Member Insights 2026

An analysis focusing on retirement fund members

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Introduction

- Member Insights is a quantitative analysis conducted by Alexforbes of more than **1.3 million retirement fund member** records, including **1.1 million active contributing member records**, over the period from 2021 to 2025.
- The analysis includes more than **310 retirement funds**, including four umbrella funds representing over **2 300 participating employers**.
- It is the **largest retirement fund membership** analysis of its kind in South Africa.
- The findings provide valuable **insights into retirement savings** behaviour and retirement outcomes.
- It enables **informed decision-making** about solutions that can improve members' financial outcomes, and shapes how Alexforbes, which manages more than R700 billion in assets, invests for and supports members.
- **Statistics** included in the analysis are as at **31 December 2025,** unless otherwise stated.

Factors affecting retirement outcomes

Contribution rates
Contributions after risk benefit premiums, fund expenses and fees

Preservation or non-preservation
Vested pot preservation behaviour

Two-pot system
Balancing short-term needs (savings pot withdrawals) and long-term savings goals (retirement pot preservation)

Retirement ages
Time needed in the retirement savings journey

Investment returns
Growth and performance

Salary progression
How members' salaries have progressed over time

Cost of pensions
Cost of converting retirement savings into a pension

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Executive summary

- The expected average replacement ratio for active contributing members is 46%, an increase of 15% since 2021, while the average actual replacement ratio of retirees was 40% in 2025.
- 10% of members are expected to achieve a replacement ratio of 75% or more. This is a substantial increase from 6% in 2021.
- The average actual replacement ratio of retirees increased from 30% in 2021 to 40% in 2025, with the increase being most pronounced in 2024 and 2025, which coincided with better-than-expected local investment performance during this period (particularly the bull market in 2025) and a slight reduction in inflation-related salary increases relative to 2023.
- The percentage of retirees achieving a replacement ratio of 75% or more increased from 7.5% in 2021 to 14.1% in 2025.
- While there has been a marked increase in average replacement ratios, they remain well below the 75% target.
- Although the two-pot system was implemented in September 2024, it is still too soon for it to result in a material improvement in average actual replacement ratios, as any improvement will occur gradually over time.
- On average, members need to save 15% of their salaries towards retirement over 40 years to target a replacement ratio of 75%.
- Average actual total contribution rates have decreased slightly from 13.9% in 2021 to 13.6% in 2025.
- Average contribution rates towards retirement savings decreased slightly from 11.6% in 2021 to 11.2% in 2025.

Notes: Investment performance exceeding salary increases results in a positive impact on replacement ratios
Refer to our best-practice standards for actuarial assumptions

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Executive summary

- The average normal retirement age was 64, and the average actual retirement age was 61 in 2025.
- 71% of retirement funds, including participating employers of umbrella funds, have a normal retirement age of 65 or higher.
- The average preservation rate by assets, which includes retirement pots, since September 2024, increased from 44% in 2022 to 52% in 2025, representing an 18% increase.
- Although there has been an increase in preservation rates, more time is needed to establish whether this is a lasting trend in member behaviour associated with vested pots or coincidental to the timing of the implementation of the two-pot system.
- Two-pot system: Based on a 15% contribution rate towards retirement savings, the difference in replacement ratios between a member who preserves all their retirement savings and a member who withdraws everything from their savings pot is 50%: 76.5% versus 51%.

Markets did much of the heavy lifting over the past five years, and they won't do it every five years. What closes the rest of the gap is saving more, staying invested and having your money managed consistently well. That is what Alexforbes does, for retirement funds and for individual investors.

Note: Regulations supporting preservation on exit as the default option and retirement benefits counselling may also be contributing to improved preservation

Average statistics as at 31 December 2025 and targeted replacement ratio

Average retirement statistics of members

Contribution rate	11.2%	
Preservation	by assets 52%	
Retirement age	64 Normal	61 Actual
Replacement ratio	46% Expected	40% Actual

Targeted retirement outcome

Contribution rate
15%

Preservation
100%

Years of savings
40

Investment growth
CPI + 5

Replacement ratio **75%**

Note: Contribution rate is the contribution rate towards retirement savings, after fund expenses and fees

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Key statistics about retirement outcomes

Aggregated overview

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Actual average replacement ratios of retirees

- Actual **replacement ratios have increased** by **33%**, from **30%** in **2021** to **40%** in **2025**.
- **14% of retirees in 2025** retired with a **replacement ratio of 75%** or more, compared to **2021**, when less than **8% achieved** the same retirement outcomes.
- The **increase in actual average replacement ratios coincides with better-than-expected market performance** over the last five years, especially during **2025**, as well as higher interest rates, which generally result in favourable pricing for pensions (life annuities).
- Although there has been a **marked increase in average replacement ratios**, most members **still retire with significantly less** than the target **replacement ratio of 75%**.
- Actual **retirement ages decreased** from **62** to **61**, showing that, **on average, members are retiring earlier** despite very **low replacement ratios.**

Average actual retiree replacement ratio

2021	2022	2023	2024	2025
29.63%	30.90%	30.82%	34.48%	39.93%

Retirees with replacement ratios of 70% or more

2021	2022	2023	2024	2025
8.85%	9.64%	9.09%	12.07%	15.82%

Retirees with replacement ratios of 75% or more

2021	2022	2023	2024	2025
7.45%	8.15%	7.52%	10.65%	14.06%

Average actual retirement age

2021	2022	2023	2024	2025
62	62	61	61	61

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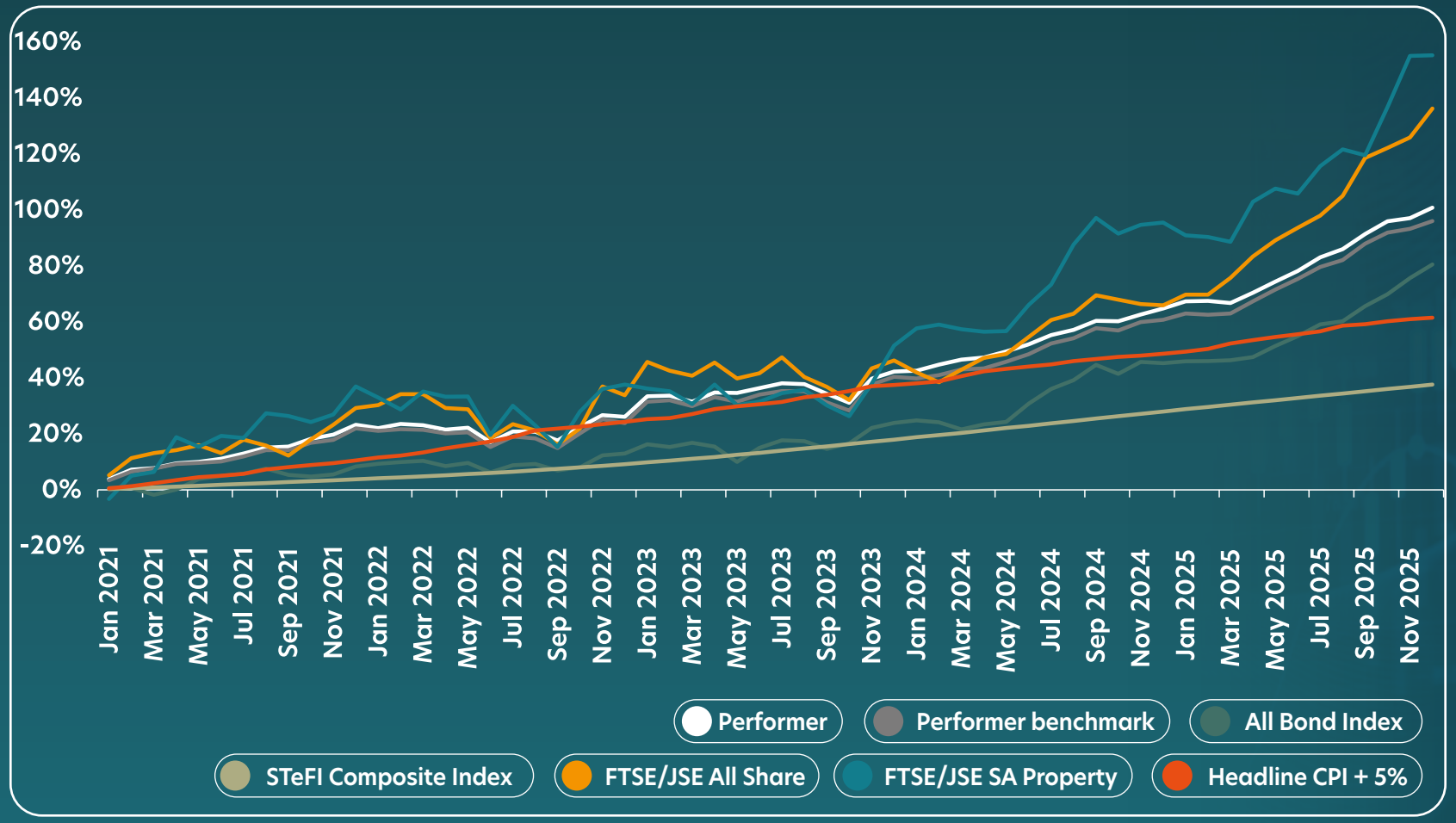
Better than expected investment performance improves actual retirement outcomes in 2025

Cumulative investment returns from 2021 to 2025



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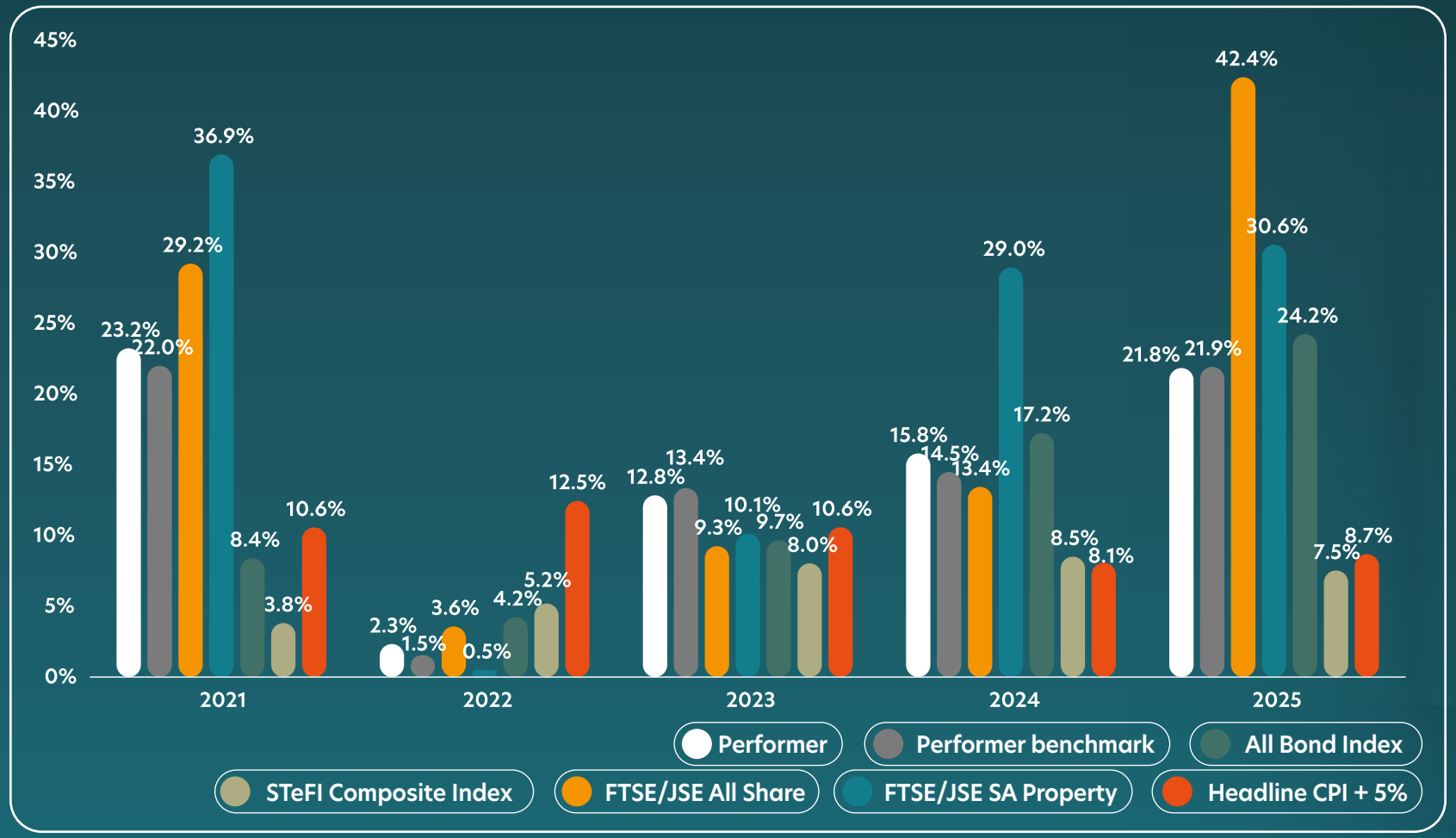
Investment performance improves actual retirement outcomes in 2025

Annual investment returns from 2021 to 2025



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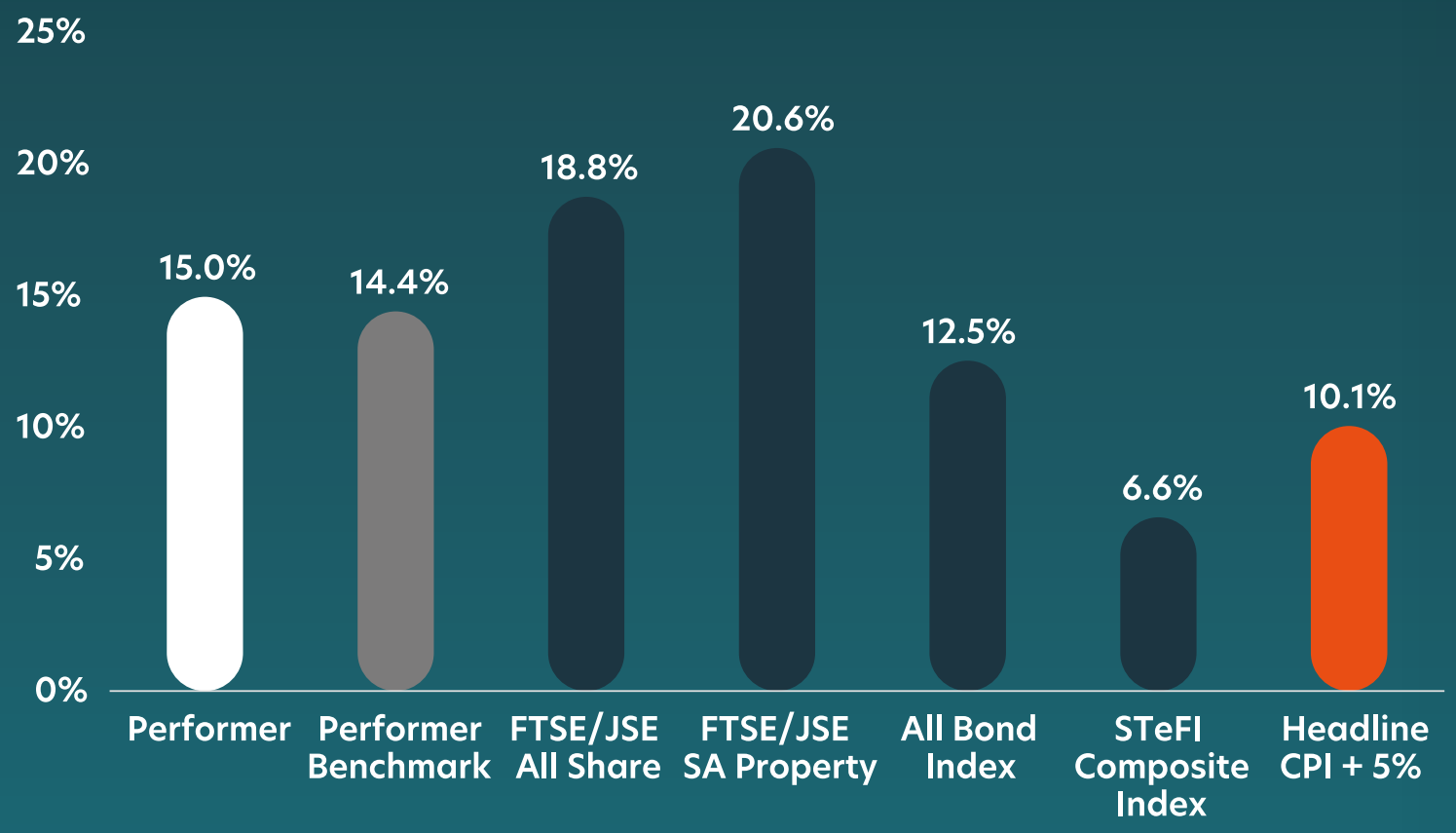
Investment performance improves actual retirement outcomes in 2025

5 year annualised investment returns



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Expected average replacement ratios • 31 December 2025

Overall, the expected average replacement ratio increased by **15%**, from **40%** in **2021** to **46%** in **2025**.

10% of members are expected to achieve a **replacement ratio** of **75%** or more, a substantial increase from **6%** in **2021**.

Expected replacement ratios are sensitive to contribution rates and time to retirement, which are influenced by normal retirement ages. For example, for a member aged between 25 and 30 years:

- Contributing between **10%** and **12%** with a normal retirement age **(NRA) of 60** can result in an expected **replacement ratio** of **37%**.
- If the same member's **NRA was 65**, then a **replacement ratio** of **45%** could be expected due to five additional years of contributions.
- Contributing between **14%** and **16%** increases the expected replacement ratio to 45% (NRA 60) and 68% (NRA 65).

On average, older members have lower expected replacement ratios due to a lack of past preservation. For example, for a member aged between 50 and 55 years:

- Contributing between **10%** and **12%** can result in an expected replacement ratio of **22%** (NRA 60) and **24%** (NRA 65).
- Contributing between **14%** and **16%** can result in an **expecte**d **replacement ratio** of **25%** (NRA 60) and **36%** (NRA 65).

The average fund credit was R700 000 and is expected to increase to R2.6 million at retirement.*

*This is under the assumption of full preservation until normal retirement date

Note:
- The increase in expected average replacement ratios is mainly the result of better-than-expected market performance over the past five years, as well as higher interest rates, which generally result in more favourable pricing for pensions (life annuities).
- Refer to our best-practice standards for actuarial assumptions

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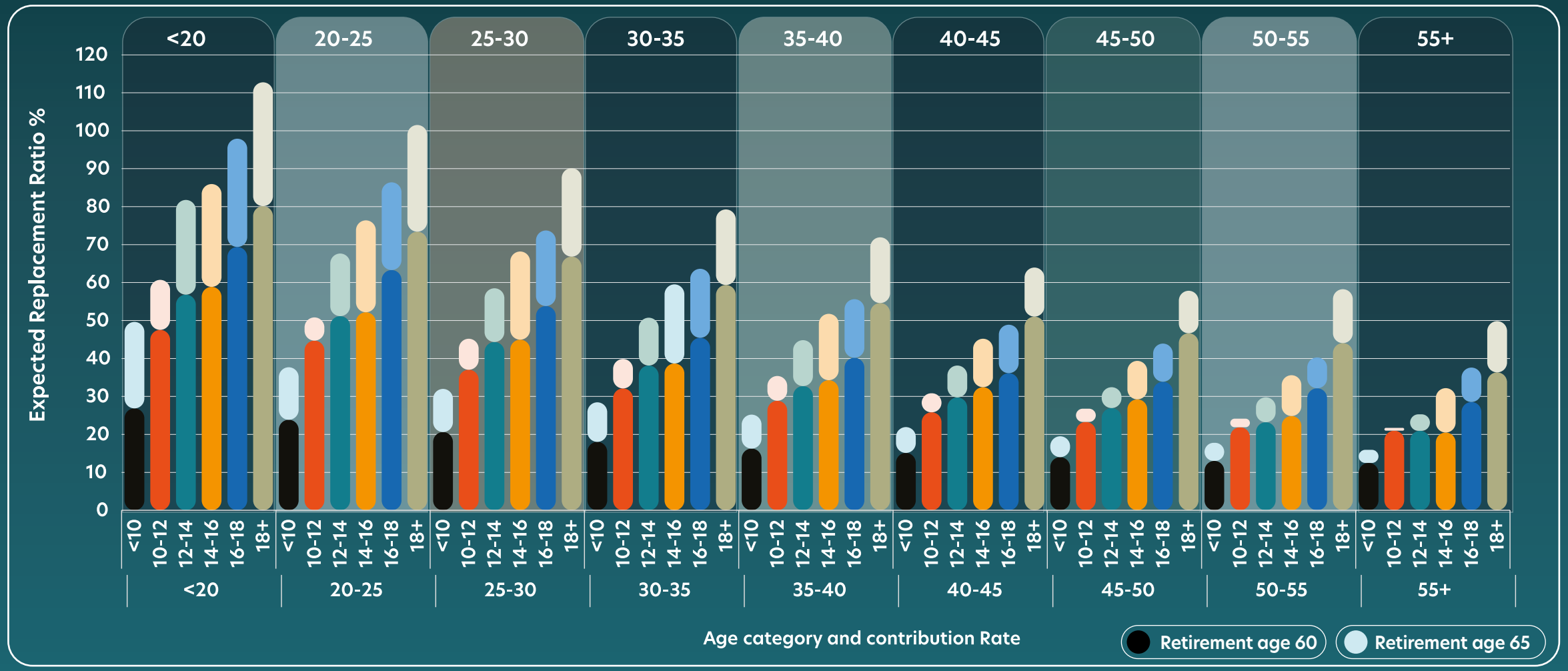
Expected average replacement ratio at retirement age 60 and 65 for different contribution rates • 31 December 2025



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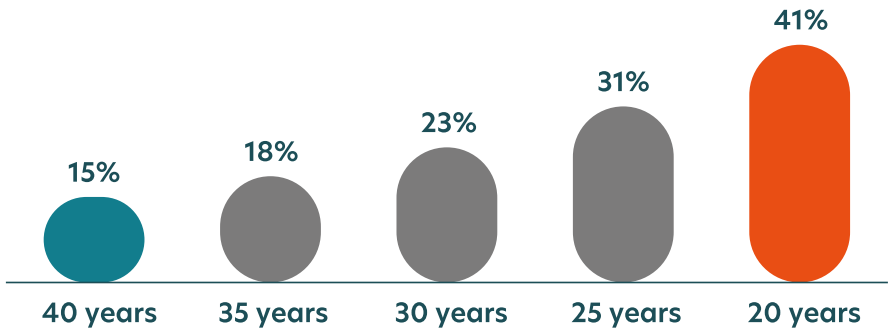
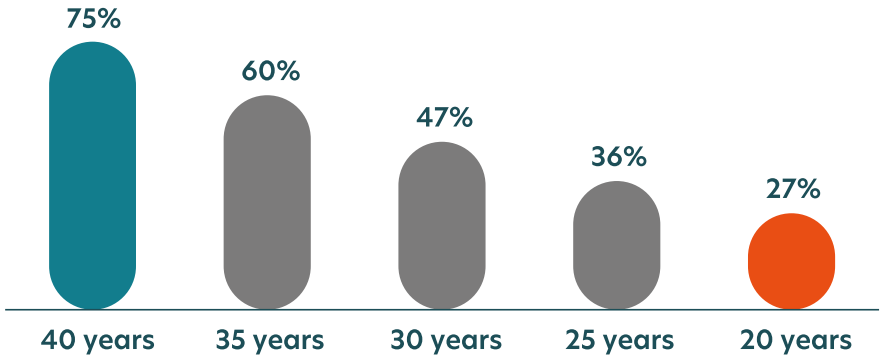
Impact of fewer savings years

A **15%** contribution rate over **40 years** is required to achieve a **75%** replacement ratio. Fewer years of savings result in higher contribution rates being required to achieve a **75%** replacement ratio.



Impact of contributing at **15%** and a change in savings period. Contributing for less than **40 years** reduces retirement outcomes.



If a member starts saving only **20 years** before retirement, they would be required to contribute **41%** of their pensionable salary to achieve a **75%** replacement ratio.

If a member retains a contribute rate of **15%**, but only saves for **20 years** they would achieve a replacement ratio of only **27%**.

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Normal **retirement ages**

The most common normal retirement age used by employers is **65**.

67% of retirement funds, including participating employers of umbrella funds, have a normal retirement age of **65**, while **4%** have opted for normal retirement ages higher than **65**.

29% have so far retained normal retirement ages of less than **65**.

There has been a trend towards **higher retirement** ages in an effort to improve retirement outcomes by enabling longer savings periods in response to increasing longevity.

People are **living longer** and need more time to save to fund a **longer retirement.**

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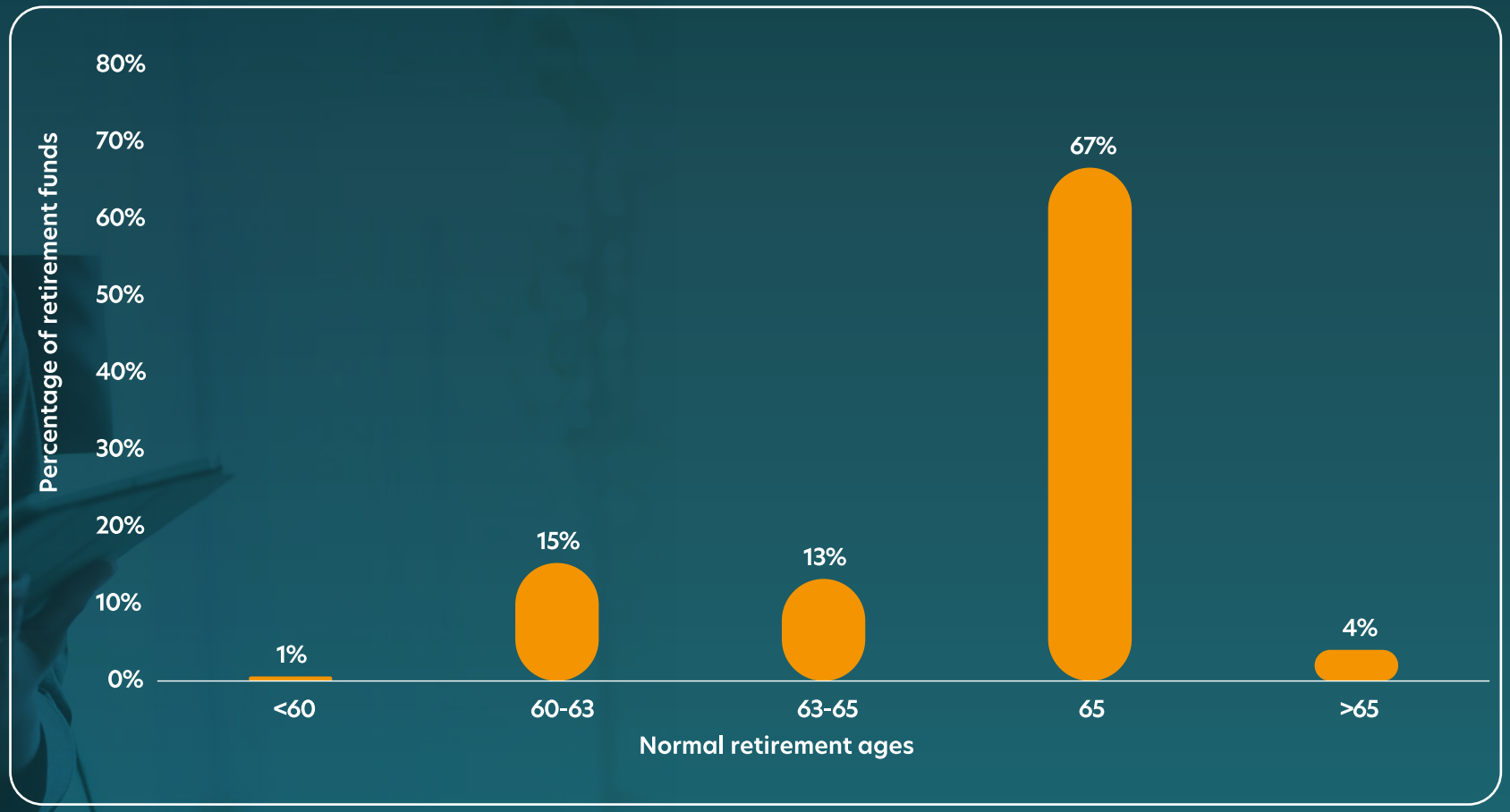
Distribution of normal retirement ages as at 31 December 2025



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Average **contribution rates**

The average contribution rate towards retirement savings (after expenses) is **11.2%.**

A **15%** contribution rate is required to achieve a replacement ratio of **75%**.

On average, contribution rates are **34%** lower than what is needed to achieve a reasonable retirement outcome.

Average actual total contribution rates have decreased slightly from **13.9%** in 2021 to **13.6%** in 2025.

Average contribution rates towards retirement savings decreased slightly from **11.6%** in 2021 to **11.2%** in 2025.

Changing **contribution rate** levels are likely attributable to changes in overall membership. However, changes in group insurance premiums, fund expenses and fees also affect contribution rates towards retirement savings

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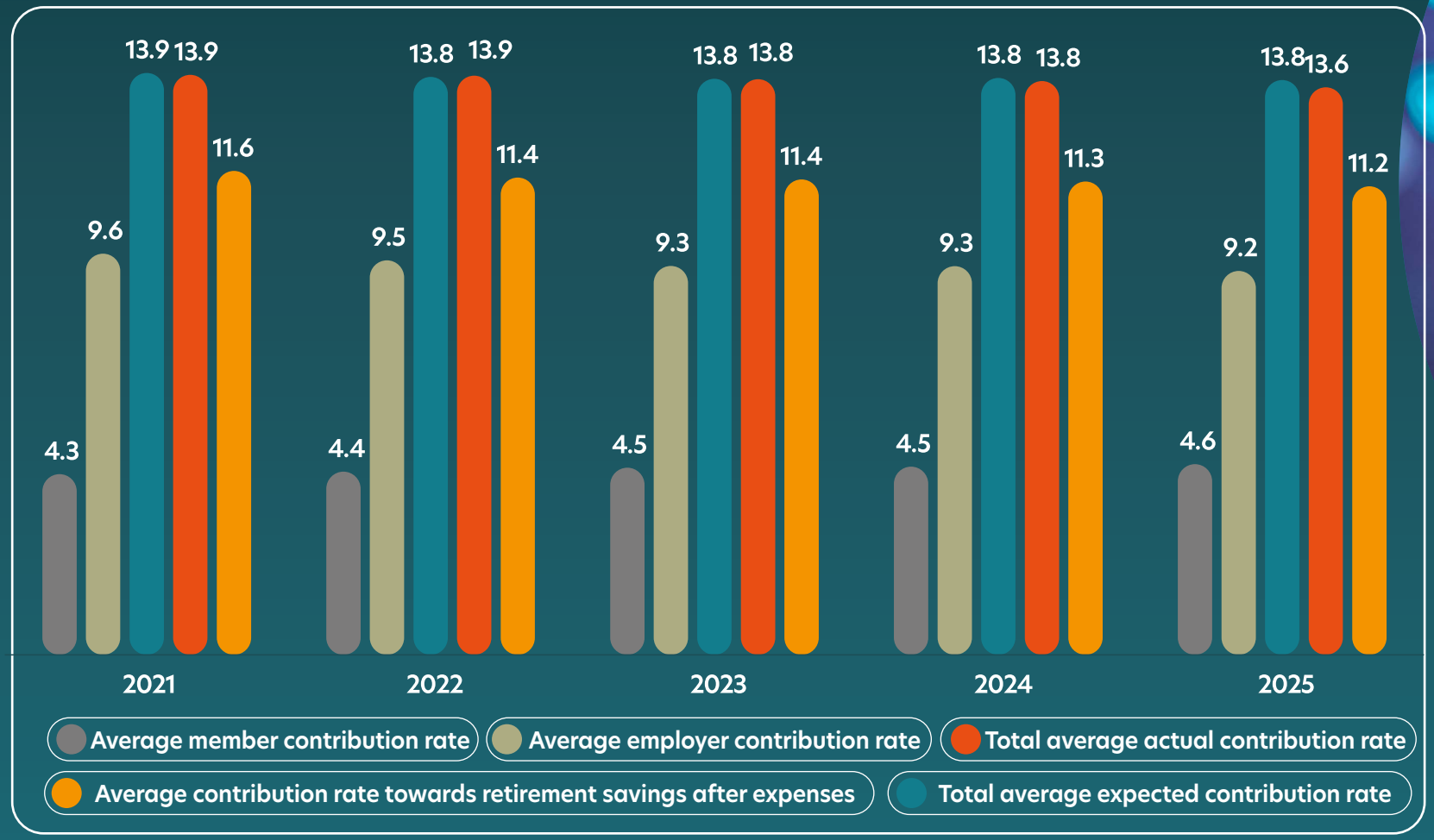
Average contribution rates



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Average **pensionable salaries**

For context, over the last seven years, inflation reached a peak of **6.9%** in 2022 and declined to **3.2%** in 2025.

The average salary increase in 2025 was **7.7%**.

Salary increases peaked in 2023, with **69%** of members receiving increases of 5% to 10%, and **16%** of members receiving increases of more than 10%.

The average pensionable salary was **R320 000** in 2025.

In 2025, almost **16%** of members had a pensionable salary below the value of a full-time minimum wage. Excluding these members, the average pensionable salary increases to R373 000.

Impact on replacement ratios

Salary increases, if higher than investment performance, result in lower replacement ratios, and vice versa.

Although the average salary increase in 2025 was more than double the rate of inflation, investment performance far exceeded salary increases, resulting in a very positive impact on replacement ratios overall.

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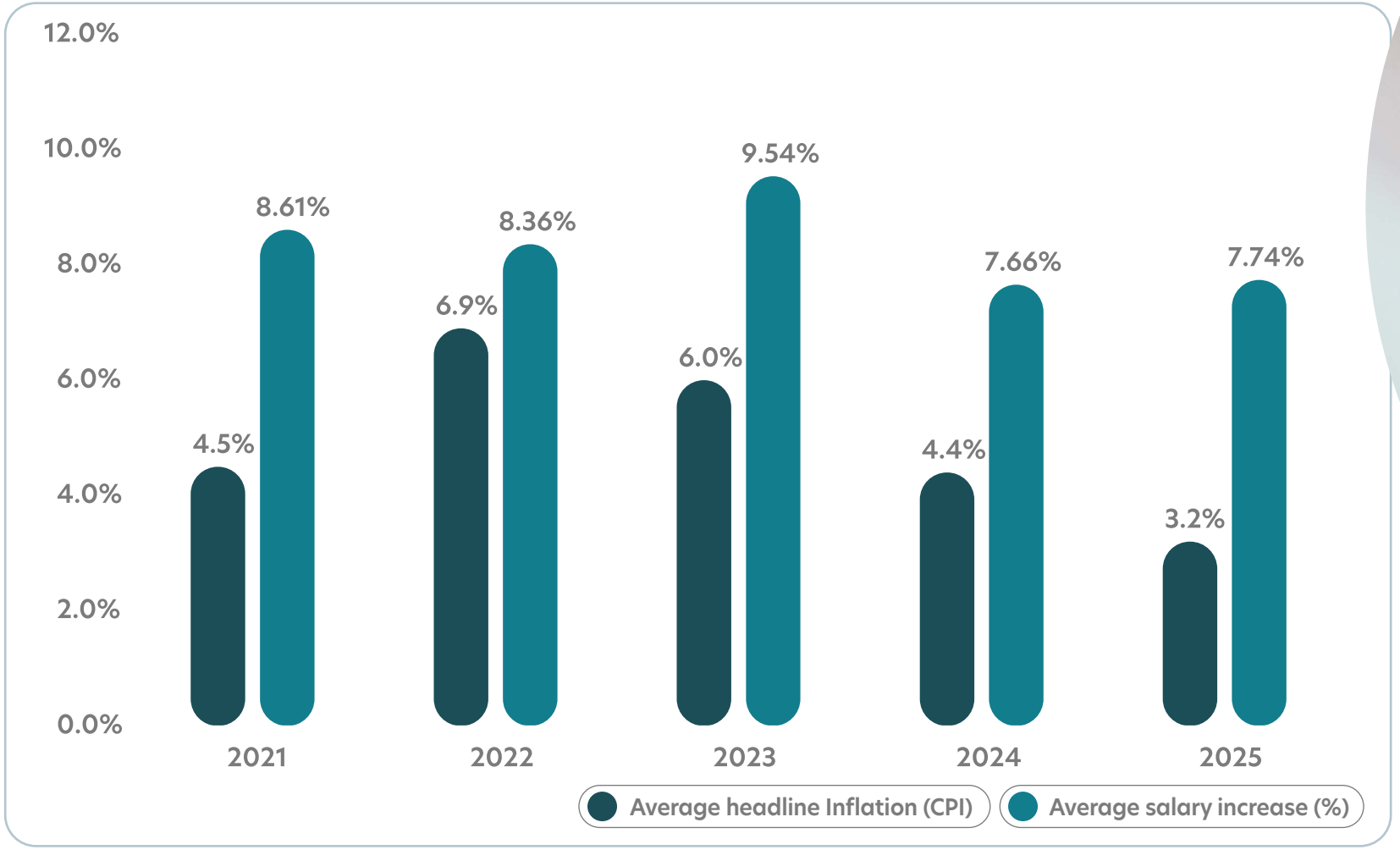
Average headline inflation (CPI) relative to average salary increases



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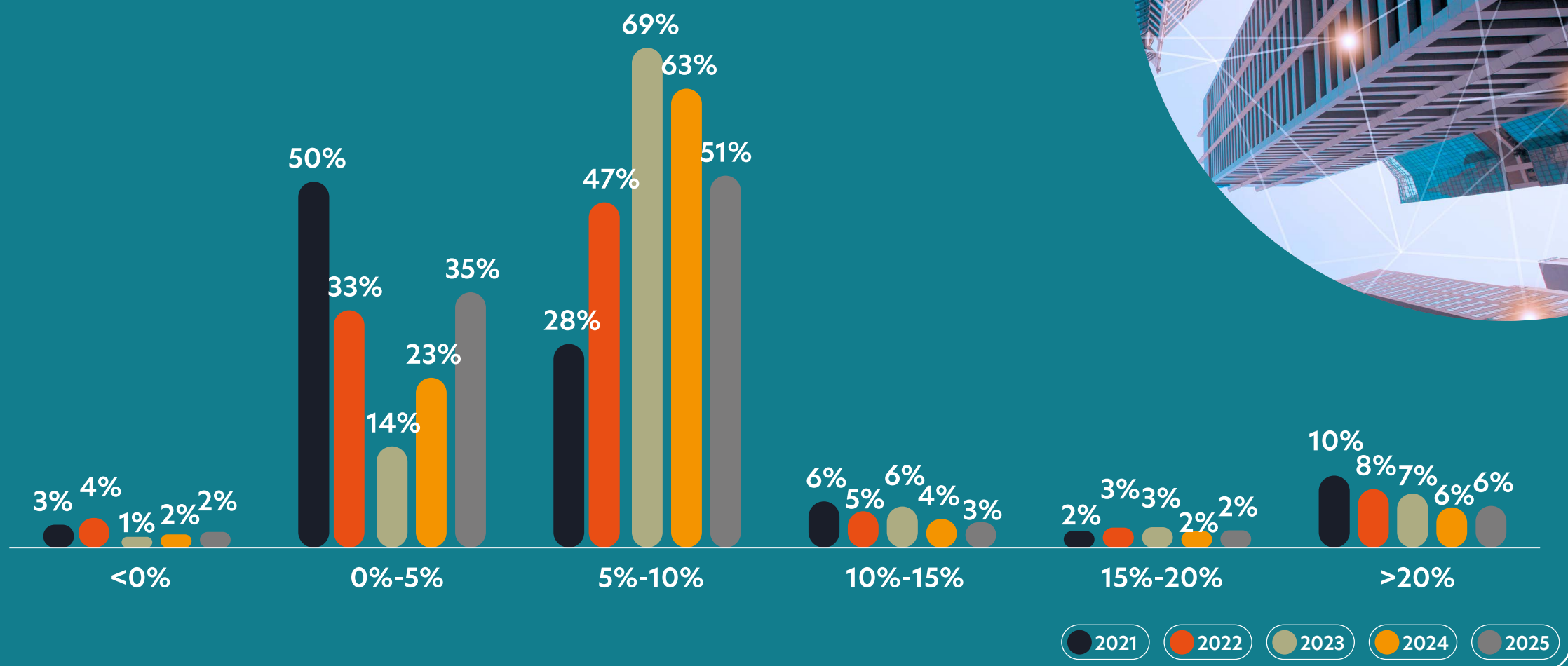
Average pensionable salary increase (%)
2021 to 2025



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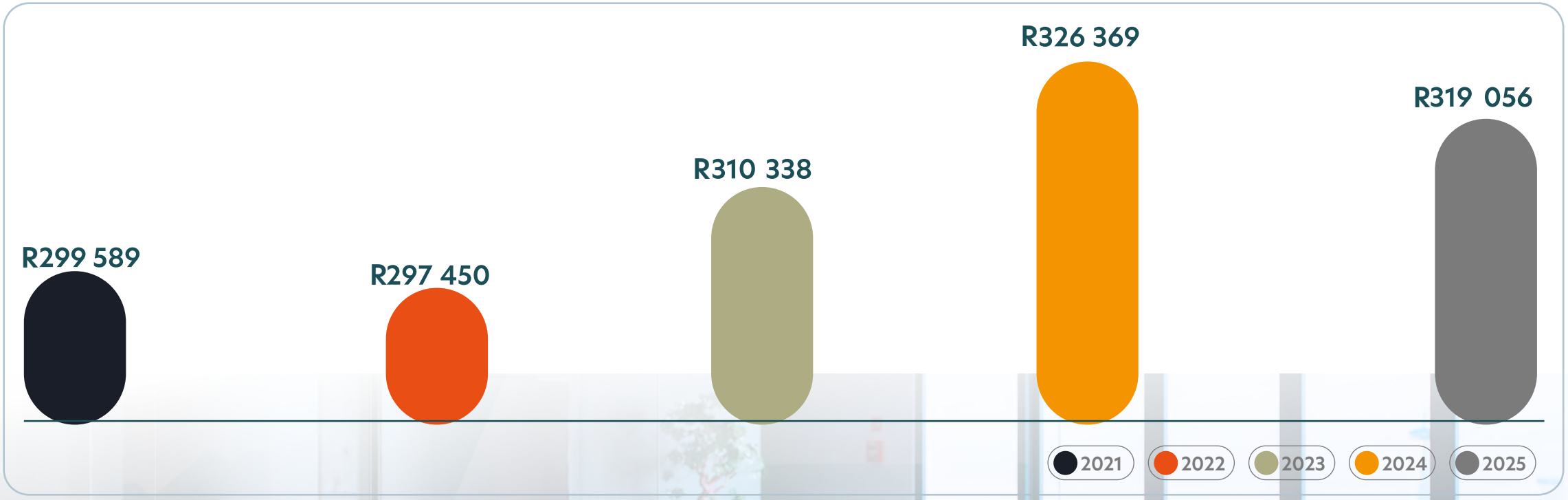
Average pensionable salaries



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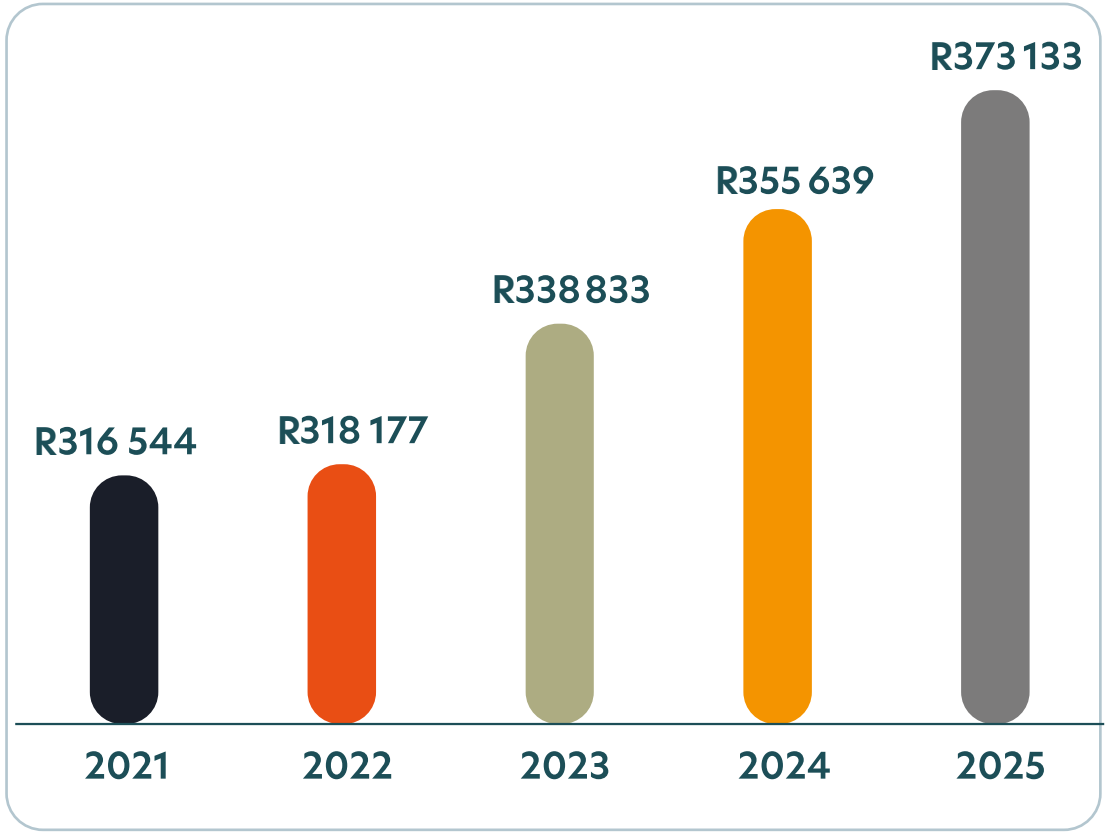
Average pensionable salaries (excluding members at or below a minimum full-time wage value)

Percentage of members who were excluded for each year



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Members using default investment strategies

- **92%** of members in **2025** were invested in their fund's default investment strategy, an increase from **86%** in **2021**.
- **Only 8% of members** have chosen to make investment decisions by opting for **investment portfolios outside their fund's default investment strategy**.
- This emphasises the **importance of a fund's default investment strategy**, as most members rely on its performance to generate appropriate **retirement outcomes**.

Average membership (%) in default investment strategies

2021	2022	2023	2024	2025
86.32%	88.84%	88.45%	90.92%	91.84%

Average membership (%) making investment choice decisions

2021	2022	2023	2024	2025
13.68%	11.16%	11.55%	9.08%	8.16%

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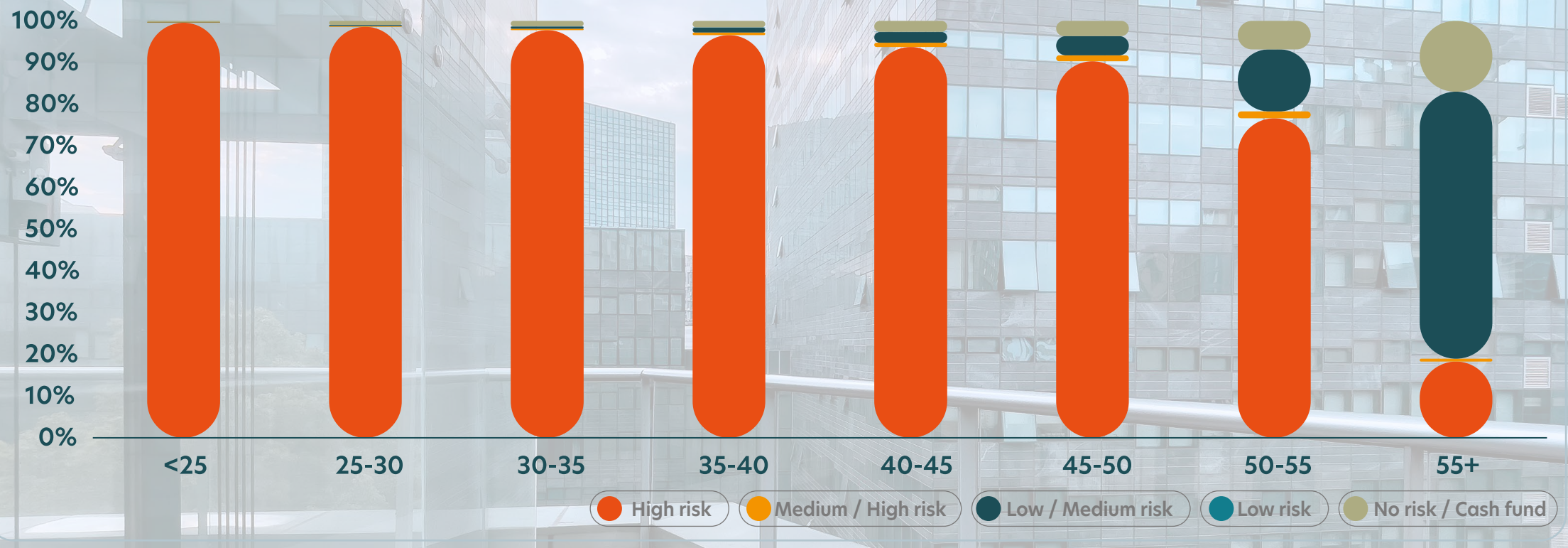
Investment distribution across different age groups
31 December 2025



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Exits

129 761 members exited their employers during 2025

3 682	28 706	70 375
deaths	dismissals	resignations

15 332	11 666
retrenchments	retirements

Total exit rates between 2024 and 2025 remained stable, with the rate fluctuating across age groups

- **The highest in 2025:** **32%** of exits were members aged between 30 and 40.
- **The lowest in 2025:** **12%** of exits were members aged 60 and older.

Death and dismissal rates remained similar between 2024 and 2025

- Deaths may result in financial distress for families, in addition to emotional distress.
- Dismissals may be an indicator of underlying financial distress.

Retrenchments increased by **18%** from 2024 to 2025

- Retrenchments may result in financial distress for affected members and their families.

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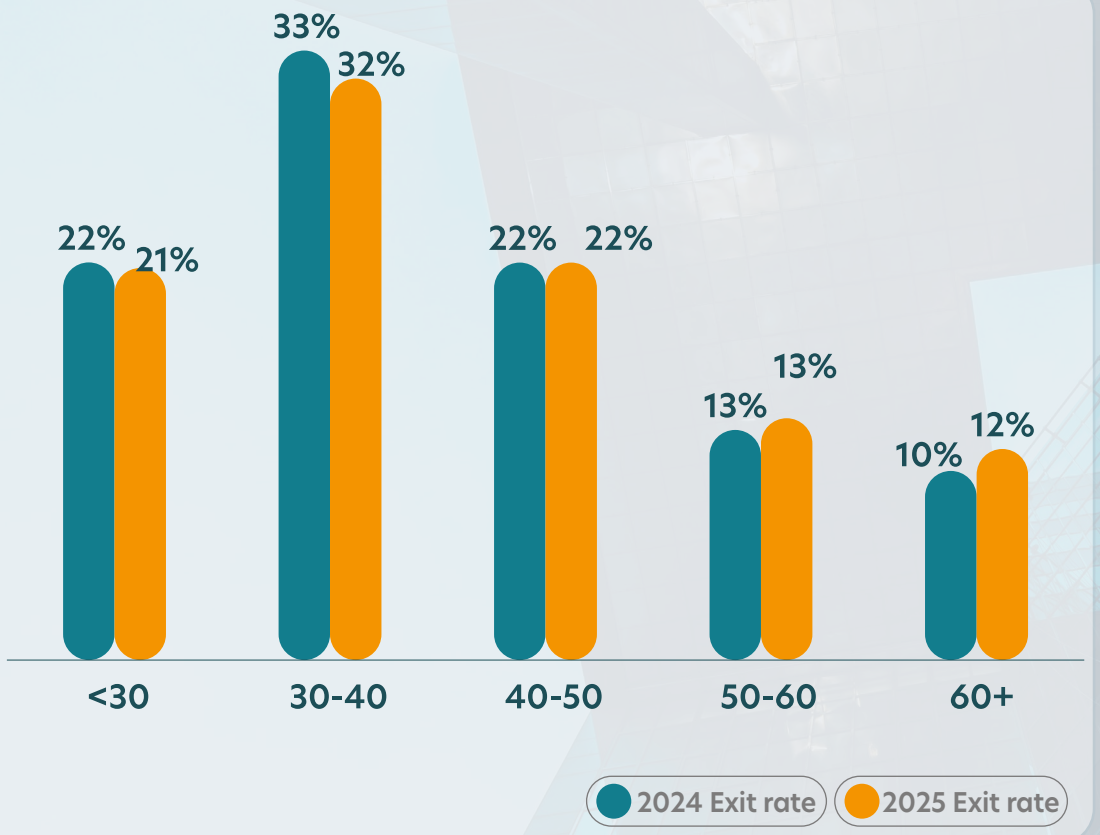
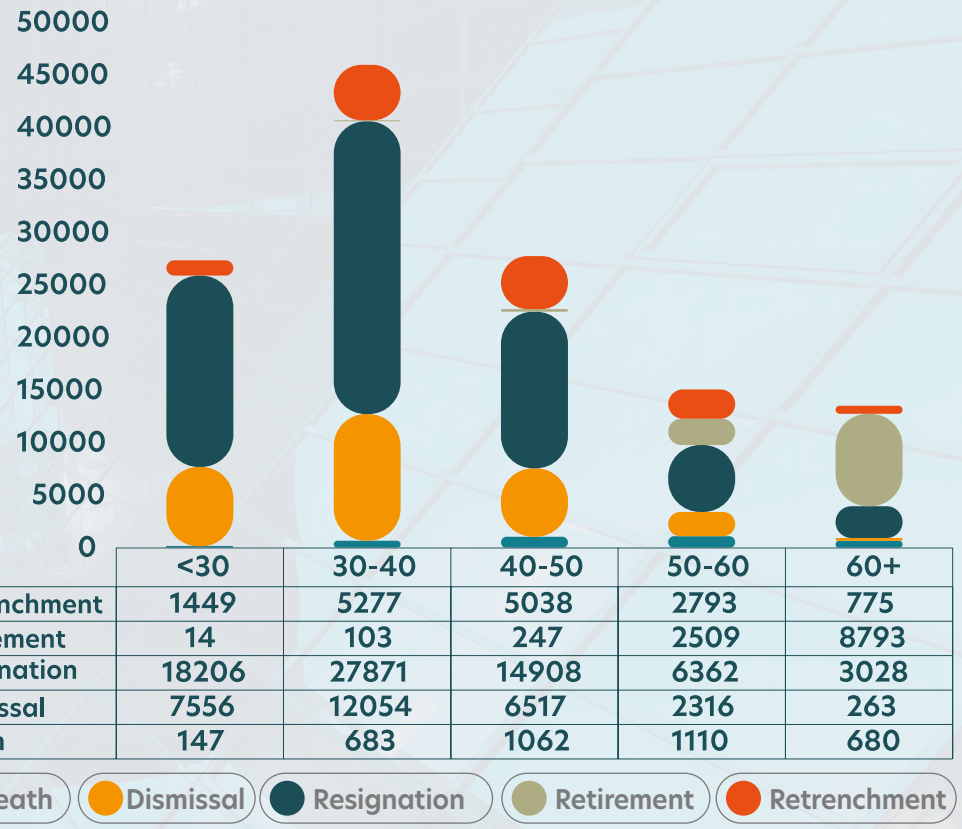
Exit rate at different age groups

Exit rate at different age groups



Total exits at different age groups: 2025



	<30	30-40	40-50	50-60	60+
Retrenchment	1449	5277	5038	2793	775
Retirement	14	103	247	2509	8793
Resignation	18206	27871	14908	6362	3028
Dismissal	7556	12054	6517	2316	263
Death	147	683	1062	1110	680

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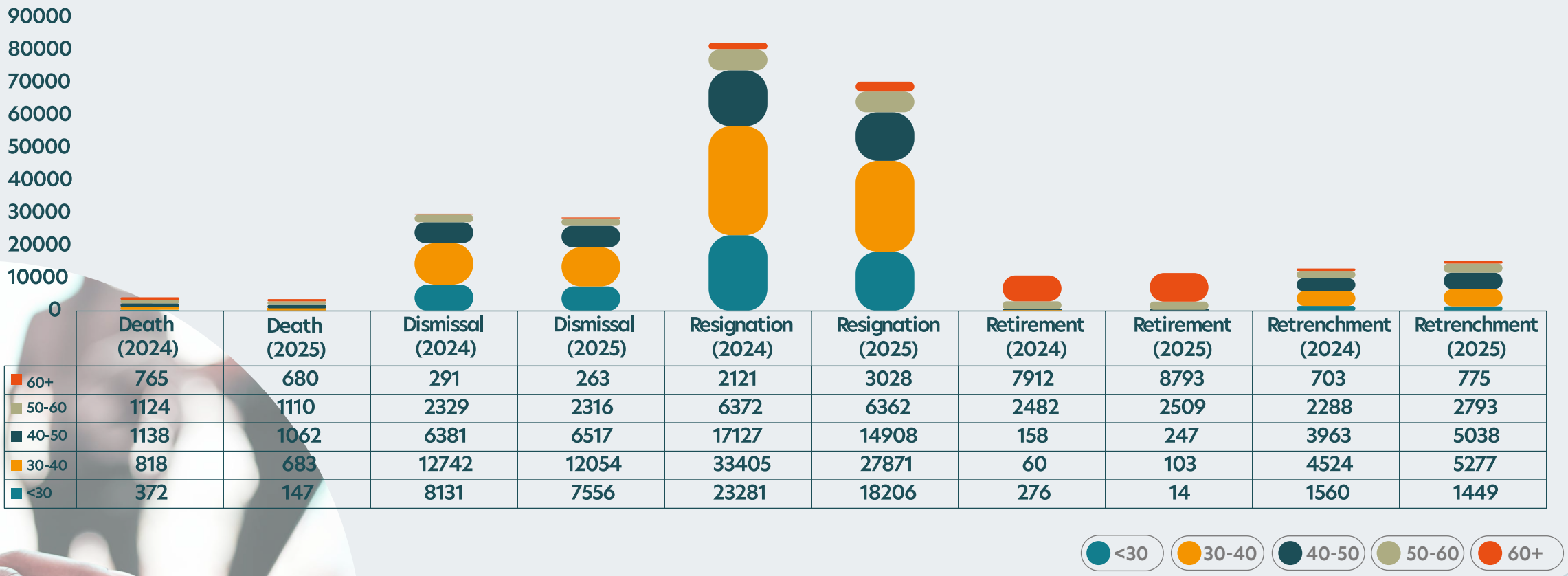
Total exits at different age groups • 2024 and 2025



	Death (2024)	Death (2025)	Dismissal (2024)	Dismissal (2025)	Resignation (2024)	Resignation (2025)	Retirement (2024)	Retirement (2025)	Retrenchment (2024)	Retrenchment (2025)
60+	765	680	291	263	2121	3028	7912	8793	703	775
50-60	1124	1110	2329	2316	6372	6362	2482	2509	2288	2793
40-50	1138	1062	6381	6517	17127	14908	158	247	3963	5038
30-40	818	683	12742	12054	33405	27871	60	103	4524	5277
<30	372	147	8131	7556	23281	18206	276	14	1560	1449

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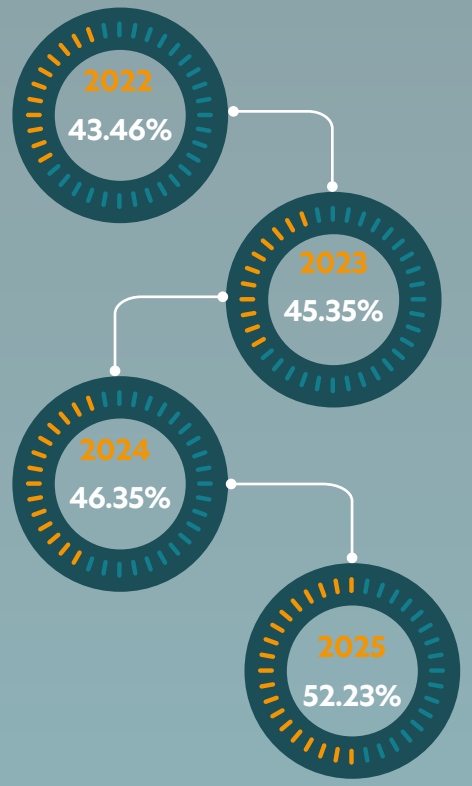
Preservation

Total preservation rates by assets (that is, retirement savings values) increased by 18%, from 44% in 2022 to 52% in 2025

Preservation rates include retirement pots, which cannot be accessed as cash lump sums.

Although the increase in preservation rates may signal improved savings behaviour among members in relation to their vested pots, more time is needed to establish whether this is a lasting trend or whether it is coincidental to the timing of the implementation of the two-pot system.

Preservation rates by assets



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Savings pot withdrawals and long-term impact of the two-pot system

1. Over 1 160 000 savings pot withdrawals have been processed from 1 September 2024 to 31 July 2026.

2. Over the same period, more than R16.2 billion has been withdrawn.

3. Withdrawals impact retirement outcomes:

   - Based on a 15% contribution rate towards retirement savings, the difference in replacement ratios between a member who preserves all their retirement savings and a member who withdraws everything from their savings pot is 50%: 76.5% versus 51%.
   - The larger the amount withdrawn and the closer the withdrawal is to retirement, the more detrimental the impact on a member's replacement ratio. For example, withdrawing 100% in year 10 compared with year 30 results in a 22% difference in replacement ratios.

4. Repeat withdrawals from savings pots across successive tax years indicate that many members are experiencing financial distress.

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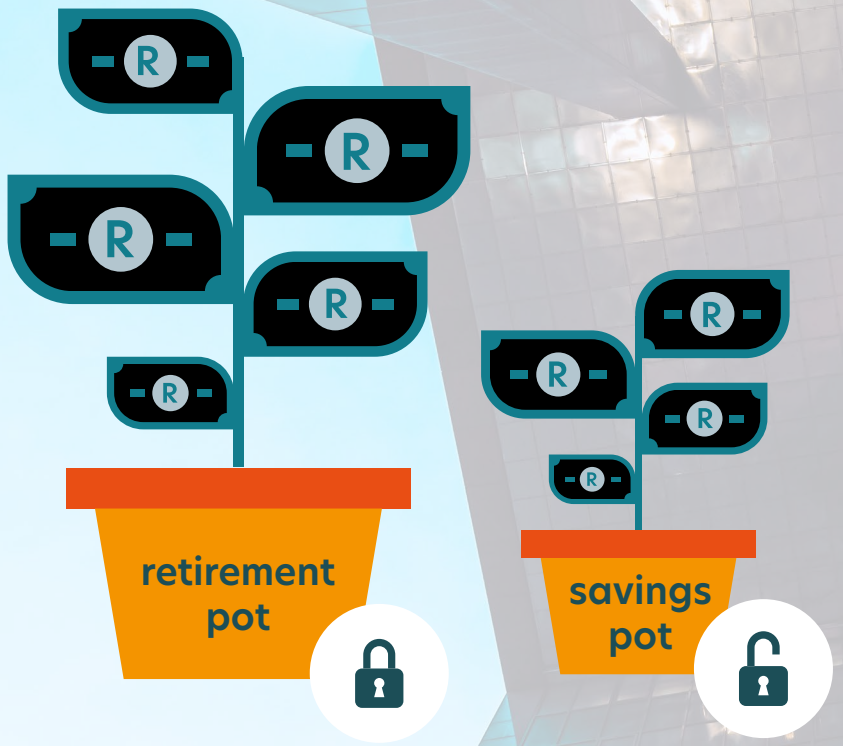
Savings pot claims



1 September 2024 – 28 February 2025

Over **385 000** claims
Over **R6.9 billion**

1 March 2025 – 28 February 2026

Over **410 000** claims
Over R4.7 billion

1 Sept 2024 – 31 July 2026

Over **1 160 000** claims
Over **R16.2 billion**

1 March 2026 – 31 July 2026

Over **365 000** claims
Over **R4.6 billion**

Five working days on average to finalise a savings pot claim
95% of exit claims continue to be within servicing standards: resignation, retrenchment & retirement

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Savings pot withdrawals • 31 March 2026

- Total since the start of the two-pot system: over **1 015 000** savings pot claims to the value of more than **R14.3 billion**.
- Highest withdrawal volume months:
  - **September 2024:** over **230 000 claims** to the value of more than **R3.9 billion**.
  - **October 2024**: over **80 000 claims** to the value of more than **R1.4 billion**.
  - **March 2025**: over **95 000 claims** to the value of more than **R780 million**.
  - **March 2026**: over **220 000 claims** to the value of more than **R2.7 billion**.
- About **62%** of savings pot withdrawals were submitted during these **four months** since the start of the **two-pot system** (from 1 September 2024).
- Claims data shows that many members are making repeated use of the savings pot feature across successive tax years:
  - **67% of members** who claimed during the **2025 tax year** submitted another **claim in 2026**.
  - **38% of members** who claimed during the **2026 tax year** submitted an **additional claim** in the first month of the **2027 tax year**.
  - **31% of members** who claimed during the **2025 tax year** made withdrawals in all three tax years, as at **31 March 2026**.
- Total tax paid to the **South African Revenue Service** on behalf of members was **R3.6 billion**.
- The **average tax rate** since the start of the two-pot system was **25%**, but the actual tax payable by members is based on their marginal tax rate.

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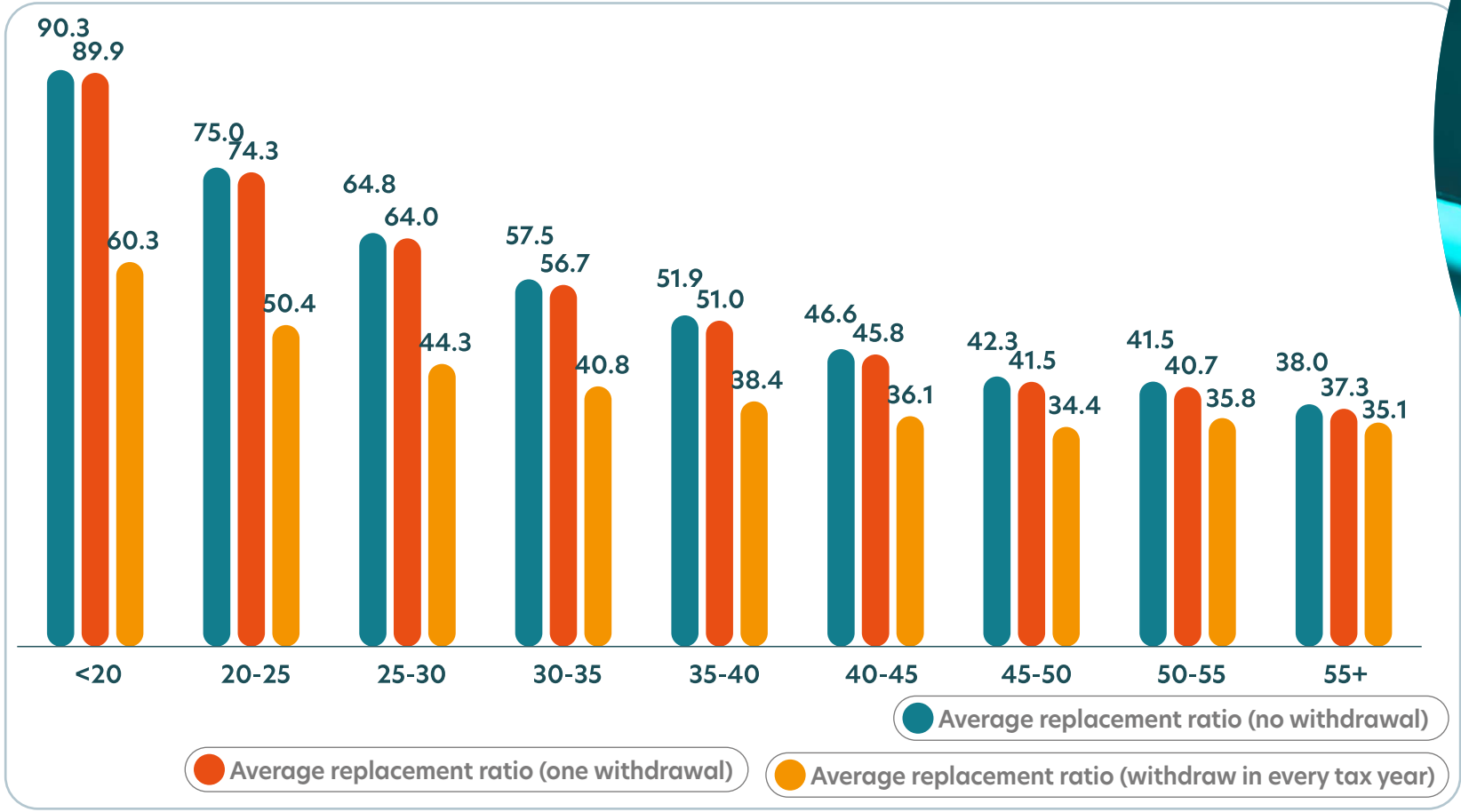
Expected replacement ratios at retirement age 65

Across age groups under different withdrawal scenarios • 31 December 2025



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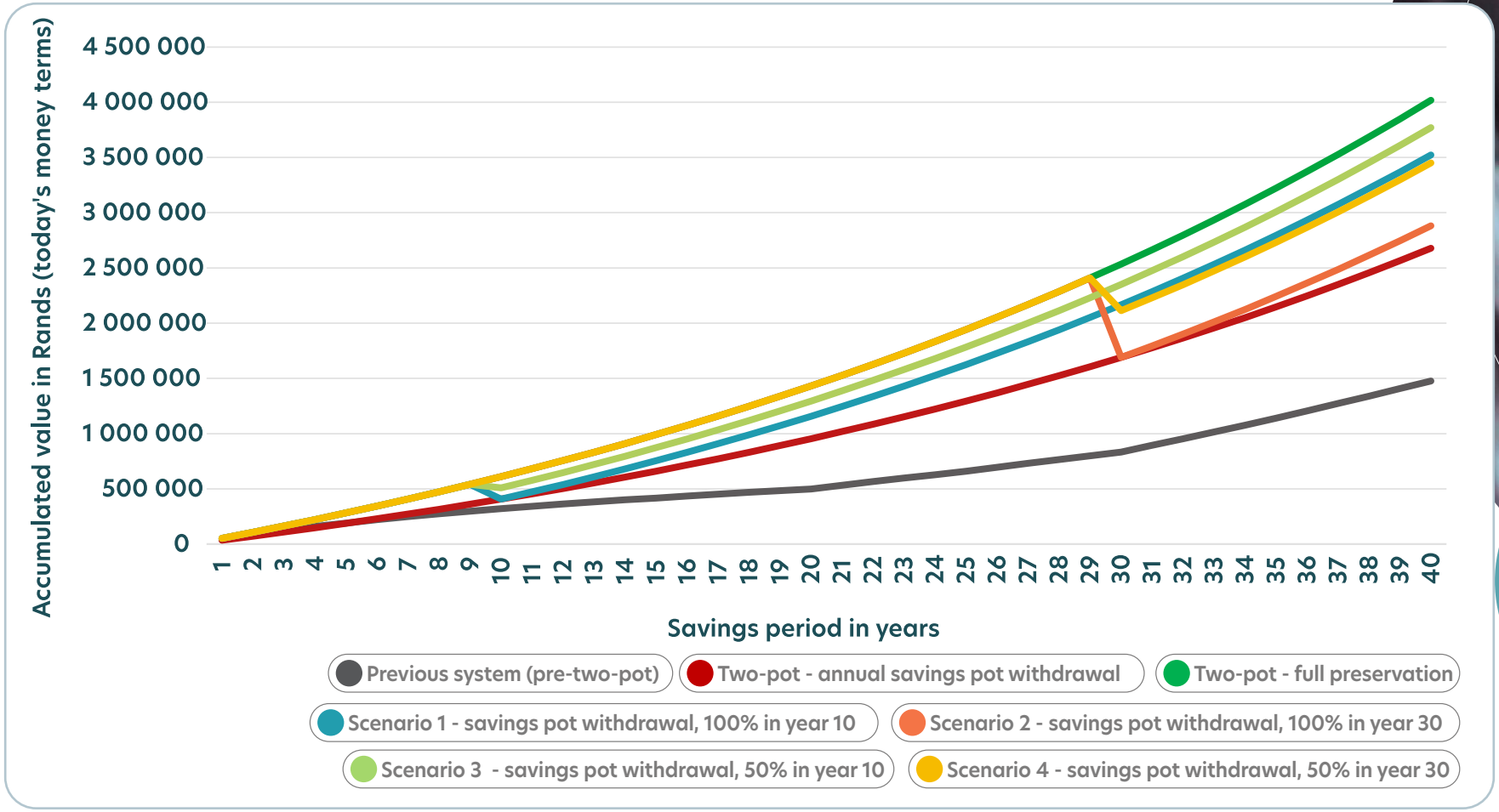
Two-pot system under different savings pot withdrawal scenarios

Accumulated value of 15% contributions on annual pensionable salary of R350 000 in today's money terms



Note: Scenarios are based on a new member joining the two-pot system

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Two-pot system under different savings pot withdrawal scenarios

	Expected pension	Replacement ratio
Two-pot - full preservation	R267 707	76.5%
Two-pot - annual savings pot withdrawal	R178 471	51.0%
Scenario 1 - savings pot withdrawal, 100% in year 10	R234 776	67.1%
Scenario 2 - savings pot withdrawal, 100% in year 30	R192 039	54.9%
Scenario 3 - savings pot withdrawal, 50% in year 10	R251 241	71.8%
Scenario 4 - savings pot withdrawal, 50% in year 30	R229 873	65.7%
Previous system (pre-two-pot)	R98 461	28.1%

- The two-pot system provides better retirement outcomes than the previous system, even if members withdraw from their savings pot.
- The amount withdrawn and the timing of a withdrawal relative to retirement have a significant impact on retirement outcomes.
- Ultimately, the amount left in the savings pot at the time of retirement matters: taking a 100% withdrawal towards the end of a retirement savings journey results in almost the same outcome as taking a withdrawal every tax year.
- The difference in replacement ratios between a member who preserves all their retirement savings and a member who withdraws everything from their savings pot is 50%: 76.5% versus 51%.
- The difference in replacement ratios between a member who takes a 100% withdrawal in year 10 of their retirement savings journey and a member who takes the same withdrawal in year 30 is 22%: 67% versus 55%.
- The difference in replacement ratios between a member who takes a 50% withdrawal in year 10 of their retirement savings journey and a member who takes the same withdrawal in year 30 is 9%: 72% versus 66%.

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Key statistics about retirement outcomes

Aggregated overview by gender

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Key analysis by gender

- On average, males and females are expected to achieve a **replacement ratio of 46%**, indicating that retirement outcomes are now similar between genders. However, **10% of males** are expected to **achieve replacement ratios of 80% or higher**, compared with **8% of females**, indicating that a slight **gap still exists in the higher replacement ratio category**.
- **Females** are more concentrated in **lower salary bands between 2019** and **2025**. In 2025:
  - **36% of females** earned annual pensionable **salaries between R240 000** and **R480 000**, **compared** with **26% of males**.
  - **19% of females** earned annual pensionable **salaries between R480 000** and **R960 000**, compared with **24% of males**.
  - **1% of females** earned annual pensionable **salaries of more than R960 000**, compared with **3% of males**.
- In **2019**, **five times more men than women** had **pensionable salaries of R960 000 or more**; this **decreased to three times by 2025**.
- In **2019**, **2.2 times more men than women** had **pensionable salaries between R480 000** and **R960 000**; this **decreased to 1.3 times by 2025**.
- **Salary increase** patterns have been **broadly similar between males and females**, with only a slightly **higher proportion of males receiving increases of 10%** or more during **2025**.
- The analysis indicates that, on average, **the gender pay gap and retirement outcome gap have narrowed over time**.

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Expected replacement ratio by gender

Replacement ratio	2021 Male	2021 Female	2022 Male	2022 Female	2023 Male	2023 Female	2024 Male	2024 Female	2025 Male	2025 Female
0-20	14.27%	15.10%	15.18%	14.75%	14.60%	14.56%	12.91%	13.45%	12.01%	12.27%
20-40	31.06%	32.69%	34.01%	35.24%	32.66%	33.47%	31.87%	33.10%	29.31%	31.30%
40-60	30.12%	29.56%	29.75%	29.13%	29.54%	28.90%	30.62%	29.58%	29.54%	29.62%
60-80	17.55%	16.98%	15.57%	15.85%	16.77%	17.00%	17.52%	17.38%	18.87%	18.84%
80+	7.00%	5.67%	5.43%	5.03%	6.44%	6.07%	7.08%	6.50%	10.26%	7.97%

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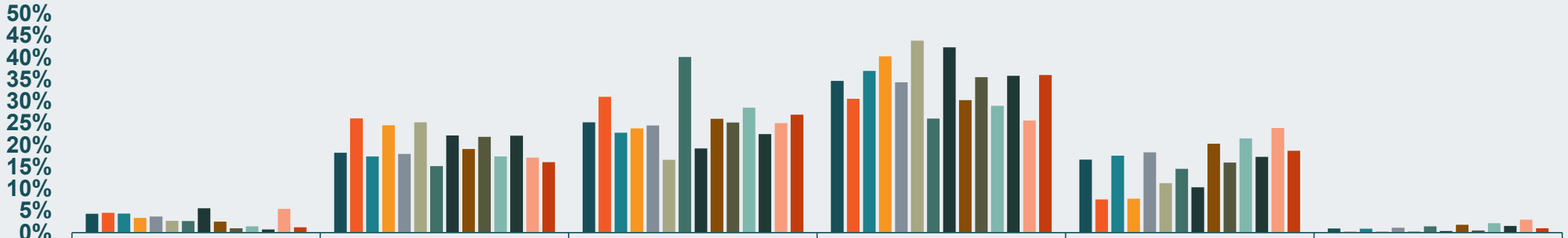
Salary distribution per gender over 7 years



	0-60k	60-120k	120-240k	240-480k	480-960k	960k+
2019 male	4.31%	18.24%	25.18%	34.65%	16.66%	0.96%
2019 female	4.53%	26.11%	31.01%	30.56%	7.56%	0.22%
2020 male	4.37%	17.42%	22.81%	36.94%	17.56%	0.90%
2020 female	3.37%	24.52%	23.83%	40.23%	7.75%	0.30%
2021 male	3.69%	17.99%	24.48%	34.34%	18.36%	1.14%
2021 female	2.71%	25.20%	16.64%	43.84%	11.30%	0.31%
2022 male	2.67%	15.20%	40.10%	26.03%	14.58%	1.42%
2022 female	5.55%	22.17%	19.25%	42.33%	10.34%	0.35%
2023 male	2.52%	19.10%	25.99%	30.25%	20.32%	1.81%
2023 female	0.98%	21.87%	25.14%	35.51%	16.02%	0.48%
2024 male	1.46%	17.38%	28.54%	28.97%	21.51%	2.15%
2024 female	0.72%	22.16%	22.49%	35.81%	17.30%	1.52%
2025 male	5.42%	17.14%	24.99%	25.60%	23.88%	2.96%
2025 female	1.23%	16.10%	26.95%	36.01%	18.70%	1.01%

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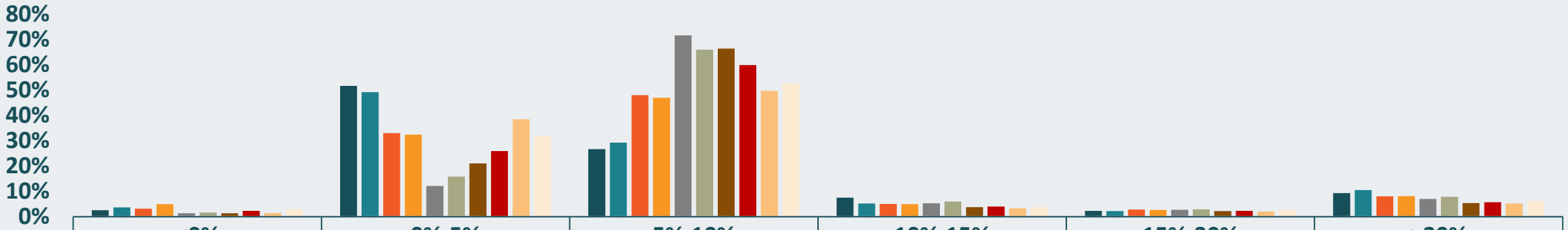
Average salary increase (%) per gender over 5 years



	<0%	0%-5%	5%-10%	10%-15%	15%-20%	>20%
2021 Female %	3%	52%	27%	7%	2%	9%
2021 Male %	4%	49%	29%	5%	2%	11%
2022 Female %	3%	33%	48%	5%	3%	8%
2022 Male %	5%	32%	47%	5%	3%	8%
2023 Female %	1%	12%	72%	5%	3%	7%
2023 Male %	2%	16%	66%	6%	3%	8%
2024 Female %	1%	21%	66%	4%	2%	5%
2024 Male %	2%	26%	60%	4%	2%	6%
2025 Female %	1%	38%	50%	3%	2%	5%
2025 Male %	3%	32%	53%	4%	3%	6%

2021 Male % · 2022 Male % · 2023 Male % · 2024 Male % · 2025 Male %
2021 Female % · 2022 Female % · 2023 Female % · 2024 Female % · 2025 Female %

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Key statistics about retirement outcomes

Aggregated overview by sector

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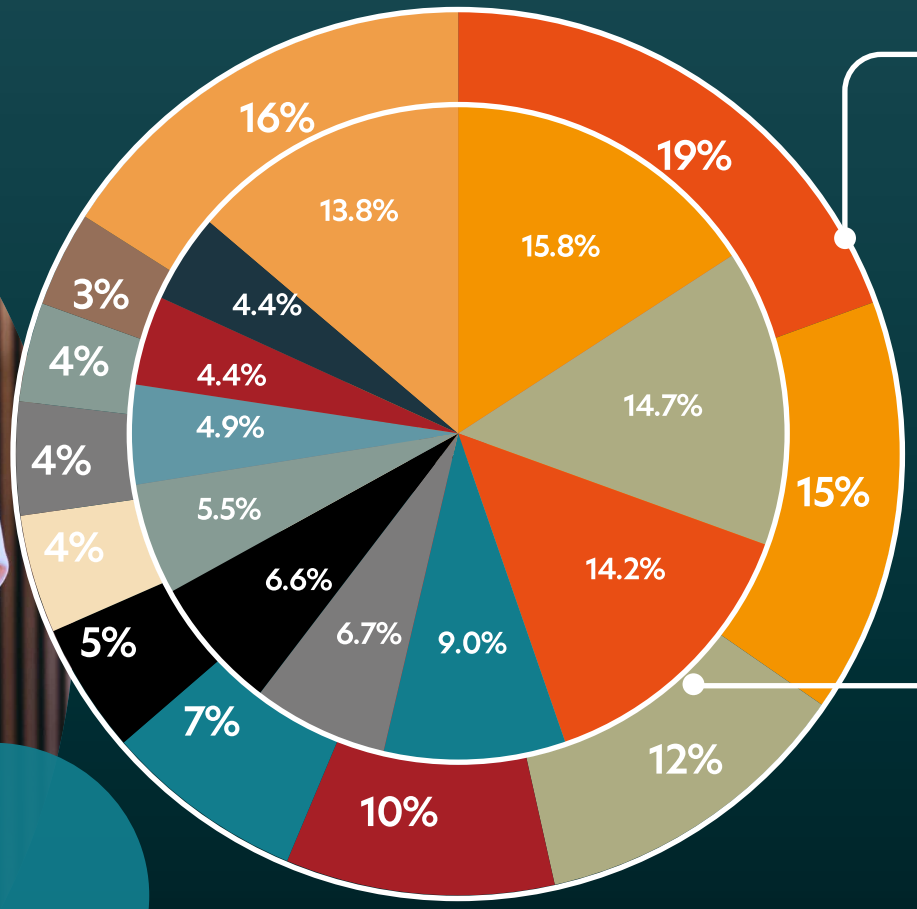
Sectors • 31 December 2025

Percentage of members



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Distribution of replacement ratios achieved by retirees • 2025

Sector	0-20%	20-40%	40-60%	60-80%	80%+
Accommodation and food service activities	51%	22%	7%	15%	5%
Administrative and support activities	43%	32%	17%	6%	2%
Agriculture, Forestry and Fishing	42%	32%	16%	8%	3%
Arts, entertainment and recreation	37%	40%	16%	1%	6%
Construction	56%	26%	10%	6%	2%
Education	26%	25%	20%	16%	13%
Electricity, gas, steam and air conditioning supply	64%	14%	7%	14%	0%
Financial and insurance activities	26%	25%	20%	13%	15%
Human health and social work activities	30%	28%	24%	13%	5%
Information and communication	47%	27%	13%	6%	7%
Manufacturing	26%	25%	22%	15%	12%
Mining and quarrying	21%	21%	20%	19%	19%
Other service activities	23%	21%	20%	18%	18%
Professional, scientific and technical activities	41%	27%	16%	9%	7%
Public administration and defence; compulsory social security	19%	25%	23%	18%	15%
Real estate activities	80%	17%	2%	0%	0%
Transportation and storage	33%	30%	16%	9%	11%
Water supply; sewerage, waste management and remediation activities	45%	41%	13%	1%	0%
Wholesale and retail trade; repair of motor vehicles and motorcycles	34%	26%	16%	11%	12%

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Distribution of replacement ratios achieved by retirees

2025 comparison 2021

	0-20%		20-40%		40-60%		60-80%		80%+	
Sector	2025	2021	2025	2021	2025	2021	2025	2021	2025	2021
Accommodation and food service activities	51%	40%	22%	28%	7%	19%	15%	10%	5%	3%
Administrative and support activities	43%	47%	32%	28%	17%	15%	6%	5%	2%	5%
Agriculture, Forestry and Fishing	42%	51%	32%	27%	16%	18%	8%	4%	3%	0%
Arts, entertainment and recreation	37%	51%	40%	37%	16%	11%	1%	2%	6%	0%
Construction	56%	72%	26%	27%	10%	1%	6%	0%	2%	0%
Education	26%	32%	25%	25%	20%	25%	16%	12%	13%	5%
Electricity, gas, steam and air conditioning supply	64%	55%	14%	19%	7%	26%	14%	0%	0%	0%
Financial and insurance activities	26%	27%	25%	24%	20%	18%	13%	17%	15%	14%
Human health and social work activities	30%	29%	28%	28%	24%	24%	13%	12%	5%	6%
Information and communication	47%	45%	27%	25%	13%	13%	6%	9%	7%	9%
Manufacturing	26%	36%	25%	26%	22%	21%	15%	11%	12%	6%
Mining and quarrying	21%	38%	21%	27%	20%	21%	19%	8%	19%	6%
Other service activities	23%	68%	21%	17%	20%	4%	18%	6%	18%	4%
Professional, scientific and technical activities	41%	40%	27%	27%	16%	17%	9%	10%	7%	7%
Public administration and defence; compulsory social security	19%	8%	25%	23%	23%	24%	18%	23%	15%	22%
Real estate activities	80%	86%	17%	0%	2%	14%	0%	0%	0%	0%
Transportation and storage	33%	33%	30%	28%	16%	22%	9%	11%	11%	6%
Water supply; sewerage, waste management and remediation activities	45%	64%	41%	24%	13%	12%	1%	0%	0%	0%
Wholesale and retail trade; repair of motor vehicles and motorcycles	34%	33%	26%	27%	16%	16%	11%	14%	12%	10%

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Contribution rates by sector

	Average Total Contribution					Average Member Contribution					Average Employer Contribution				
Sector	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Public administration and defence; compulsory social security	22.18	22.10	22.23	22.20	20.07	6.18	6.2	7.07	7.06	6	16	15.9	15.16	15.14	14.07
Water supply; sewerage, waste management and remediation activities	15.53	16.51	16.22	16.07	16.37	3.91	4.32	4.27	4.21	4.28	11.62	11.29	11.95	11.86	12.09
Mining and quarrying	15.35	15.67	15.46	15.76	18.74	5.06	5.87	5.98	5.95	7.02	10.29	9.8	9.47	9.81	11.72
Education	14.21	14.39	14.34	14.50	14.94	3.53	3.87	3.9	3.95	3.36	10.68	10.52	10.44	10.56	11.58
Transportation and storage	14.84	15.17	14.70	15.40	17.04	6.95	7.05	6.6	6.17	6.59	7.89	8.12	8.1	9.24	10.45
Manufacturing	15.53	15.82	15.95	15.99	16.07	4.41	4.59	5.03	4.97	6.51	11.12	11.23	10.91	11.01	9.56
Other service activities	14.53	13.84	13.98	14.00	16.60	3.59	3.6	3.93	3.94	7.05	10.94	10.24	10.05	10.06	9.55
Electricity, gas, steam and air conditioning supply	12.38	13.00	12.97	14.25	14.91	4.8	4.85	4.89	6.18	5.57	7.59	8.15	8.08	8.07	9.34
Administrative and support activities	12.76	12.87	12.49	12.95	12.88	3.13	3.27	3.06	3.2	3.68	9.63	9.6	9.43	9.75	9.19
Agriculture, forestry and fishing	15.85	15.81	15.41	15.32	14.81	5.12	5.12	5.02	5.05	5.84	10.74	10.69	10.39	10.27	8.89
Wholesale and retail trade; repair of motor vehicles and motorcycles	13.50	13.24	14.05	13.64	14.30	5.5	5.24	5.48	5.24	5.38	8	7.99	8.56	8.4	8.92
Construction	14.96	14.93	14.65	15.21	14.85	4.16	4.2	3.92	3.77	6.01	10.79	10.73	10.73	11.44	8.84
Professional, scientific and technical activities	11.15	11.08	11.28	11.46	11.64	3.32	3.39	3.46	3.44	3.21	7.83	7.69	7.82	8.02	8.43
Real estate activities	11.35	11.40	11.92	11.54	11.56	2.29	2.21	2.43	2.57	3.24	9.06	9.19	8.99	8.97	8.32
Financial and insurance activities	14.42	14.84	14.66	15.03	14.43	5.72	6.4	6.4	6.54	6.47	8.7	8.44	8.26	8.48	7.95
Accommodation and food service activities	13.57	13.36	13.89	13.61	13.36	5.32	5.1	5.58	5.59	5.55	8.24	8.26	8.31	8.02	7.81
Information and communication	9.56	9.44	9.612	9.41	10.13	3.39	3.03	2.32	2.41	2.46	6.16	6.41	7.29	7	7.67
Human health and social work activities	13.74	13.45	13.50	13.30	13.28	5.34	5.9	5.99	5.77	5.81	8.4	7.55	7.51	7.53	7.47
Arts, entertainment and recreation	9.25	9.74	9.88	9.96	9.97	5.64	5.53	4.97	5.01	5.03	3.6	4.21	4.92	4.95	4.94

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Average retirement age per sector

	2024	2024	2025	2025	2024	2024	2025	2025
Row Labels	Average retirement age	Median retirement age	Average retirement age	Median retirement age	Average actual retirement age	Median actual retirement age	Average actual retirement age	Median actual retirement age
Accommodation and food service activities	63	65	63	65	62	62	61	60
Administrative and support activities	65	65	64	65	61	60	60	61
Agriculture, Forestry and Fishing	64	65	64	65	62	61	58	60
Arts, entertainment and recreation	63	65	63	63	60	60	62	62
Construction	64	65	64	65	57	60	60	60
Education	65	65	65	65	63	64	64	65
Electricity, gas, steam and air conditioning supply	64	65	64	65	63	63	63	63
Financial and insurance activities	64	65	64	65	61	60	60	60
Human health and social work activities	64	65	64	65	62	63	62	63
Information and communication	64	65	64	65	60	60	61	61
Manufacturing	64	65	64	65	62	62	62	63
Mining and quarrying	64	65	64	65	59	61	59	61
Other service activities	64	65	65	65	62	64	64	62
Professional, scientific and technical activities	64	65	64	65	63	65	63	63
Public administration and defence; compulsory social security	64	65	64	65	62	62	62	63
Real estate activities	64	65	64	65	59	59	61	61
Transportation and storage	64	65	64	65	63	64	62	64
Water supply; sewerage, waste management and remediation activities	64	65	64	65	62	63	64	64
Wholesale and retail trade; repair of motor vehicles and motorcycles	64	65	64	65	61	61	61	60

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Solutions to improve retirement outcomes

Retirement fund benefit design and financial wellbeing

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Solutions • Retirement fund benefit design

Trustee and / or employer choices

- Normal retirement age
- Contribution rates
- Investment strategy
- Fund type: stand alone or umbrella
- Easy access to financial advice

Member choices

- Preservation
- Contribution rate options
- Retirement date: early or deferred retirement
- Investment choices
- Opting for financial advice
- Investing beyond the fund, for example a tax-free or voluntary investment

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Consistent, investment performance

Behind each of the 1.1 million active contributing member records is a person whose future is being shaped. The findings show how much of that future depends on decisions made along the way: how much is saved, how long it stays invested, what happens at a job change or a savings pot claim, and how consistently the money is managed.

Over the five years, retirement outcomes improved markedly. Over those same five years, Alexforbes Investments was named **Raging Bull Best South African Manager of the Year 2025** for consistent, risk-adjusted performance.

Recognition doesn't make an investment destination. It confirms the discipline already behind it: careful decisions, well-managed risk and a focus on long-term outcomes, applied again and again.

That is the standard we hold ourselves to, and what we bring to every rand entrusted to us, whether from retirement funds, advised clients or individuals investing directly.

Alexforbes. The right place. The right partner. The right investment destination.

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Recognised excellence.

30th ANNIVERSARY RAGING BULL AWARDS

Raging Bull Awards
2025 Winner

South African Manager of the Year
| Best Interest-bearing Fund

#1
award-winning investments multimanager in SA

R733bn+
in total assets under management and administration

R589bn+
of institutional assets under advice

R112bn+
of retail assets under management

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The right support, at the moments that matter

The typical journey of a member and the support we offer at each milestone

Retirement outcomes are shaped by a handful of decisions: joining, saving, changing jobs, dipping into the savings pot and retiring. Made in a rush, without the right information, these decisions are costly. Made with the right support, they help members make the most of what they've saved.

Alexforbes supports members at each of these moments, in person, online and on their phones.

Before joining and on joining the fund

- Decision support (counselling and advice)
- Fund information
- Financial advice and planning

Active member

- Educational material
- Financial wellness
- Worksite consulting and events
- Rewards and discounts
- Financial advice
- Wealth management
- Discretionary investments

Leaving employer and fund

- Financial advice and planning
- Decision support (counselling and advice)

Pre-retirement

- Financial advice and planning
- Decision support (counselling and advice)
- Seminars

Retirement

- Financial advice and planning
- Decision support (counselling and advice)

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The tools and solutions, behind better decisions

Our suite of tools and solutions are grouped in these four categories:

Counselling and advice

Help your members make informed decisions

- Financial advice or wealth management
- Enhanced retirement benefit counselling
- Guided digital counselling for exits

Information

Give your members easy access to information at their fingertips

- WhatsApp self-service for new and active members
- My Money Matters toolkit
- AF Connect

Engagement

Encourage your members to be more engaged with their fund and their future

- Financial wellness days
- Worksite consulting - helping with individual advice and decisions
- Member education services
- Pre-retirement seminars
- My Retirement Picture online tool
- Two-pot support

Value

Give your members more value with added extras that other funds may not offer

- Debt solution
- AF Rewards
- Wills and estate services
- Personal savings and investment platform through AF Invest

All available through AF Connect

Every finding comes down to decisions members make, or never get round to making. That's why we are committed to partnering with you to provide the guidance, tools and advice that every fund member needs to make informed financial choices and smart money decisions.

Our personalised support aims to educate, inform and encourage engagement, ultimately helping members feel in control, confident and secure in their financial journey. It has the potential to alter attitudes, reshape behaviours, foster commitment and significantly improve outcomes.

Tailoring support to each member is the biggest opportunity to improve outcomes.

Speak to your Alexforbes consultant about which tools are right for your fund.

Assumptions

To calculate an expected replacement ratio for a member, various factors affecting the replacement ratio must be modelled. The model is based on the following assumptions:

Inflation

No explicit assumption is made about future inflation. Instead, the projections are based on increases above inflation.

Salary increases

Salary increases are assumed to be 2% above inflation.

Investment returns

The assumption for the expected scenario is inflation + 5%, previously this was +4.5%.

Preservation

No allowance is made for losses resulting from members not preserving their retirement savings before retirement, except where explicitly stated.

Purchase of a pension at retirement

Male members are assumed to be four years older than their spouse. All members are assumed to use all their retirement savings to purchase a with-profit annuity at retirement. The actual gender of the member is used. The annuity includes a 50% spouse's pension and a guaranteed period of five years. A realistic set of assumptions, in line with the Alexforbes house view, is used to project replacement ratios.

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Additional information

1. Certain statistics have been rounded up or down and may therefore result in minor inconsistencies in the numbers reported.
2. Datasets are as at the end of December for each year from 2021 to 2025.
3. References to estimated or expected replacement ratios are projected values over time based on actuarial assumptions.
4. Active member: Includes active contributing, paid-up and preserved members (i.e. members who remain in the fund and are not in a terminated status).
5. Active contributing members: Includes all members actively contributing to retirement funds and therefore excludes any paid-up or preserved members.
6. Members with salaries below the full-time minimum wage were excluded from relevant calculations, including the expected average replacement ratio.

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