NATIONAL TERTIARY RETIREMENT FUND

Trustee Report 2025

www.ntrf.co.za

Contents

Welcome

Dear Members

It gives me great pleasure to present the annual report for the Fund for the 2025 financial year. This document serves as a report on the Fund's activity for the reporting period, as well as subsequent developments during the first half of 2026, and we encourage you to read on for all the updates and reminders that you need to be aware of.

The Fund had a successful year, with over R25 billion in investments, which is over R2.7 billion more than the previous year. In the context of worldwide volatility and uncertainty, this is truly excellent news.

South Africa's economy showed strong positive momentum in Q4 2025, driven by easing monetary policy, stable prices, and renewed trust from global investors. Inflation remained well-contained, averaging at 3.3% to 3.6% for 2025 and settling near the new 3% target. Lower petrol costs (down 47 cents/litre between August and November) and food inflation slowing to 3.9% in October from 5.5% in July gave household budgets a much-needed boost.

However, looking to the investment front as things stand currently, recent global tensions have driven volatility, higher oil prices, and cautious investor behaviour. While unsettling, these reactions are typically temporary and part of normal market cycles.

These market moves are not unique to our Fund – periods of heightened uncertainty typically affect many retirement funds and asset classes, although the direction and magnitude of returns can differ across investments. Your Fund remains focused on long-term growth, with a diversified strategy designed to manage exactly these conditions.

The most important principle: avoid reacting to short-term noise. Staying invested and disciplined is key to protecting your retirement savings.

I would like to express my gratitude to our Board of Trustees and all subcommittees for their hard work and commitment. Their dedication to delivering excellent service to our members is deeply appreciated.

We hope you find this report informative and wish you all the best for the rest of 2026.

Anesh Soonder
Chair of the Board of Trustees

Benefit Counsellor

Your Fund adds value!

Virtual Appointment

Book

Member Webinars

The Fund hosts regular webinars for members.

Please visit the Fund Site, if you would like to refresh your memory on any of the topics that have been covered.

Webinars

Watch

New Fund App

Your Fund. Your Future. At your Fingertips.

We are excited to let you know that something new is on the way! Soon, you'll have an easier, faster way to access your Fund information whenever and wherever you need it.

Designed with convenience in mind, our new member app will put your personal profile right at your fingertips, helping you stay connected to your retirement savings with ease.

We'll be sharing more details very soon, including how you can access the app and all the features available to you.

Look after those who need you most

It is certainly not a pleasant topic, but it is important that you and your loved ones understand what needs to happen to your pension benefit, should you pass away. And you can help us to speed up the process by doing your bit.

Update your expression of wish form TODAY at the link provided below.

Your Fund death benefit is completely separate from your **last will and testament** and does not fall within the scope of your **estate.** Understanding this will allow you to make the best possible decisions for your dependants, as you set your retirement goals.

Section 37C of the Pension Funds Act governs the distribution and payment of lump-sum benefits you have available in the Fund at your death.

According to this Act, the duty is placed on the Trustees of the Fund to allocate the funds and pay the death benefit to dependants and/or nominated persons they have identified, in a manner that is fair and equitable.

Please ensure that the Fund has your updated Expression of Wish form. When an important life event takes place, such as a marriage, divorce, birth or death, remember to update your Expression of Wish form:

Forms
www.ntrf.co.za/ntrf/forms
Download

The above forms are electronically fillable and submittable. Alternatively, **click here** to capture your expression of wish online, and **click here** for an explanation of how to capture your online expression of wish.

IMPORTANT TERMS EXPLAINED

Dependants: Anyone who was financially dependent on the member at the time of his/her death, including children, parents or grandparents of the member. It can also include life partners, civil union partners or customary marriage partners.

Nominees: Any party who was not financially dependent on the member who the member nominated on this retirement fund expression of wish form.

Unclaimed benefits: Request for updates

If you are aware of any pensioners who have recently passed away, and you have contact information for their family members or next of kin, please share these details with the Fund. This will help us to ensure that any outstanding benefits are paid or important communication reaches the right people without delay. Please email ntrf@momentum.co.za should you be able to assist.

Fund matters

Composition of the Board of Trustees

The Fund is managed by a Board constituted in accordance with the Rules of the Fund and the provisions of the Pension Funds Act. The Chairperson and the Principal Officer of the Board are independent and therefore objective.

All the Board members act in the best interests of our members. The Board consists of:

One independent chairperson

Seven board members elected by members and pensioners *(six elected by members and one elected by pensioners)*

Three board members appointed by the employer

Two board members appointed by the Board

Board Members

Employer Representatives

Balkaran, R

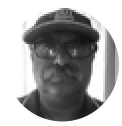
Stanfliet, BA

Tsita, NC

Employee Representatives

Hillerman, LA

Laubscher, J



Munsamy, NG

Patchiappen, N

Snyman, J

Louw, T

Board Appointed Members

Scheepers, M

Staak, AP

Pensioner Representative

Tromp, D

Principal Officer

Grefen, J
01/07/2022

Independent Chairperson

Soonder, A
01/07/2022 | 30/06/2027

The Trustees also serve on various committees with specific roles:

Audit & Risk committee: advises the Board on the Fund's finances as well as the risk management policy and framework of the Fund.

Communication committee: responsible for implementing the Fund's communication strategy, campaigns and interventions.

Compliance & Operations committee: tasked with reporting back to the Board on all issues relating to the administration of the Fund.

Investment committee: makes recommendations to the Board regarding the appointment of the investment consultant and managers, as well as formulation of the investment policy and strategy.

Participating employers

The following institutions participate in the Fund:

- Cape Peninsula University of Technology
- Durban University of Technology
- Mangosuthu University of Technology
- Nelson Mandela University
- Tshwane University of Technology
- University of South Africa
- Vaal University of Technology
- Walter Sisulu University
- Universities South Africa
- Higher Education and Training Health Wellness & Development Centre

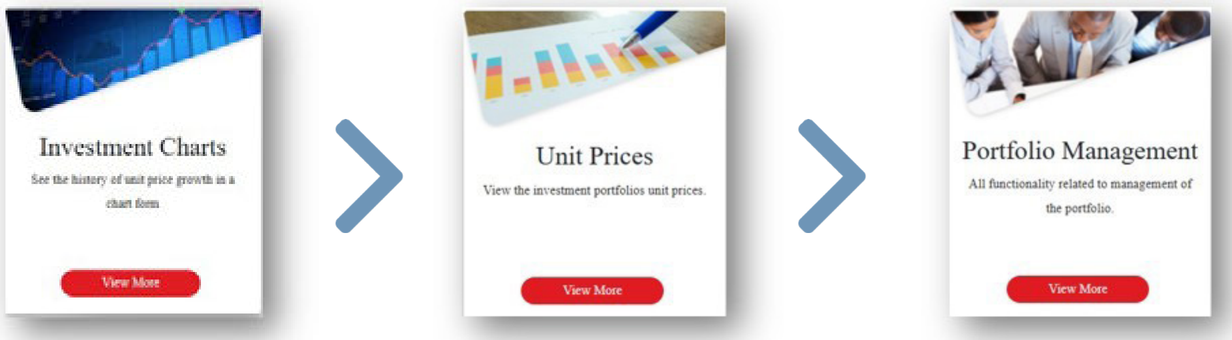
Fund service providers

The Board has appointed professional service providers to assist with the smooth running of the Fund. The service providers are as follows:

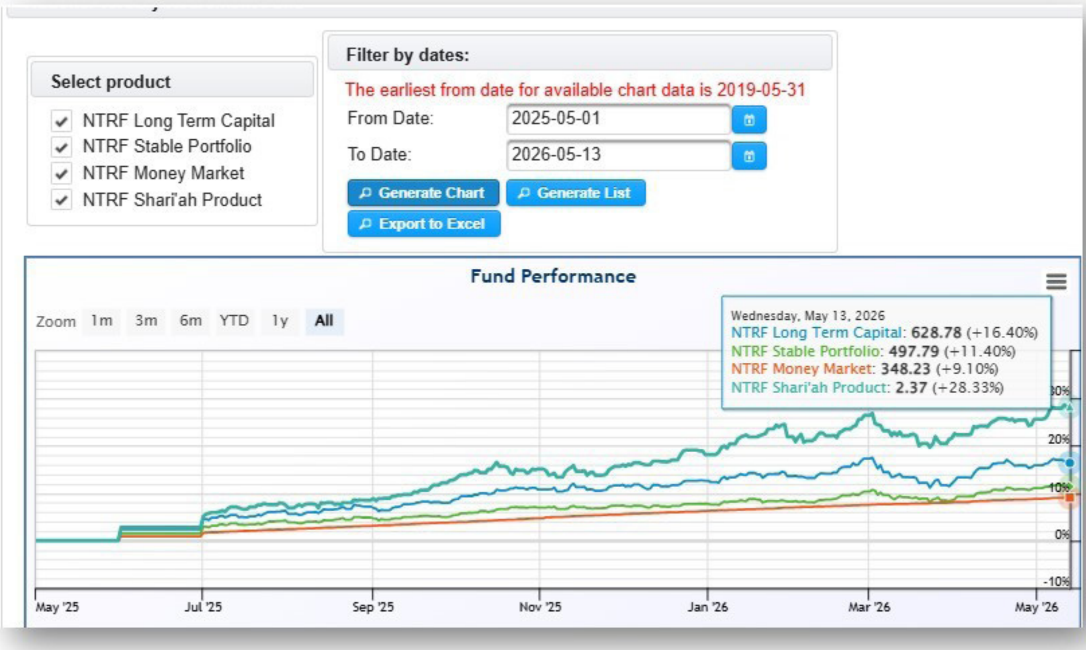
- Willis Towers Watson (WTW) – Investment Consultants
- Andre Bezuidenhout (WTW) – Actuary/Valuator
- PwC – Auditors
- Momentum – Fund Administrators
- inSite Connect – Communication Consultants
- Standard Bank- Pension-backed Home Loans

View your real-time investments in the Fund!

- The Fund's administrator, MRA, receives the unit prices *(the values of the shares in the investment portfolios)* every day between **14:00 and 15:00.**
- The admin system is updated within an hour.
- You can view the updated value of your Fund investment any time after **16:00.**
- To view all the unit prices and investment performance, log on to the **NTRF Momentum Member portal** and follow the steps below:



- You will now be able to see your up-to-date performance charts:



Remember while you are watching the short-term movements, that retirement savings have a long-term goal!

Investments and the economy

2026 and beyond

South Africa's economy showed some improvement going into the first quarter of 2026, continuing a slow recovery from the weak growth of recent years. The latest estimates suggest that economic growth for 2025 was slightly better than expected, at around 1.3%, helped by stronger activity in the second half of the year.

Gross domestic product grew 0.5% in the first quarter of 2026. While this is an improvement, growth is still relatively low. The economy is expected to grow at a moderate pace of about 1.5% to 2.0% this year, with the potential to do better if ongoing improvements in electricity supply and transport systems continue.

Some sectors of the economy have performed better, including agriculture, financial services, and parts of the consumer market. However, the overall picture is still uneven. Challenges such as high unemployment, infrastructure problems, and low levels of investment are still holding back stronger growth. Although there have been improvements in electricity supply and logistics compared to previous years, these areas are not yet fully stable and continue to affect business confidence.

Globally, the investment environment is once again volatile. Ongoing conflicts in the Middle East and trade tensions between large economies have caused fluctuations in oil prices and global markets. These global factors affect South Africa through fuel and fertiliser prices (which in turn lead to an increase in the cost of all goods) and movements in the rand, all of which impact consumers and investors.

However, events like these generally cause temporary volatility rather than long-term changes in the markets. Members are cautioned against making any major investment changes at this time. Stick to your long-term strategy, in line with your time horizon and risk tolerance. Your Fund's investment strategy is designed to manage periods of uncertainty, and staying the course, i.e. remaining invested through ups and downs as it is almost always the most effective approach.

As always, you are reminded that your Fund offers a default Life Stage investment strategy. This means that your portfolio is structured according to how far or how close you are to retirement. Your money is moved automatically as you approach your retirement date. In other words, when you reach a certain age, the Fund will start moving your money into safer portfolios by degrees, thus protecting you from market fluctuations.

The Fund offers a mix of investments that have the potential to provide excellent returns over the long term. **You are strongly discouraged from attempting to time the market, or from switching investments based on short-term market movements up and down.**

NTRF portfolio returns

The section below sets out the net of fee performance of the Fund's portfolios for measurement periods to 31 December 2025. The names of the funds tell you a lot about what you are investing in.

Further information is available on the Fund's Fact Sheets that are published on the NTRF website:

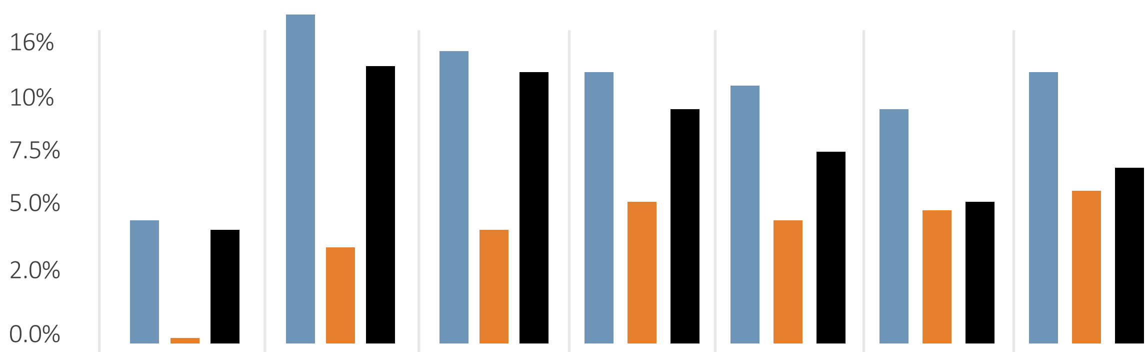
Fund's Fact Sheets
www.ntrf.co.za/ntrf/how-did-they-perform

View

Long-Term Capital Portfolio

The Long-Term Capital Portfolio (LTCP) adopts a long-term investment horizon. The portfolio will always have a 70% to 85% exposure to the share (or equity) market. This means that the portfolio's return will be volatile and there will be periods when the return is significantly negative. However, over long measurement periods investors should be rewarded for taking on more risk, provided that the underlying system is able to bounce back.

Long-Term Capital Portfolio (LTCP) net returns versus Inflation



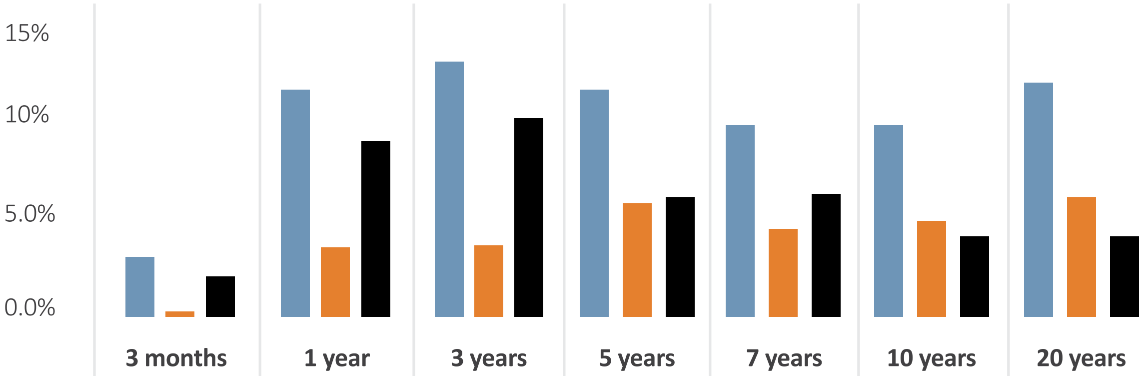
	3 months	1 year	3 years	5 years	7 years	10 years	20 years
Long-Term Capital Portfolio	4.0%	16.2%	15.3%	13.5%	12.1%	9.9%	11.8%
Inflation	0.2%	3.6%	3.9%	5.0%	4.6%	4.8%	5.5%
Real Return	3.8%	12.6%	11.4%	8.5%	7.5%	5.2%	6.3%

The chart above shows the performance of the LTCP compared to inflation for measurement periods to 31 December 2025. The portfolio has delivered a return above inflation for all measurement periods. It is 7.5% p.a. ahead of inflation over the most recent 7-year period. The real return since inception (6.3% p.a.) is well ahead of its performance objective of 5.0% p.a.

Stable Portfolio

The Stable Portfolio (SP) is suitable for members that have a shorter investment horizon. Typically, the portfolio will only have a 35% to 45% exposure to the share market. It also aims to deliver a positive return over rolling 12-month periods, although inevitably there will be a few times when the 12-month return is indeed negative.

Stable Portfolio (SP) net returns versus Inflation



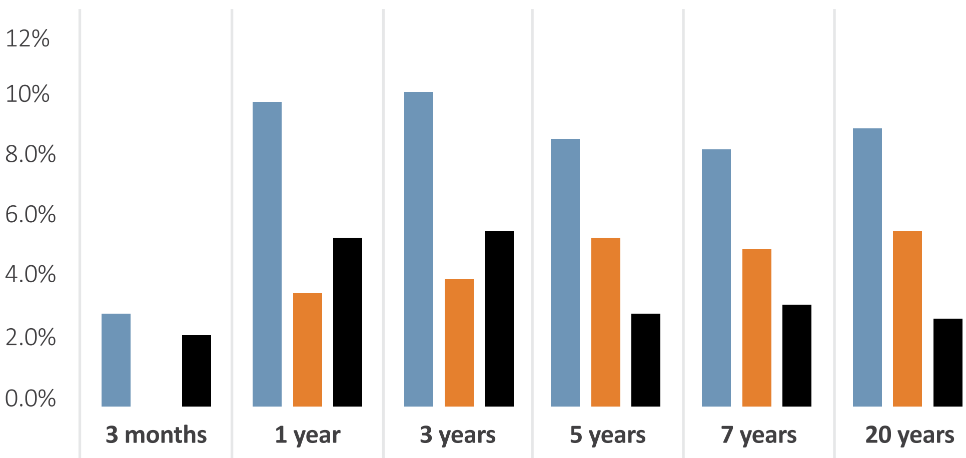
	3 months	1 year	3 years	5 years	7 years	10 years	20 years
Stable Portfolio	2.5%	10.6%	12.2%	10.4%	9.9%	9.0%	10.1%
Inflation	0.2%	3.6%	3.9%	5.0%	4.6%	4.8%	5.5%
Real Return	2.3%	7.0%	8.3%	5.4%	5.3%	4.2%	4.6%

The chart above shows the performance of the Stable Portfolio compared to inflation for measurement periods to 31 December 2025- the portfolio has delivered a return above inflation for all measurement periods. It is 8.3% p.a. ahead of inflation over the most recent 3-year period, thus performing well above its real return target of 3%.

Money Market Portfolio

TheFund's Money Market Portfolio is invested entirely in money market type instruments and is appropriate for members with a very short investment horizon. Given the short-term nature of this portfolio one should look at the performance up to five years, however, we show the returns over a longer period.

Money Market Portfolio (MMP) net returns versus Inflation



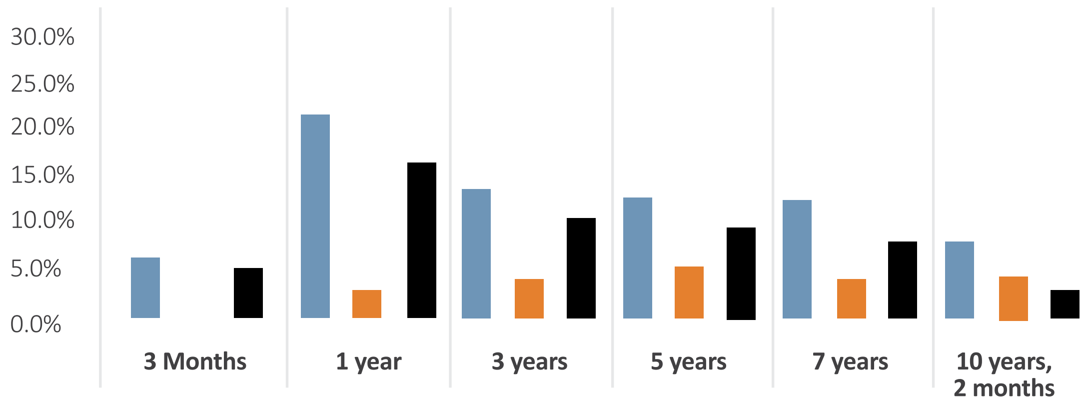
	3 months	1 year	3 years	5 years	7 years	20 years
Money Market Portfolio	2.4%	9.2%	9.7%	8.3%	8.0%	8.3%
Inflation	0.2%	3.6%	3.9%	5.0%	4.6%	5.5%
Real Return	2.2%	5.6%	5.8%	3.3%	3.4%	2.8%

The chart above shows the performance of the Money Market Portfolio compared to inflation for measurement periods to 31 December 2025- the portfolio has delivered a return above inflation for all measurement periods. The positive real return over one year of 5.6%, outperforming its target of 1% p.a., represents an excellent outcome.

Shari'ah Portfolio

The Shari'ah Portfolio has a 60% to 70% exposure to share markets and is managed in accordance with Shari'ah law. The muted return over the period since inception is attributable to both weak capital markets and manager under-performance mainly arising from an underweight to commodity shares.

Shari'ah Portfolio net returns versus Inflation



	3 Months	1 year	3 years	5 years	7 years	10 years, 2 months
Shariah Portfolio	5.1%	20.2%	12.9%	12.2%	11.1%	8.1%
Inflation	0.2%	3.6%	3.9%	5.0%	4.6%	4.7%
Real Return	4.9%	16.6%	8.9%	7.3%	6.5%	3.3%

The chart above shows the performance relative to inflation over various measurement periods to 31 December 2025. The real return achieved over the five year measurement period is 7.3% p.a., thus outperforming the target real return of 6% p.a.

Pensioner Portfolio

Some **75%** of the pensioner portfolio assets are invested in bonds and cash and this portfolio is structured to deliver annual pension increases of some **65%** (or if elected a lower initial pension, **100%**) of inflation with a high degree of certainty. The balance of the Portfolio is invested in shares and property offshore and expected to deliver higher returns.

As can be observed from the below, the Pensioner Portfolio is in a sound financial position:

Pensioner Portfolio as at 31 December 2025

Item	R-million
Present value of liability	5 782.6
Market Value of assets	5 955.5
Surplus	**172.9**
Funding Level	**103.0%**

The key figure is the funding level (103.0%) which should ideally be at least 100% to allow for pension increases on 1 March each year in line with the targeted 65% or 100% of inflation depending on the pension option selected at retirement. A higher funding level (102.5% or more) may allow the Board to grant a slightly higher pension increase, as was the case in March 2026.

The historic pension increase trend for members who elected a higher starting pension but targeting a 65% of inflation increase, is summarised below. All were well above the target of 65% of inflation.

Period	Increase (%)	Inflation (%)	% of Inflation increase
2026	*2.6%*	*3.2%*	*81.3%*
Last 3 years	*4.0%*	*4.5%*	*87.9%*
Last 5 years	*4.3%*	*5.0%*	*85.9%*
Last 7 years	*3.7%*	*4.6%*	*79.3%*
Last 10 years	*3.5%*	*4.9%*	*70.9%*

The historic pension increase trend for members who elected a lower starting pension (about 25% lower relative to the category above) but targeting a 100% of inflation increase, is summarised below.

Period	Increase (%)	Inflation (%)	% of Inflation increase
2026	*3.7%*	*3.2%*	*115.6%*
Last 2 years	*4.5%*	*3.8%*	*118.4%*

Moment of reflection:

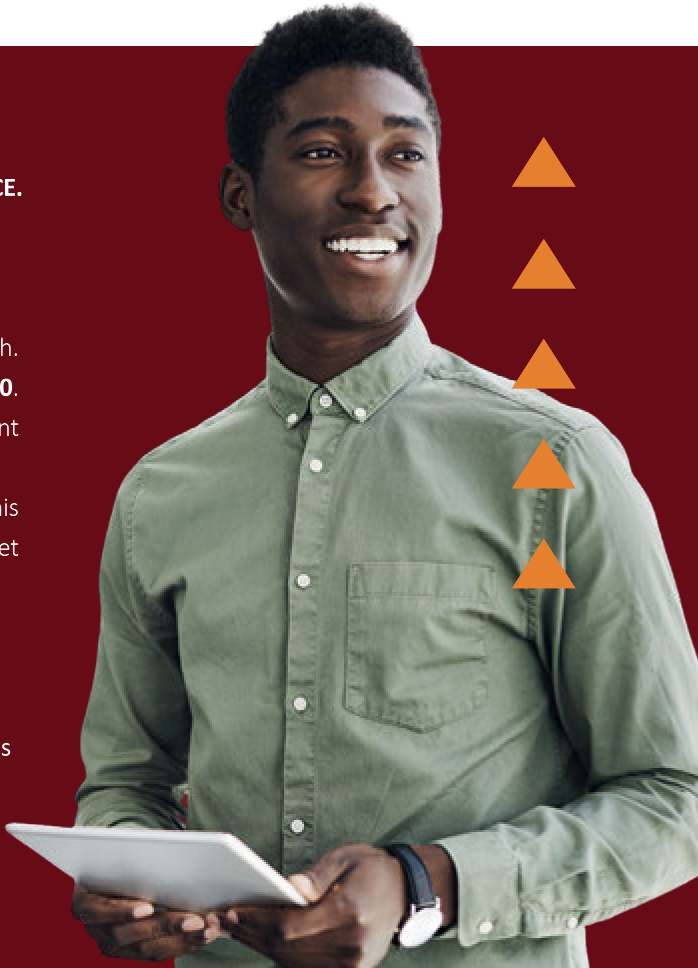
The two most underrated financial traits are DISCIPLINE and PATIENCE.

Discipline to save for your entire life. Patience to leave it alone to grow.

- At **27**, Daniel starts investing **R2 500** each month, with **6%** growth.
- **35** years later, Daniel will have contributed a total of **R1 050 000**. But thanks to the power of compound interest, the investment will be worth over **R3.5 million!**
- If Daniel had only started investing at age **37** *(10 years later)* his monthly contribution would have had to be roughly **R5 130** to get to the same outcome.

That's more than double the original **R2 500.**

Every rand you pay the future you by adding it to your fund contributions is actually worth double or even triple that amount in the long term.



Finances of the Fund

STATEMENT OF NET ASSETS AND FUNDS AS AT DECEMBER 31, 2025

	31 December 2025	31 December 2024
	R	R
ASSETS		
Non-current assets		
Investments	25 000 021 284	22 265 637 388
Current assets	**306 292 112**	**348 675 859**
Accounts receivable	40 825 128	27 112 331
Arrear contributions	30 384 894	50 945 412
Cash at bank	235 082 090	270 618 116
Total assets	**25 306 313 396**	**22 614 313 247**
FUNDS AND LIABILITIES		
Members' funds and surplus account		
Members' individual accounts	16 772 821 756	15 119 357 274
Reserves		
Reserve accounts	6 440 328 248	5 571 984 788
Total funds and reserves	**23 213 150 004**	**20 691 342 062**
Non-current liabilities	**145 252 759**	**218 440 639**
Employer surplus account	80 369 609	68 104 903
Financial liabilities	-	60 735 490
Unclaimed benefits	64 883 150	89 600 246
Current liabilities	**1 947 910 633**	**1 704 530 546**
Benefits payable	647 545 054	591 507 834
Accounts payable	1 300 365 579	1 113 022 712
Total funds and liabilities	**25 306 313 396**	**22 614 313 247**

Fund membership

At 31 December 2025

Active members
5 554

Pensioners
2 180

Deferred Pensioners
174

Living Annuitants
33

To view the Fund's rules

Click Here

Rule amendments

The following rule amendments were submitted during the reporting period:

Rule amendment number	Description and motivation	Date of Board of Fund resolution	Effective date	Date registered by the Financial Sector Conduct Authority
4	To correct an existing oversight in the Rules, namely that the transfer of a Member's Member Share to the Living Annuity Account was not specified as a debit against the Member's Member Share.	25 April 2025	1 July 2025	30 April 2025
5	Following the introduction of Rule Amendment 2 (which introduced the Two-Pot Retirement System provision), paid-up members were only permitted to access their vested component in cash if their retirement component (and savings component if applicable) was transferred to another approved fund. In order for a paid-up member to retain their retirement component in the Fund as a preserved benefit, it was necessary for the paid-up member to also retain the full value of their vested component (and savings component if applicable) as a preserved benefit.	20 August 2025	1 September 2025	25 September 2025
6	An Active member who is on approved absence from work where less than his or her full contribution is paid or no contribution is paid, a Category C member, a Category D member and a member entitled to a conditional retirement benefit, may elect to contribute to the Fund at a rate of 5% or 8% of his or her Pensionable earnings each month.	4 November 2025	21 November 2025	30 November 2025

Gen Z: Delaying milestones, accelerating wealth

South Africa's Gen Z is rewriting the traditional roadmap to adulthood. Rather than rushing into marriage, homeownership and parenthood, many young adults are choosing to invest in experiences, flexibility and, potentially, long-term wealth.

The numbers tell the story. The median age of South African brides increased from 31 in 2015 to 33 in 2021, while bridegrooms' median age rose from 36 to 37. First-time homebuyers are also getting older, with the average age climbing from 33 to 37. Family planning is shifting too: household sizes have fallen from 4.5 people in 1996 to 3.5 in 2022, and births to women over 30 now account for 34% of births, a figure projected to reach 48% by 2100.

By delaying these costly milestones, Gen Z is freeing up significant capital. Weddings can cost anywhere from R70 000 to over R250 000, while raising a child costs around R100 000 per year, excluding schooling, which can total between R650 000 and R1.9 million over a child's education.

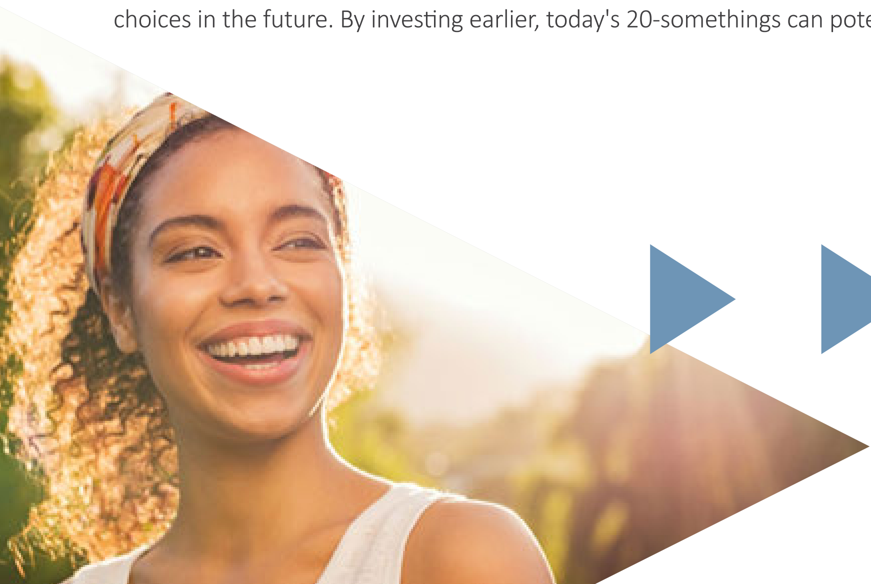
At the same time, young South Africans are prioritising lifestyle and experiences. Research shows that people aged 15-34 control a spending pool of approximately R303 billion annually. While 71% still live at home, around 30% of working youth contribute financially to their families. Travel is becoming increasingly important, with 38% of 18–34-year-olds reporting recent travel compared to 36% of older adults. Social media heavily influences these choices, with 60% of South Africans finding travel inspiration on Instagram and TikTok, and nearly 40% relying on influencers and celebrities for lifestyle recommendations.

This presents a real opportunity for redirecting savings into investments. For example, a 25-year-old who rents instead **of buying could save R5 000 per month and invest it in a diversified ETF portfolio. Assuming a 13% annual return,** those investments could grow from **R300,000** in contributions to roughly R420,000 in five years, and from **R600,000 in contributions to about R1.22 million in ten years.**

The same principle applies to weddings. Investing R100 000 instead of spending it on a one-day event could grow to approximately **R260,000 after 10 years and R670,000 after 20 years, assuming a 10% annual return.**

The key message to convey to this generation is that while lifestyles and priorities may evolve, the fundamentals of wealth creation remain unchanged: **invest consistently, stay diversified, keep fees low, and allow time for compounding to work its magic.**

For Gen Z, delaying traditional milestones isn't just about living differently; it's about creating greater financial freedom and more choices in the future. By investing earlier, today's 20-somethings can potentially turn flexibility today into lasting wealth tomorrow.



A 5-step programme for dealing with debt

Not all debt is bad. A loan can help you buy a home, study further or achieve an important life goal. But when debt starts piling up, it can become a major source of stress. It doesn't just affect your finances: it can also impact your sleep, your health and your peace of mind.

The good news? With a clear plan and a little determination, you can take control and work your way towards becoming debt-free.

1

Step 1: Know exactly what you owe
Start by making a list of all your debts. Include how much you owe, who you owe it to, the monthly repayments, interest rates and settlement dates. Understanding the full picture is the first step to taking control.

2

Step 2: Decide where to start
Focus on one debt at a time. Many people choose to pay off the debt with the highest interest rate first because it saves money in the long run. Others prefer to clear a smaller debt first to build confidence and stay motivated. Choose the approach that works best for you.

3

Step 3: Pay a little extra
Once you've chosen your target debt, try to pay a little more than the minimum amount each month. Even a small additional payment can reduce the interest you pay and help you settle the debt sooner.

4

Step 4: Build on your success
When you've paid off one debt, don't stop there. Take the money you were using for those repayments and put it towards your next debt. As each balance due disappears, you'll gain momentum and become debt-free faster.

5

Step 5: Celebrate your freedom
Paying off debt doesn't happen overnight. It takes patience, commitment and discipline. But every payment brings you one step closer to financial freedom.

When you finally make that last payment, celebrate your achievement. Whether it's cutting up an old credit card, treating yourself to a small reward or simply enjoying the peace of mind that comes with being debt-free, take a moment to appreciate how far you've come.

Remember, the goal isn't just to get out of debt – it's to build a healthier financial future where your money works for you, not for your creditors.

General

Protection Of Personal Information Act (POPIA)

The Fund is committed to the protection of your personal information. The Fund collects and processes members' personal information to effectively conduct its business. The Fund may also collect certain personal information of your beneficiaries and dependants in the event of your death to enable us to distribute any death benefits payable from the Fund, in accordance with the requirements of the Rules and the Pension Funds Act.

The Protection of Personal Information Act (POPIA) stipulates that personal information may be collected and processed in accordance with the Fund's obligations in the ordinary course of business, and that your prior consent is not required.

The Board of Trustees wants to reassure you that it has reviewed all personal information collected/processed by the Fund and its service providers. The Fund can confirm that the information is collected/processed lawfully in terms of POPIA and the requirements of the Pension Funds Act and any other relevant legislation.

POPIA Manual and Privacy Statement

https://ntrf.co.za/ntrf/rules-of-the-fund

Download

Queries And Complaints

If you, as a member, is dissatisfied with the service provided by the Fund, you may lodge a written complaint with the Principal Officer of the Fund in terms of the Fund Rules. You will find the contact particulars of the Principal Officer at the end of this report.

If you are not satisfied with the outcome of the complaint or did not receive a reply within 30 days, you may lodge a written complaint with the Pension Funds Adjudicator (PFA).

The contact details of the PFA are:

Email address: enquiries@pfa.org.za
Telephone number: 012 346 1738
Fax number: 086 693 7472
Address: Riverwalk Office Park, 41 Matroosberg Road, Ashlea Gardens, Pretoria, 0081

Remember: Your first port of call if you are not satisfied with the service provided by the Fund is the office of the Principal Officer.

The Pension Funds Adjudicator will ask for evidence that you have unsuccessfully attempted to resolve the complaint through the Principal Officer before considering your complaint. The Fund then has thirty (30) days in which to respond to your complaint. If you receive no response, or the response is not satisfactory, you will be able to lodge your complaint with the Pension Funds Adjudicator.

Contact details

If you have any queries, please contact:

Office of the Principal Officer

Physical address
Building 2, Country Club Estate
Woodlands Drive Woodmead

Telephone
011 258 8825

Email
info@gobenefits.co.za

ADMINISTRATOR *(Administrative matters)*

Contact the Fund Administrator for all investment and claim queries and other admin-related queries.

Physical address
Momentum Retirement Administrators
The Marc 129 Rivonia Rd Sandown Sandton

Telephone
0860 000 071

Email
NTRF@momentum.co.za

NTRF

NATIONAL TERTIARY RETIREMENT FUND