with you in the next newsletter.

Board of trustees

External trustee

Lavinia Khangala (Alexforbes One Chairperson)
 John Liackman (AFRF Chairperson)
 Nazley Sallie (Alexforbes One and AFRF)
 Sandile Khumalo (Alexforbes One and AFRF)

Alternate External Trustees (Alexforbes One and AFRF)

Luyanda Mbatha
 Malande Tonjeni
 Khanyisa Phika

Internal trustees

(Alexforbes One and AFRF)

Fiona Rollason - Vice chairperson
 Karusha Moodley
 Michael Prinsloo
 Alvina Chetty

Alternate Internal Trustee (Alexforbes One and AFRF)

Ziningi Kutama

We'll confirm any changes in the next issue of the newsletter.



Governance levy

Change to charging structure

All members of the fund are charged a governance levy of **R3.75 per member per month**.

The governance levy is a monthly fee paid by all fund members that covers the Fund's day-to-day governance and regulatory expenses. These expenses typically include annual audit fees, Financial Sector Conduct Authority (FSCA) levies, Board of Trustees and Principal Officer costs, cyber security costs, bank charges, and similar approved fund operational expenses. This levy will be applied to align the contribution of all Fund members (Active and Infund) towards the essential cost of Fund governance, ensuring compliance with the law and a high level of data security.

The governance levy differs from your administration fee which covers the cost of maintaining accurate member records, investment switching, processing of transactions, retirement benefit counselling, access to a member portal, member communication, and tools to assist members in making sound financial choices.

Previously, the levy was deducted from monthly contributions. Going forward, the levy will be deducted from your fund credit and applied proportionally across **your savings, vested and retirement pots**.

Who does this apply to?

All Fund members, including Preserved, Paid-up and Deferred Members.

Effective dates

- 1 April 2026 for all active members.
- 1 February 2026 for preserved, paid -up and deferred members.



Cyber security

Staying alert online

In this issue, we conclude our cyber security awareness series. Protecting personal information is not only about protecting yourself, but also your children, family and friends. Being mindful of what you share online plays an important role in staying safe.

Common cyber risks explained

Data breaches occur when hackers gain unauthorised access to systems holding personal information. Members should always monitor their accounts and report any suspicious activity immediately.

Meet Fatima a member of a local fitness club. She enjoys attending classes and using the club's online portal to book sessions and track her progress. One day, she receives an email from the club informing her that its system has been breached and that her personal information may have been compromised.

Concerned, Fatima logs into the portal and notices that her profile information, including her address, phone number and payment details, may have been accessed. She immediately contacts the club for more information.

The club explains that a hacker gained unauthorised access to its database by exploiting a vulnerability in the website. As a result, the hacker was able to steal the personal information of several members, including Fatima. The club is working with cybersecurity experts to secure the system and prevent future breaches.



What happened?

The club's website had a security flaw that the hacker exploited to access sensitive member information. This type of attack is known as a data breach, where unauthorised individuals gain access to confidential data.



Lesson learned:

Organisations must prioritise cybersecurity by regularly updating their systems, conducting security audits and educating members about potential risks. Members should also remain vigilant, monitor their accounts for suspicious activity and take steps to protect their personal information.



Man-in-the-middle attacks often happen on unsecured public Wi-Fi networks. Avoid accessing sensitive information on public networks and use a virtual private network (VPN) where possible.

Meet Simphiwe, a university student who often uses public Wi-Fi at his favourite coffee shop to study and browse the internet. One day, while connected to the coffee shop's Wi-Fi, Simphiwe logs into his online banking account to check his balance. Unknown to Simphiwe, a hacker is also connected to the same public Wi-Fi network.

The hacker has set up a man-in-the-middle attack, intercepting the data being transmitted between Simphiwe's device and the bank's server. This allows the hacker to capture Simphiwe's login credentials and other sensitive information. A few days later, Simphiwe notices several unauthorised transactions on his bank account. He contacts his bank, which confirms that his account has been compromised.



> What happened?

The hacker used a man-in-the-middle attack to intercept and steal Simphiwe's data while he was using public Wi-Fi. This type of attack involves the hacker positioning themselves between the victim and the server, allowing them to eavesdrop on communications and capture sensitive information.

> Lesson learned:

Be cautious when using public Wi-Fi networks, especially for sensitive activities such as online banking. Use a virtual private network (VPN) to encrypt your data and avoid accessing sensitive information on unsecured networks. Regularly monitor your accounts for suspicious activity and use strong, unique passwords.

Credential stuffing happens when the same password is used across multiple platforms. Using strong, unique passwords and enabling two-factor authentication significantly reduces this risk.

Meet David, a busy professional who uses the same password for multiple online accounts because it is easier to remember. One day, he receives an email from a popular streaming service informing him that there has been unusual activity on his account.

Concerned, David logs into his account and notices that someone has been watching shows he did not select. He quickly changes his password and contacts customer support. However, over the next few days, he starts receiving notifications from other services, such as his email and social media accounts, about suspicious login attempts.



> What happened?

David was the victim of a credential stuffing attack. Hackers obtained a list of usernames and passwords from a previous data breach on another website. They then used automated tools to try these credentials on various websites, hoping that people like David reused the same password across multiple accounts. Because David used the same password for different services, the hackers were able to access his accounts.

> Lesson learned:

Always use unique, strong passwords for each of your online accounts. Consider using a password manager to keep track of them. Enable two-factor authentication wherever possible to add an extra layer of security. Regularly monitor your accounts for unusual activity and change your passwords immediately if you suspect they have been compromised.

Staying informed and proactive is one of the most effective ways to protect your retirement savings.



Financial advice in action



This issue concludes our financial advice in action series. Professional financial advice goes beyond investments – it provides clarity, guidance and peace of mind during both everyday decisions and life-changing moments.

From helping members move money into tax-efficient investments, to supporting families during times of loss, financial advisers play a vital role in protecting long-term financial wellbeing.



You have access to professional financial advice as a member of the AFRF. We've made it easy for you to access human or digital advice.



[Click here to get started.](#)

Scenario

How the adviser helped



From taxed to tax free

An adviser explained how a Tax-Free Savings Account (TFSA) works, helping retirees move money from taxed bank accounts into tax-free investments. Over time, this small change resulted in meaningful savings.



Credit cards versus cash: a costly mistake

One client had cash in the bank but was still paying high interest on a credit card. An adviser identified the mismatch and showed the client how to use available cash to settle the debt, saving a significant amount in interest.



A call after loss

When a loved one passed away, the first call the family made was to their financial adviser. During a time of grief and uncertainty, the adviser provided clear, compassionate guidance, easing some of the stress during an already difficult period.



Peace of mind before passing

An adviser rushed to hospital to help a terminally ill client sign a valid will. Without this intervention, the wrong person could have inherited the estate. Instead, the client passed away with peace of mind, knowing their loved ones were protected.



Protecting the vulnerable

After a member passed away, a financial adviser ensured that beneficiaries understood their options, helping to protect them from being taken advantage of during a vulnerable time.



Looking after the ones left behind

In many families, one person manages the finances. When concerns arise about what would happen if that person were to pass away first, an adviser provides guidance, reassurance and support to both partners. It's not just about money, it's about peace of mind.



Save Squad

A lesson for young savers

Save Squad - Kids fables help introduce financial concepts to children in a simple and engaging way. These stories highlight the importance of letting money grow over time and explain compound interest in an easy-to-understand way. In our last issue, we introduced Save Squad - Kids Fables. If you missed it, here's a fun story you can share with your kids about why letting money grow is important.

Explore
the book
here



Uncle Rajesh and the hole filled with his gold

Every week, Uncle Rajesh would shuffle to the old mango tree. He'd dig, peek at his buried box of coins, and sigh, "Ahhhh." But he never used it. Not for bread. Not for milk. Not for dreams.

One night, a sneaky squirrel spotted the hole. The next morning, it was empty. Uncle Rajesh screamed, "**My GOLD! MY LIFE!**"

Neighbour Auntie Kheti came running.

"Did you ever use the money, Rajesh?" she asked.

"No! I only looked at it!"

She shrugged. "Then come look at the hole. Same thing."

From that day, Uncle Rajesh opened a little vegetable shop.

The money moved and grew.

The lesson

Money that simply sits still does nothing. To grow, money needs to work for you. Instead of leaving money in a drawer, talk to your children about opening a bank account for them. Agree to save a small portion of their pocket money every month.

Here's the exciting part: Their money doesn't just sit there - it grows. The bank pays them extra money, called interest. Over time, they earn interest not only on what they save, but also on the interest already earned. It's like a snowball rolling down a hill - it keeps getting bigger. Saving smart means your money works for you, even while you sleep. This same principle applies to the future too. Retirement savings grow in exactly the same way.

That's the power of compound interest.





AFRF Integrated Annual Report highlights

(Year Ended 31 March 2025)

The Alexander Forbes Retirement Fund (AFRF) had a strong year in 2025. Assets under management grew to R142 billion (up from R120 billion in 2024). Contributions totalled R13.2 billion, and R16.5 billion was paid out in benefits. Members also saved significantly through the Fund's umbrella structure, with estimated fee savings of R2.10 billion and tax savings of R2.79 billion. The Fund successfully implemented the new two-pot retirement system, making it easier for members to access savings for emergencies while preserving long-term retirement funds.

Our strategy focuses on five key areas: putting members first, planning for the long term, strong governance, creating positive social and environmental impact, and clear communication. In 2025, we strengthened cybersecurity, improved sustainability practices, and advanced transformation goals. We also continued to embed responsible investing principles, ensuring our investments consider environmental, social, and governance (ESG) factors.

Investment performance was solid despite market uncertainty. The default Balanced Goals-Based LifeStage model delivered competitive returns, and the High Growth portfolio achieved 14.41% for the year. We also expanded investments in private markets to support job creation, infrastructure, and other social priorities. ESG monitoring and proxy voting remain central to our approach, helping us influence positive change.

Member engagement was a major focus. Active membership grew to 370,000, and our enhanced retirement counselling service reached 9,833 members, with 94% saying they felt more confident about their decisions. Digital tools like AF Connect, WhatsApp self-service, and the My Money Matters Toolkit made it easier for members to access information and advice. However, challenges remain—average preservation rates are still low (21.2%), and most retirees achieve only a 25% replacement ratio, so education and engagement will continue to be priorities.

Looking ahead, AFRF will keep improving sustainability reporting, expanding digital engagement, and driving transformation in the investment industry. With strong governance and a clear roadmap, the Fund is well-positioned to deliver better retirement outcomes for members.



A spotlight on Alexforbes Retirement Projection Calculator

The Alexforbes Retirement Projection Calculator helps you estimate your retirement savings and plan more effectively for the future. The two-pot calculator also provides insight into the tax implications of savings withdrawals.

Here are a couple of tutorial videos showing you how to use the calculators:

[Quick calculator](#)

[Advanced calculator](#)

These tools do not replace professional advice. As a member of the AFRF, you have access to both human and digital financial advice to support your financial journey.

Learn more at invest.alexforbes.com/za/en/advice.



Quick links and support

AF Connect

AF Connect allows you to view your benefit statements, tax certificates and fund information securely. WhatsApp self-service also provides easy access to key member information.

- > Connect with an Alexforbes financial adviser
- > Benefit statements
- > Latest tax certificate
- > Claims summary and status
- > Register on AF Connect or reset password
- > Learn more on specific topics
- > Your messages are kept secure with WhatsApp's end-to-end encryption.



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My Money Matters

Looking for clear, helpful financial guidance?

My Money Matters has you covered. From your first job to your final working day, it's packed with expert tips and practical tools to help you make confident money decisions - whether you're switching jobs, saving for retirement or just planning.

It's everything you need to take control of your financial future.



Get in touch:

My Money Matters Centre: 0860 000 381

Email: mymoneymatters@alexforbes.com

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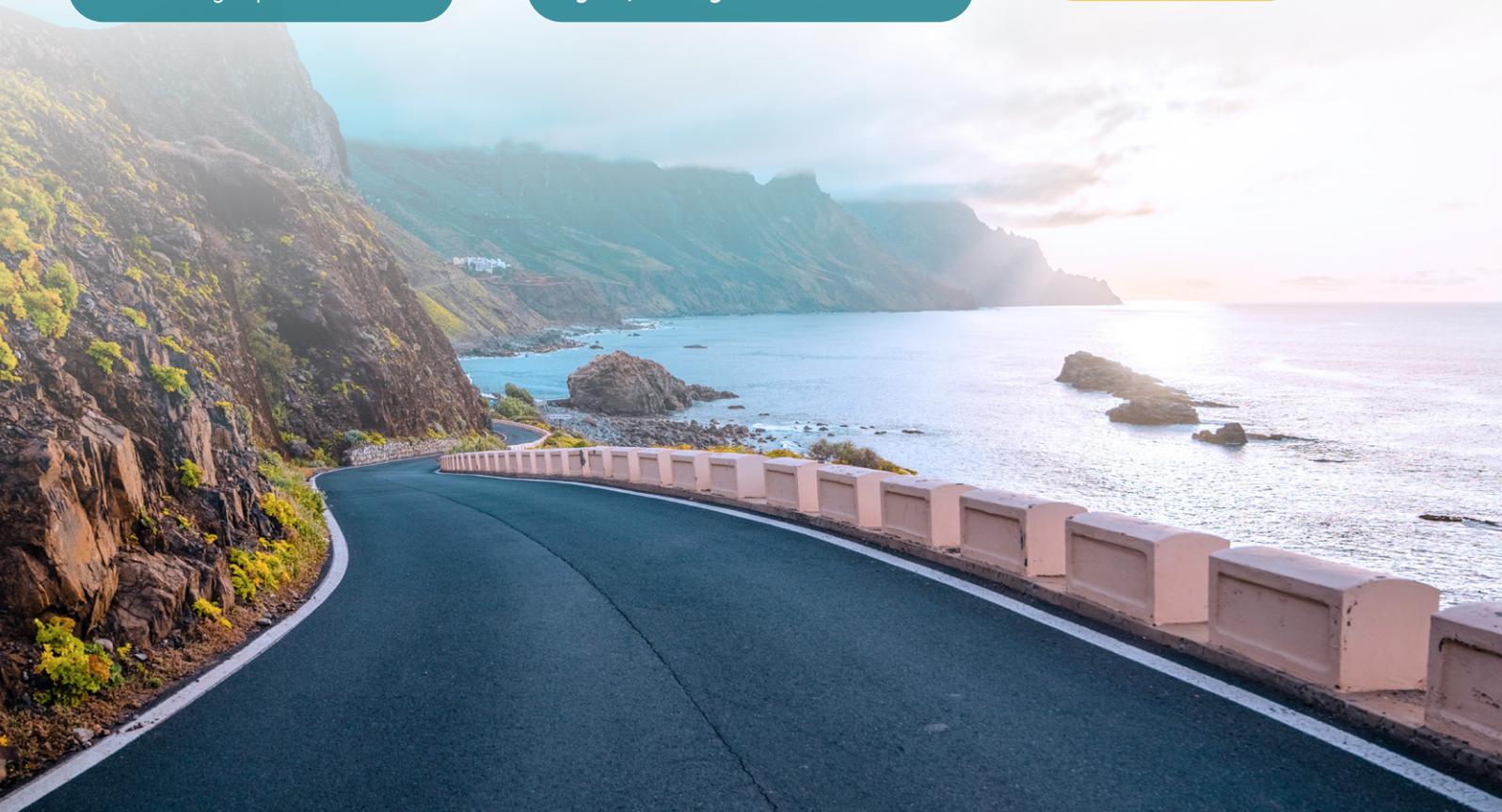
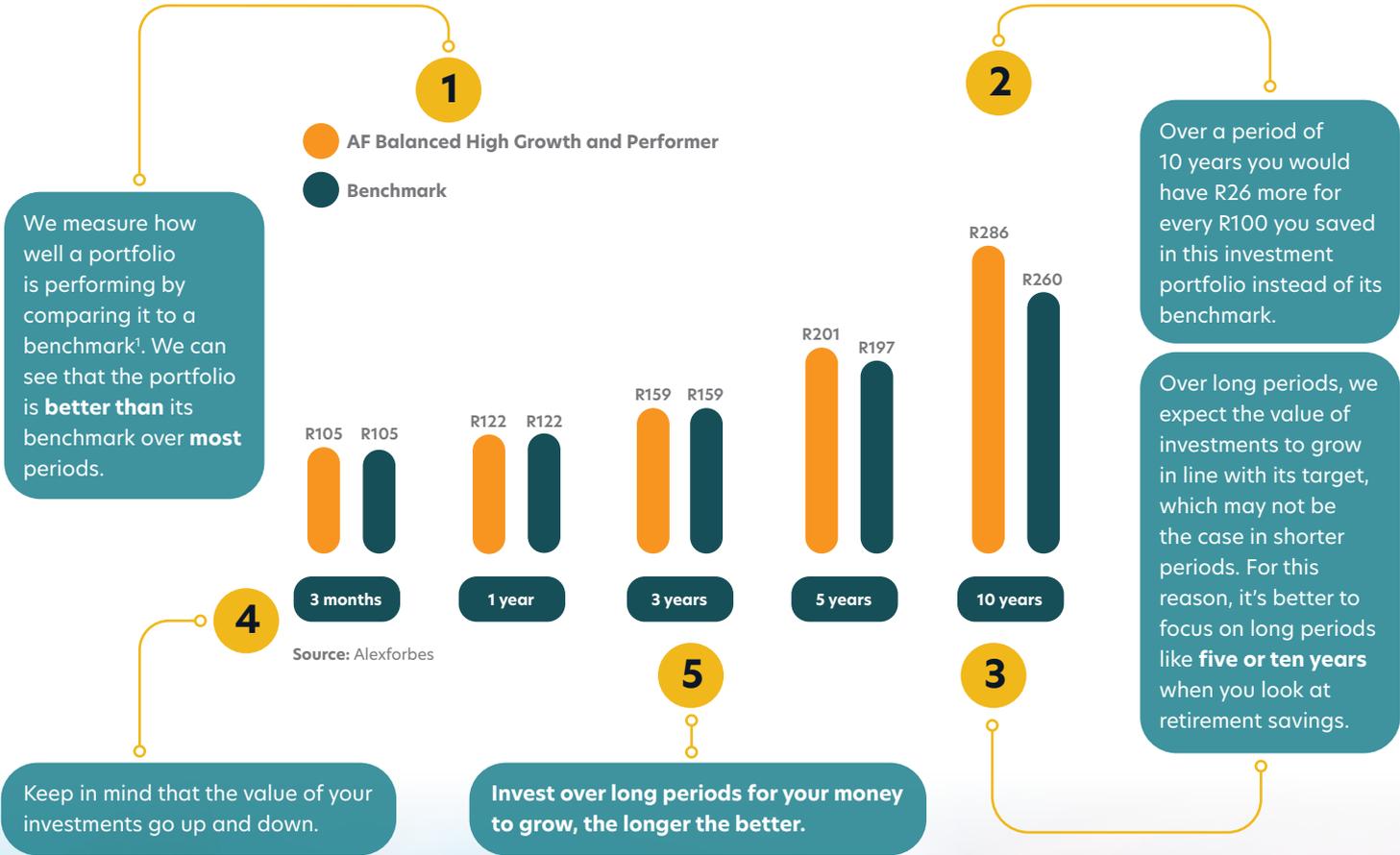


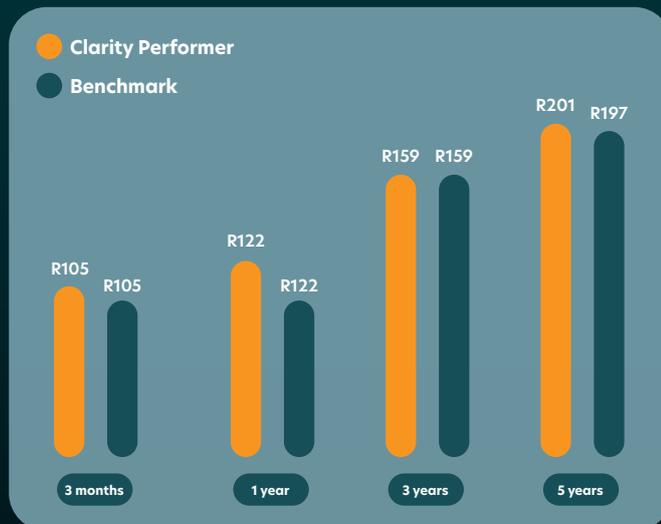
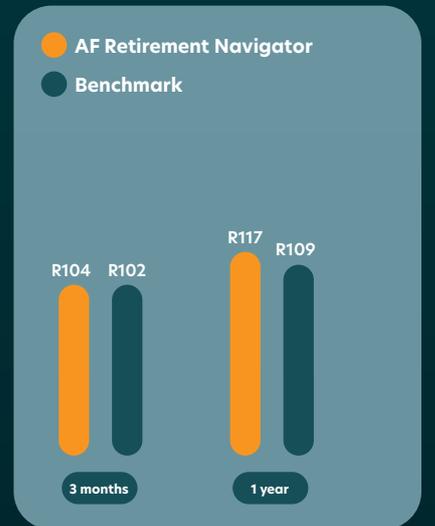
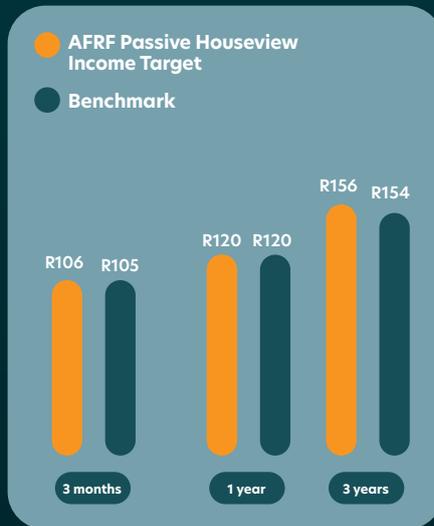
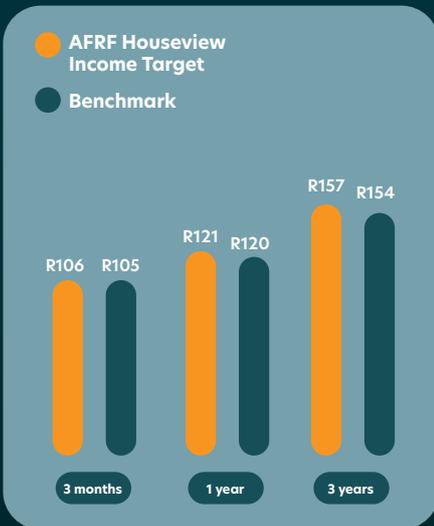
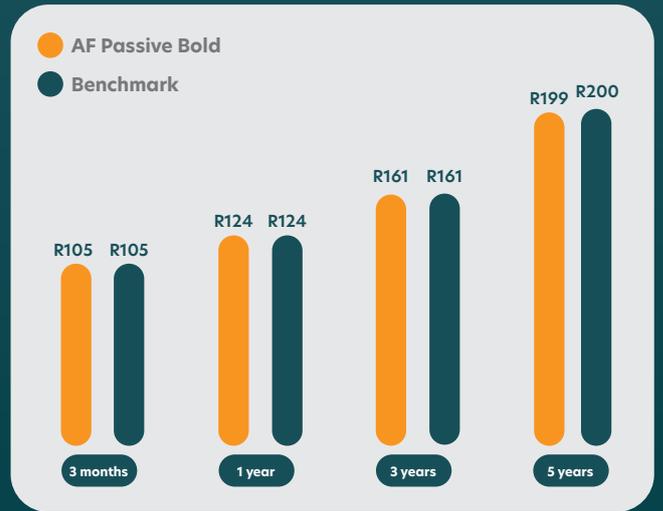
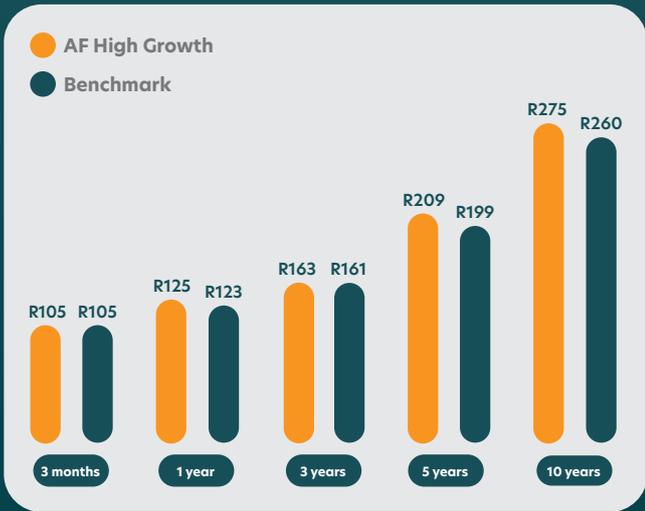
Investment returns

Performance of investment portfolios to 31 December 2025

Let's take AF Balanced High Growth as an example

The value of R100 invested over various periods to the end of December 2025





To view the full list of investment return [click here](#)



Contact us

0860 100 333

Monday to Friday between 08:30 and 17:30

While care has been taken to present correct information, The fund, its trustees/PO (officers) and Alexforbes, its directors, officers and employees take no responsibility for any actions taken based on this information, all of which require financial advice. Please speak to your financial adviser for tailored advice based on your individual financial needs.



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