



Preservation and annuity solutions



Your journey

Your financial journey to retirement starts as soon as you start working and contribute to a retirement fund. Your investment in your journey, through the fund, plays a big part in helping you reach the important milestones in your life and ultimately, improve your financial outcomes.

This being said, the relationship you have with your employer and fund, will eventually come to an end in one of two ways:

You leave **before** you retire.

Road A Pre-retirement preservation

Keeping your savings invested when you leave your employer, when you either resign, get retrenched or dismissed.

You work for your employer **until** you retire.

Road B Retirement Income

Your trustee approved retirement choices.

These solutions are in line with National Treasury's retirement reform proposals that requires trustees to guide members into the retirement phase of their life.



We are committed to helping you, as members of the fund, to navigate your journey towards shaping financial decisions that matter.



We do this by giving you the information you need to understand your options, so you can make the best decisions for your situation. We urge you to obtain financial advice at all times



Road A

Pre-retirement preservation

Alexforbes One allows you to keep your money invested in the fund after you leave your employer as a result of resignation, retrenchment or dismissal.

When you leave your employer, you'll need to decide what to do with your retirement savings. **One of the most important choices you can make** is to keep your savings preserved for as long as possible. The process to do this is simple, quick and efficient.

By making this simple but important decision, you could benefit from:

- No lengthy application form or FICA process
- Competitive administration and investment fees
- The opportunity to consolidate other retirement savings in the fund
- Trustee oversight and governance of the Fund
- A choice of investment portfolios plus free switching
- Continued access to your existing online investment profile
- Access to AF Rewards (retail discounts)
- Ongoing communication and access to online tools
- A higher level of certainty regarding an improved retirement
- Easy access to financial advice (when required)

Road B

Understanding your annuity options at retirement

Understanding your annuity options has never been more important, especially with the two-pot retirement system now in place. This new system changes how you access your retirement savings, making it vital to make informed decisions about your future. **Your choice of annuity will determine how much income you receive in retirement and how long your money will last.**

Think of it like planning a road trip, you want to make sure you have enough fuel to reach your destination. By understanding your options and seeking the right advice, you can look forward to a retirement that is both comfortable and worry free.



The Alexforbes One Fund offers annuity options designed to suit a range of financial needs and retirement goals. The best option for you will depend on how much you've saved and your circumstances.

Not everyone is an investment expert and you don't have to be. Support is available to help you make informed decisions. The retirement benefits counsellor and your financial adviser can help you understand and choose the best option for you.

Exploring your annuity choices outside the fund when you retire:

Trustee solutions designed with you in mind

Guaranteed life annuity

Just Lifetime Income (JuLI) and option 2 is Just Lifetime income Advance (JuLIA)

A with-profit annuity guarantees you income for life. The trustees have selected the Just Life Guaranteed Life Annuity (JuLI or JuLIA) with-profit annuities.

These annuities invest in the Alexander Forbes Investments Performer portfolio. They have the best chance of beating inflation and take into account future inflation, real investment returns.

The difference between the Just Life Guaranteed Life Annuity and JuLI Advance is the starting income. JuLI Advance offers a higher guaranteed starting income in exchange for capping the future investment returns used in determining annual increases. The higher starting income is typically 5% to 15% higher and future increases are linked to smoothed investment returns, which are capped at 15%.

All fees and charges are over the long term.

Increase Options

HiGro - lowest starting income, with the highest future increases

HiYield - highest starting income, with the lowest future increases.

StableGro - moderate starting income with moderate annual increases

Flexible living annuity

Alexander Forbes Retirement Income Solution (AFRIS) living annuity

This option combines the benefits of both a living annuity and a life annuity. This means you get flexible pension income, can leave money for your beneficiaries, and receive a guaranteed income. You can enjoy a guaranteed income by investing a portion of your retirement assets into a life annuity component, JuLi* (treated like an investment portfolio within the AFRIS living annuity) as well as receive an income based on the remainder investment value.

*JuLi is short for Just Lifetime

Key benefits

Steady income and potential growth

Flexible and cost-effective

Ideal for

Those seeking structured financial certainty and security

Members with at least R600 000 in savings after tax



The fund also offers two trustee's choice annuity options when you retire, so you can choose the one that best suits your needs.

- An out of fund living annuity pension and
- An out of fund guaranteed life annuity

Summary of annuity features

Feature	AFRIS Living Annuity	Just Life Products
Income flexibility	✓	✗
Guaranteed lifetime income	✗	✓
Market protection	✗	✓
Legacy for beneficiaries	✓	✗

What are the benefits of postponing retirement?

Did you know? Retiring at age **65** instead of **55** can nearly **double** your retirement income! By working a few more years, you:



Next steps: Secure your retirement with confidence

To make informed decisions about your financial future, start by consulting with a financial adviser to explore your options. Assess your financial needs and long-term goals and then choose the annuity that best aligns with your objectives.



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Ways to save!

These options provide you with extra ways to protect your savings and keep them for what they were originally intended - a retirement income.



Cost-effective option for you, on leaving your employer and you wish to preserve your retirement savings or use retirement annuities and preservation funds. The investment fees are much lower than most members would be able to access by themselves. Over longer periods, lower fees can improve your retirement outcomes.



By keeping your savings in the fund after leaving your employer, you can stay invested in the same investment strategy that you had while you were employed. You may also switch portfolios should you so desire.



The fund provides you with trustee designed options to meet members needs.



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