Benchmark Retirement Fund

Quarterly Investment Report: As at 30 June 2025

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Introduction

This document has been compiled with the aim of providing members of the Benchmark Retirement Fund with an overview of the investment options offered to enable them to make informed decisions regarding the investment of their retirement assets.

The following portfolios are offered to members:

Investment Portfolio	Risk Categorisation	Asset Managers's Explicit Performance Objective	Return Expectations derived form Historical Experience (Before Fees)
Allan Gray Namibia Balanced Fund*	Moderate	None	CPI+5% to 6%
Ninety One Namibia Managed Fund	Moderate	None	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibian Profile Pinnacle Fund	Moderate	None	CPI+5% to 6%
M&G Namibian Balanced Fund	Moderate	None	CPI+5% to 6%
Standard Bank Namibia Managed Fund	Moderate	None	CPI+5% to 6%
Benchmark Default Portfolio**	Moderate	-	CPI+5%
Old Mutual Namibia Absolute Stable Growth***i	Moderate - Low	CPI+4.5%	CPI+4.5%
NAM Coronation Capital Plus Fund	Moderate - Low	CPI+4%(1 year)	CPI+4%
M&G Namibian Inflation Plus Fund	Moderate - Low	CPI+4%	CPI+4%
Sanlam Namibia Inflation Linked Fund	Moderate - Low	CPI+4%	CPI+4%
NAM Coronation Balanced Defensive Fund	Moderate - Low	IJG Money Market+3%	CPI+2% to 3%
Sanlam Nambia Absolute Return Plus Fund	Low	CPI+2%	CPI+2%
Capricorn Stable Fund	Low	CPI+2%(2 years)	CPI+2%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1%to 2%
Ninety One Namibia High Income Fund	Low	IJG Money Market Index	CPI+1% to 2%
Capricorn Enhanced Cash Fund	Low	IJG 12 Month TB Index	CPI to CPI+1%
Capricorn Investment Fund	Capital Preservation	7 day Repo Rate	CPI

*Segregated Portfolio
**The Benchmark Default Portfolio is a combination of Allan Gray Namibia Domestic Balanced Fund, M&G Namibia Domestic Balanced Fund, Sanlam Namibia Domestic Balanced Fund, Ninety One Namibia Domestic Balanced Fund, 20Twenty Credit Solution, Satrix Emerging Markets Tracker Fund, Satrix World Equity Tracker Fund, Sanlam USD Enhanced Yield Fund and Colchester Global Bond Fund.
***This is a 80% guaranteed portfolio and has an additional capital charge over and above the investment fees. This portfolio is closed for new investments since May 2020.
i- Insurance Policy.

Investment Returns

In order to achieve an adequate salary replacement ratio it is imperative that members achieve a real investment return, i.e. a return in excess of price inflation. Refer to Annexure A for an indication of the relationship between investment returns and the salary replacement ratio.

While a real investment return should ideally be set as the explicit performance objective of an investment portfolio, a number of investment portfolios that are suitable for retirement funds, do not have an explicit performance objective related to inflation. The member will therefore have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns in order to link a specific investment portfolio to the salary replacement ratio. It must be noted that the historic performance experience is not guaranteed to be achieved in future. While each investment portfolio will have an internal benchmark as stated by the Investment Manager in the portfolio mandate, that benchmark may not be an explicit real investment return.

Risk

The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

- **Aggressive risk portfolios:** Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential investment guidelines laid down by the Pension Funds Act. Investment returns can be very volatile.

- **Moderate risk portfolios:** This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.

- **Moderate-low risk portfolios:** This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.

- **Low risk portfolios:** This type of portfolio should have minimal negative returns over a rolling 12-month period.

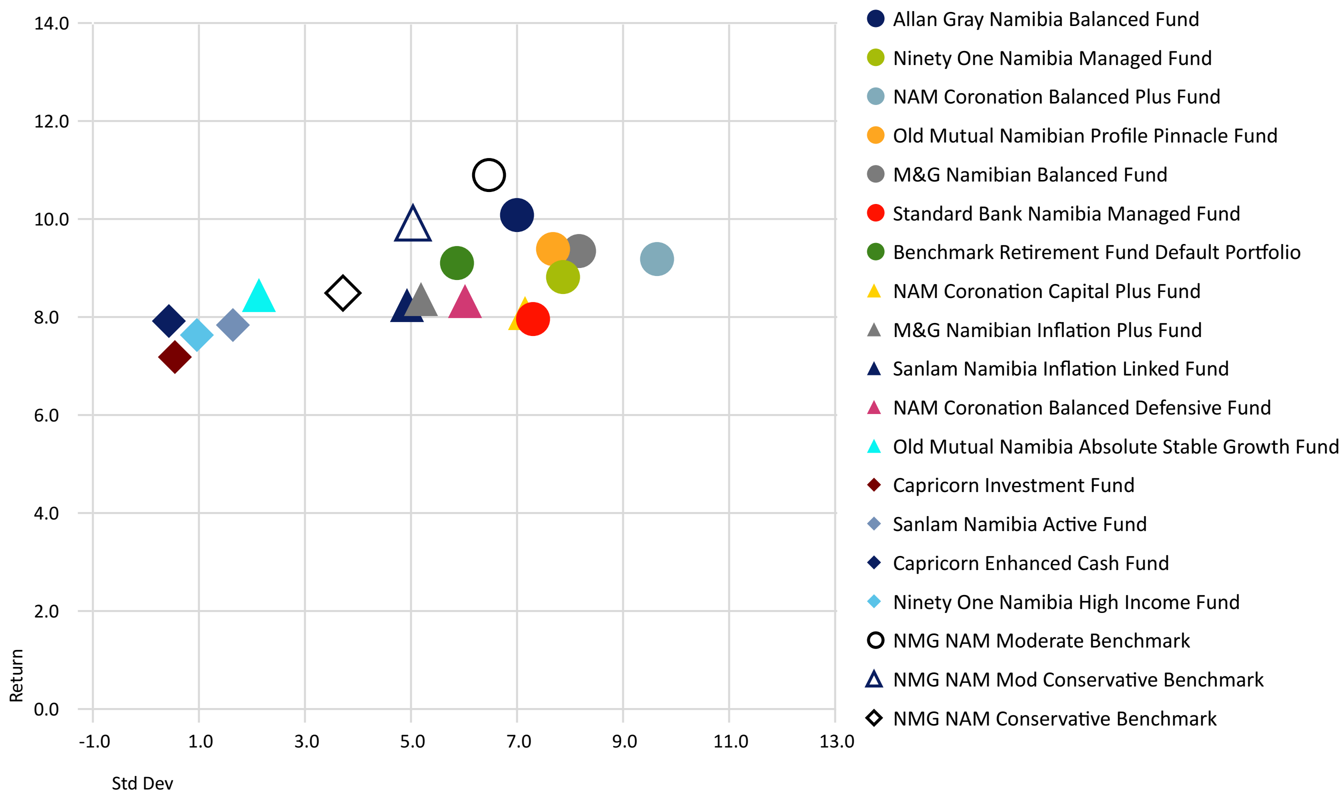
- **Capital preservation portfolios:** There should be no risk of capital loss on a monthly basis.

Investment return and risk are correlated; while the correlation cannot be defined in absolute terms, it is generally accepted that an investor would require compensation in the form of investment returns in return for the investment risk taken.

Introduction

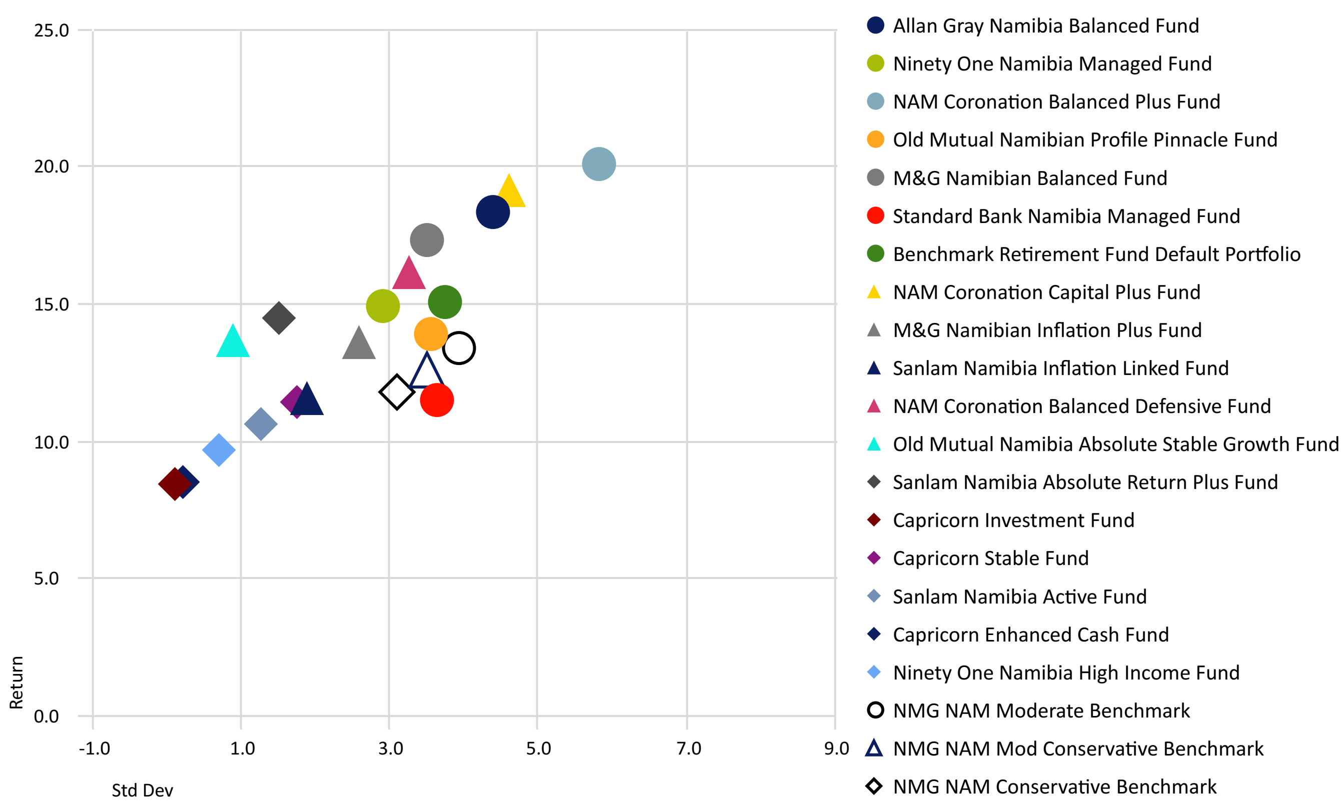
Risk-Reward - Over the long term

Time Period: 01 Jul 2015 to 30 Jun 2025



Risk-Reward - Over the short term

Time Period: 01 Jul 2024 to 30 Jun 2025



Source: Morningstar Direct

Market Overview

Markets

Q2 was a remarkably active quarter of tariff-driven volatility. An April “tariff tantrum” pushed the S&P 500 down -15 % YTD at the trough, before a 23-percentage point rebound left it +10% YTD by quarter-end. Despite that rally, the US still lags Europe, China and even South Africa in USD terms over the last 12 months. Cyclicals and Big-Tech re-emerged as leaders, yet risk-adjusted metrics continue to favour Financials, Utilities and Industrials.

In South Africa the JSE ended +10 % in Q2 (25 % in 12m), while bonds retained superior risk adjusted returns. After a blockbuster Q1, resource stocks were the second-best performer behind industrials. Over the last 12 months, these 2 sectors still drove most of the returns. Property and financial stocks benefited from lower interest rates in Q2.

Namibian equities saw the NSX Local (+3.9%) under-perform the NSX Overall index (+6%). On a sector basis, Financials and Telecoms stocks remain outperformers over Q2 and on a 12m basis. Namibian cash and bonds continue to present better risk adjusted returns.

Gold set fresh highs around $3,500/oz (+9% Q2, +28% YTD) before consolidating. Tariff angst is driving investment and central-bank demand. China has been a large buyer of gold for official reserves.

Brent crude slipped 4% in Q2 ending around $68 ($60 - $77 range). OPEC+ spare capacity and Iran détente offset geopolitical risks. Consensus keeps 2025 Brent in a $70–80 range, but Middle East flare-ups remain a wild card.

Outlook: US valuations are supremely extended vs. the last 2 decades and significantly higher than any other global geography. Overall equity valuations are above the median for their respective markets. In addition, the level of concentration in headline US indices has resumed with the top 10 S&P 500 stocks making up >35% of the index and the top 20 stocks making up > 45%.

Considering extended valuations and considerable uncertainty, we would caution against over allocating to US equities and favor a more diversified approach toward under owned EMs, Europe, Japan and China.

Commodities: Precious metals remain hedges against volatility, although we would caution on chasing gold allocations unless the $3500 is decisively cleared and confirmed. Central bank buying is a structural tailwind. Seasonality may benefit oil in the latter part of the year.

FX:

The traded weighted dollar index (DXY) is -11% YTD (-5% in Q2), the worst H1 since 1973—as global spreads and trade war rhetoric weigh on the dollar. The spread of US and EU rates has decoupled from the EURUSD suggesting that either US rates need to fall, or the Euro needs to weaken. The generalized dollar weakness has been concentrated in the euro and Yen cross rates. The euro is up almost 14% YTD, and the yen 6% stronger, firming as carry trades unwind.

In South Africa, the Rand strengthened by 5% against the dollar in Q2 (4.2% YTD). Persistent trade account surpluses, a hawkish SARB defending the yield differential (and rand) as well as resource tailwinds (Gold/PGM) all acted as tailwinds versus the rising global trade risks.

Market Overview

Economy

Global growth forecasts have been revised lower due to policy uncertainty risk. World GDP for 2025 is expected at 2.8% (advanced economies 1.4 % and EM 3.7 %). Chinese growth is expected to slow to around 4%. Headwinds to the outlook include escalating US tariffs and weak trade volumes, as well as China's soft industrial demand and economic re-orientation.

US: Q1 GDP contracted by -0.5% with large revisions to consumer spending and exports. Cuts to Federal spending may be temporary given the passage of a new budget bill.

Eurozone: Q1 GDP grew at 0.6%, the fastest since Q3 2022. ECB forecasts expect 2025 growth at 0.7%, below IMF forecasts, as Germany and the Netherlands flirt with recession.

UK: Q1 GDP grew at 0.7%, the best since Q1 2024 although monthly data has slowed materially signaling a risk to Q2 GDP.

SA: Q1 GDP eked out 0.1 % q/q with the prior quarter revised lower to 0.4%. Agriculture was a key driver while mining and manufacturing remain drags. 2025 forecasts are being marked down to ~1 % on electricity and US tariff risk.

Namibia: Q1 GDP shrank by -3.2% following +8.1% in Q4'24. The y/y growth of 2.7% is the lowest since Q1'21 due to drags in both primary and secondary sectors. The Namibian Finance ministry trimmed its outlook for 2025 to 3.5%-4% (above IMF forecasts) after a diamond-sector slump.

Inflation

Global inflation is expected to decline at a slower pace from 5.8 % (2024) to 4.4 % (2025). IMF forecasts project a surge in expected US inflation and an acceleration in Chinese disinflation/deflation.

DM inflation has largely converged above target levels while EM food and FX pass-throughs stay sticky and remain headwinds. Easing energy inflation is offset by slower goods disinflation (tariffs) and services inflation and wages that remain hot in the US/UK. Upside risks include new tariff waves/uncertainty, potential oil price spikes, and weather-related disruptions for food.

US: May headline inflation was 2.4% y/y with core inflation at 2.8%. Shelter and healthcare are half of the core print, but tariffs and a weaker dollar could lift goods prices into H2.

Europe: June flash estimates at 2.0% are essentially on target. Services inflation remains sticky at 3% while energy is a small drag.

China: Mild deflation ended with June's CPI +0.1 % y/y driven by supported consumer spend (subsidies).

SA: Headline CPI remained at 2.8% in May from a cycle low of 2.7% in March. Food inflation ticked up to 4.8% from 4% as did housing and utilities.

Namibia: CPI ticked up to 3.7% in June as food inflation (+6.4% vs 5.8%) and housing (4.1% vs 3.6%) provided the key drivers, echoing trends seen in SA.

Policy rates

Most developed markets central banks are on hold as the timing of cuts is complicated by US trade policy uncertainty. Pressure for further cuts in the Eurozone and UK is rising. Emerging markets have begun selective easing. Sticky service inflation, big fiscal borrowing needs, and geopolitical risk premia remain headwinds.

Real rates: Real rates are positive in the US (+1.8% on 10-yr vs CPI), roughly zero in the Eurozone, and negative in Japan/China. SA real rates are relatively restrictive given the sharply lower move in inflation recently.

US: There was no change in the Fed funds rate at 4.25–4.50 % this year. US 10-year yields are range bound around 4.35% (3.9%-4.6% range). The market is pricing in two cuts by December but tariffs complicate the outlook.

Eurozone: The ECB cut rates to 2.15% from 2.65% in Q1.. The market is pricing a little less than 50bps of easing through mid-2026.

UK: The UK Bank Rate was cut to 4.25 % from 4.5% in Q1. The 10-year UK Gilt yield at 4.6% (4.43%-4.80% range) is range bound.

China: The 1-year Prime rate was cut to 3% from 3.1% in Q1. The yield curve slopes gently upward, but liquidity operations help offset capital-outflow pressures.

SA: The SARB cut the repo rate by 25bps in May to 7.25 %. The yield curve bull-steepened with 10-year SAGBs trading around 9.74% (9.70%-11.12% range). The market expects further rate cuts later in the year dependent on the global outlook.

Namibia: The Bank of Namibia held the repo rate at 6.75% to defend the rand peg. The sovereign curve pricing suggests a further cut only after SARB commences further cuts.

Synopsis and Conclusion:

Q2 underscored a regime where policy shocks, not cycles, drive markets. Growth is losing altitude, inflation progress is slower and more fragile, and policy makers are cornered by fiscal and geopolitical constraints. With the dollar stumbling and gold shining, investors should prioritize equity defensiveness (global diversification, quality cash flows and valuations, pricing power). Fixed income (carry trades) with positive real rates (SA nominal bonds, selective EM debt) remains attractive. Furthermore, diversification across currencies and commodities to hedge tariffs and policy missteps is relevant and prudent.

Flexibility and discipline will be paramount as we head into a pivotal H2 marked by politics, uncertain trade trajectories and still-elevated valuation risk. Now is not the time to be chasing returns with a focus on risk management deemed paramount.

Market Overview

Periodic Table

	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Best	Namibia: Basic Materials 166.1	Namibia: Basic Materials 32.6	Namibia: Basic Materials 32.3	Namibia: Basic Materials 29.1	Namibia: Basic Materials 28.9	Namibia: Basic Materials 41.3	Namibia: Consumer discretionary 15.5	Namibia: Consumer discretionary 48.3	Namibia: Consumer discretionary 48.0	Namibia: Local 10.5
	Namibia: Overall 27.8	Namibia: Consumer discretionary 29.6	Namibia: Consumer Staples 16.1	Namibia: IJG ALBI(All Bond) 12.1	Namibia: IJG ALBI(All Bond) 14.4	Namibia: Overall 33.9	Namibia: Financials 11.3	Namibia: Local 43.5	Namibia: Financials 17.3	Namibia: IJG ALBI(All Bond) 4.4
	Namibia: Local 15.2	Namibia: Financials 27.5	Namibia: IJG ALBI(All Bond) 11.0	Namibia: Consumer Staples 9.7	Namibia: Consumer discretionary 6.1	Namibia: Consumer Staples 32.6	Namibia: Consumer Staples 11.0	Namibia: Financials 30.3	Namibia: Overall 15.9	Namibia: IJG Money Market 3.8
	Namibia: Financials 14.1	Namibia: Overall 26.4	Namibia: IJG Money Market 7.8	Namibia: IJG Money Market 7.5	Namibia: IJG Money Market 5.8	Namibia: Consumer discretionary 32.4	Namibia: Overall 9.7	Namibia: Consumer Staples 25.4	Namibia: IJG ALBI(All Bond) 14.1	Namibia: Financials 3.7
	Namibia: Consumer Staples 13.9	Namibia: Local 14.1	Namibia: Local 7.2	Namibia: Overall 4.6	Namibia: Overall -2.0	Namibia: Financials 22.7	Namibia: IJG ALBI(All Bond) 8.4	Namibia: IJG ALBI(All Bond) 18.7	Namibia: Basic Materials 13.8	Namibia: Overall 1.7
	Namibia: IJG ALBI(All Bond) 11.7	Namibia: IJG ALBI(All Bond) 13.1	Namibia: Overall 4.5	Namibia: Local 3.0	Namibia: Consumer Staples -10.2	Namibia: Local 21.6	Namibia: Basic Materials 7.9	Namibia: IJG Money Market 8.1	Namibia: Local 10.7	Namibia: Basic Materials 1.5
	Namibia: Consumer discretionary 11.2	Namibia: IJG Money Market 8.3	Namibia: Financials 1.5	Namibia: Financials -1.9	Namibia: Local -22.2	Namibia: IJG ALBI(All Bond) 4.4	Namibia: IJG Money Market 5.7	Namibia: Overall 5.7	Namibia: Consumer Staples 9.2	Namibia: Consumer Staples -5.4
Worst	Namibia: IJG Money Market 7.6	Namibia: Consumer Staples -7.0	Namibia: Consumer discretionary -9.4	Namibia: Consumer discretionary -34.7	Namibia: Financials -22.4	Namibia: IJG Money Market 4.2	Namibia: Local 2.0	Namibia: Basic Materials -21.7	Namibia: IJG Money Market 8.5	Namibia: Consumer discretionary -28.1

Namibian Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Namibia: Basic Materials	7.8	1.5	-3.6	2.2	10.1	16.5
Namibia: Consumer discretionary	-0.7	-28.1	-18.6	21.2	25.4	7.2
Namibia: Financials	5.8	3.7	10.9	18.9	20.5	7.9
Namibia: Consumer Staples	1.3	-5.4	-0.9	14.9	12.9	9.7
Namibia: Local	3.9	10.5	15.6	23.0	14.5	11.2
Namibia: Overall	6.1	1.7	4.1	11.8	16.6	9.8
Namibia: IJG ALBI(All Bond)	3.0	4.4	13.7	14.9	11.7	11.1
Namibia: IJG Money Market	1.8	3.8	8.1	7.9	6.5	7.1

Source: Morningstar Direct

Market Overview

RSA Headline Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
RSA: All Share	10.2	16.7	25.2	17.8	16.4	10.1
RSA: SWIX	10.2	16.7	25.2	16.1	14.4	8.1
RSA: Capped SWIX	9.7	16.1	24.6	15.9	16.2	7.9
RSA: Top 40 (Large Caps)	10.3	19.7	25.5	18.0	16.2	10.4
RSA: Mid Cap	10.0	10.1	20.3	14.9	16.0	7.4
RSA: Small Cap	9.5	1.8	26.0	18.8	27.1	9.4
RSA: Listed Property	9.1	5.3	23.9	19.8	16.6	3.0
RSA: Resources	9.8	46.8	30.6	9.9	13.1	11.3
RSA: Industrials 25	12.0	16.8	29.5	22.8	15.0	9.7
RSA: Financial 15	7.8	6.0	18.5	19.5	21.6	7.6
RSA: All Bond Index	5.9	6.6	18.4	13.4	10.9	9.2
RSA: Inflation Linked Bonds	0.9	1.6	7.3	5.8	8.5	5.3
RSA: STeFI Composite (Cash)	1.9	3.8	8.1	7.8	6.3	6.7

Consumer Price Index

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Namibia CPI	0.4	2.4	3.7	4.5	4.7	—
NAM CPI	0.4	2.4	3.7	4.5	4.7	4.6

Commodities

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Gold	2.0	18.7	37.3	25.2	13.7	15.2
Platinum	31.4	39.3	29.8	17.3	11.1	6.3
Oil	-10.7	-13.8	-23.9	-13.9	10.9	4.5

International Indices

Currency: Rand

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
USA: S&P 500	7.2	0.0	12.1	23.0	17.2	18.1
UK: FTSE 100	5.9	12.8	17.4	18.8	14.2	9.7
Japan: Nikkei 225 Average	13.9	5.1	13.0	18.5	8.8	11.7
MSCI Emerging Markets	7.3	7.1	9.6	9.8	4.7	6.3
MSCI World	7.9	3.4	13.6	22.1	15.6	15.6
MSCI All Country World	7.9	3.9	13.6	21.1	14.7	14.8
USA: DJ Industrial Average	1.9	-1.5	11.7	18.1	14.0	16.4

Global Fixed Income

Currency: Rand

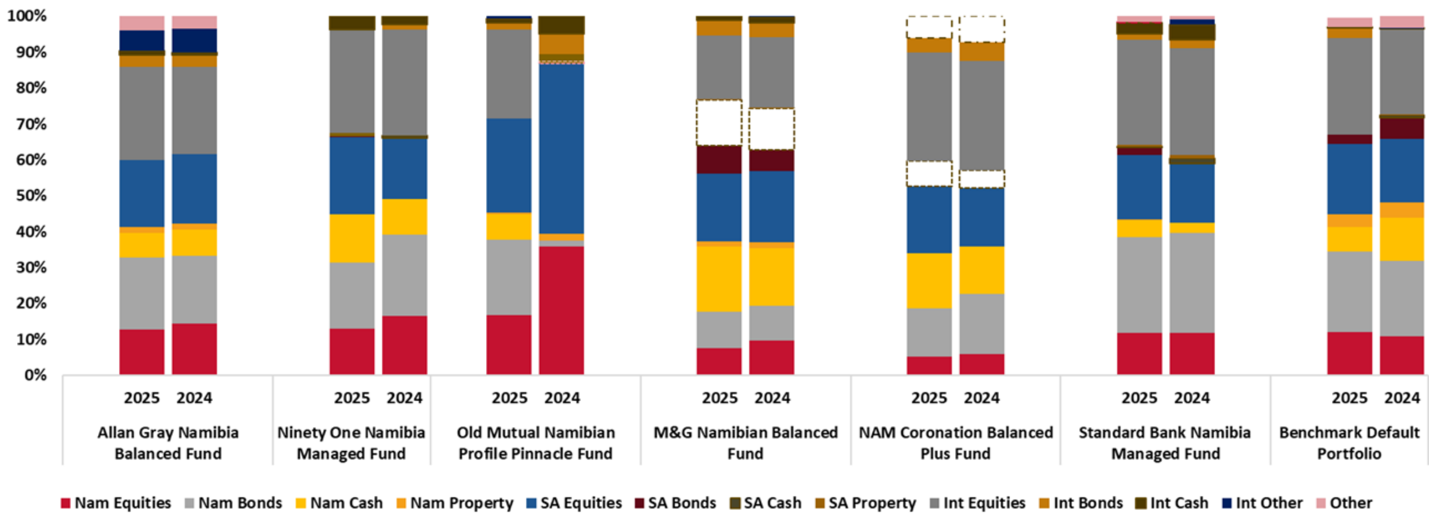
	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
FTSE World Government Bond Index	1.2	1.4	6.3	6.1	0.1	4.9
ICE BofA 0-3 M US Trsy Bill TR USD	-2.3	-3.8	1.9	7.5	3.3	5.9
ICE BofA 3-6 M US Trsy Bill TR USD	-2.4	-3.9	2.0	7.5	3.2	6.0
FTSE WGBI USD	1.0	1.0	5.6	4.5	-2.0	4.5

Source: Morningstar Direct

Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 June 2025 as compared to 30 June 2024



Notes 30 June 2025:

1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced: Other represents Commodities and preference shares and International Other represents property and commodities.
6. NAM Coronation, M&G and Old Mutual use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.

Notes 30 June 2024:

1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Property.
6. NAM Coronation and M&G use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offseting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.

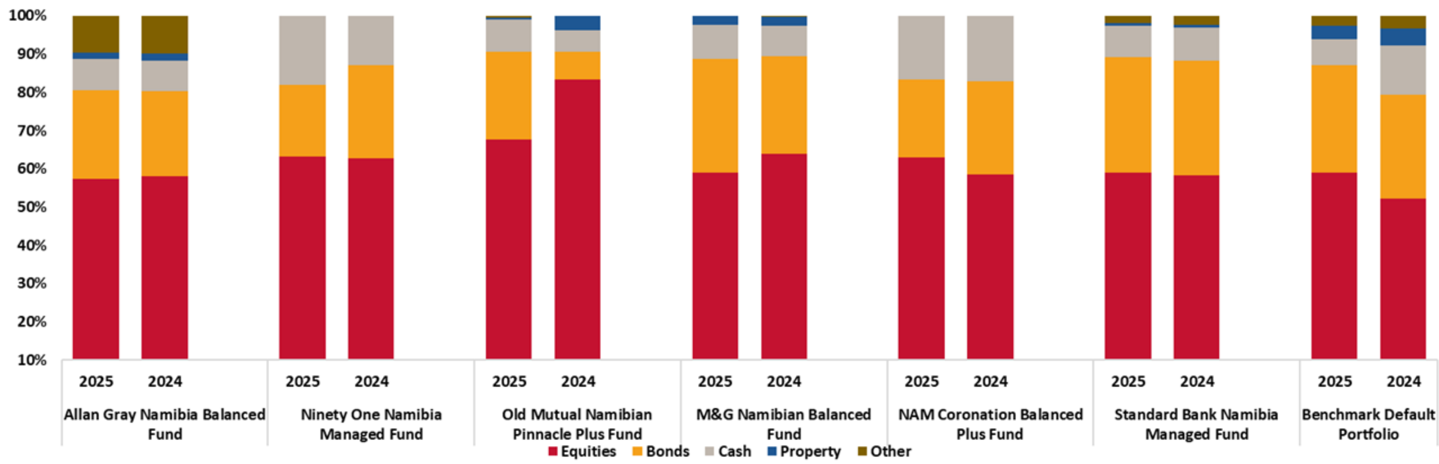
Source: Morningstar Direct

Benchmark
Retirement Fund

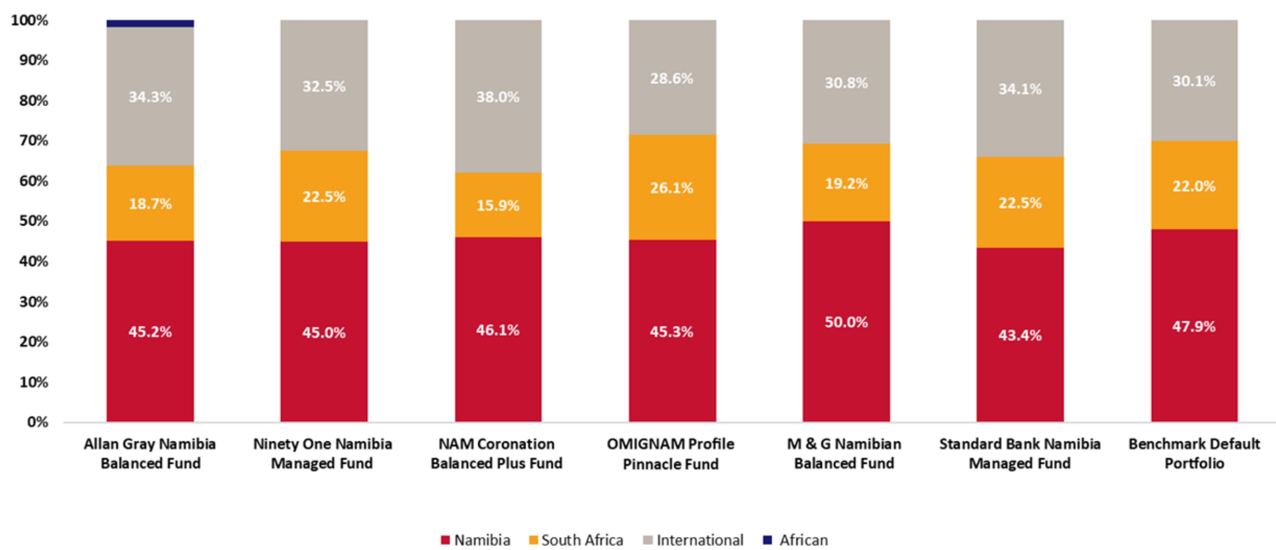
Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 June 2025 as compared to 30 June 2024



Geographical Split as at 30 June 2025:



Notes:
Allan Gray: 1.8% African

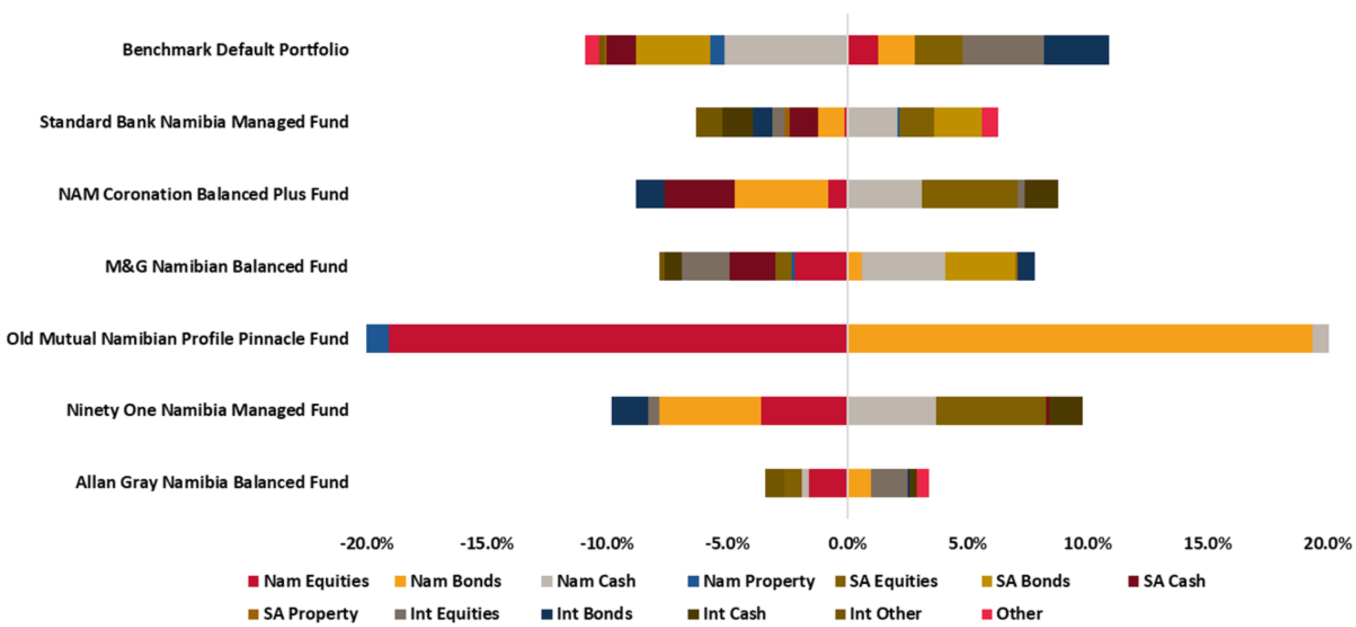
Source: Morningstar Direct

Performance Comparison

Moderate Risk Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2025.** In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The Old Mutual Namibian Profile Pinnacle Fund underwent the most significant changes over the past year, with a notable shift in assets from Nam Equities and SA Equities into Nam Bonds and International Equities, as well as a smaller allocation to Nam Cash. Other funds also experienced changes, albeit to a lesser extent. The Benchmark Default Portfolio saw a shift from Nam Cash and SA Bonds to International Bonds, SA Equities, and International Equities. The NAM Coronation Balanced Fund increased its allocation to Nam Cash and SA Equities while reducing exposure to Nam Bonds and SA Cash. The Ninety One Namibia Managed Fund increased its holdings in SA Equities and Nam Cash while decreasing its positions in Nam Equities and Nam Bonds. M&G Namibian Balanced increased its allocation to SA Bonds and Nam Cash, while decreasing its exposure to Nam Equities and International Equities, as well as SA Cash. The Standard Bank Namibia Managed Fund saw an increase in Nam Cash, SA Equities, and SA Bonds, accompanied by a small decrease in Nam Bonds and SA Cash. In contrast, the Allan Gray Namibia Balanced Fund had the fewest changes, shifting towards Nam Bonds and International Equities while decreasing its holdings in Nam Equities and SA Equities. Across all managers, asset allocation changes were mixed, with no uniform trend observed among the Moderate Risk Portfolios. However, most portfolios saw a decrease in Nam Equities and an increase in Nam Cash. These changes resulted from a combination of active management decisions and market fluctuations, rather than solely from manager decisions.

Source: Morningstar Direct

Performance Comparison

Moderate Risk Portfolios

Trailing Returns as at 30 June 2025

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	18.4	17.0	13.1	10.1
NAM Coronation Balanced Plus Fund	20.1	17.8	14.8	9.2
Ninety One Namibia Managed Fund	14.9	13.4	10.8	8.8
Old Mutual Namibian Profile Pinnacle Fund	13.9	14.1	12.6	9.4
Standard Bank Namibia Managed Fund	11.5	13.7	9.4	8.0
M&G Namibian Balanced Fund	17.3	14.4	13.0	9.3
Benchmark Retirement Fund Default Portfolio	15.0	14.6	11.5	9.1
NMG SA Moderate Benchmark	17.4	14.6	12.7	9.9
NMG NAM Moderate Benchmark	13.4	14.9	12.7	10.9
FTSE/JSE All Share TR ZAR	25.2	17.8	16.4	10.1
NAM CPI + 6%	9.9	10.8	11.0	10.9

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	9.7	13.1	10.6	8.8
NAM Coronation Balanced Plus Fund	12.7	10.9	10.8	8.3
Ninety One Namibia Managed Fund	8.0	9.2	9.1	8.8
Old Mutual Namibian Profile Pinnacle Fund	10.6	10.8	10.2	9.0
Standard Bank Namibia Managed Fund	12.9	8.6	8.4	8.0
M&G Namibian Balanced Fund	8.7	11.1	9.7	8.5
Benchmark Retirement Fund Default Portfolio	9.9	11.6	9.5	8.3
NMG SA Moderate Benchmark	10.4	10.2	10.4	9.0
NMG NAM Moderate Benchmark	13.4	12.0	11.3	10.4
FTSE/JSE All Share TR ZAR	9.1	11.0	10.6	8.2
NAM CPI + 6%	10.9	11.6	10.7	10.9

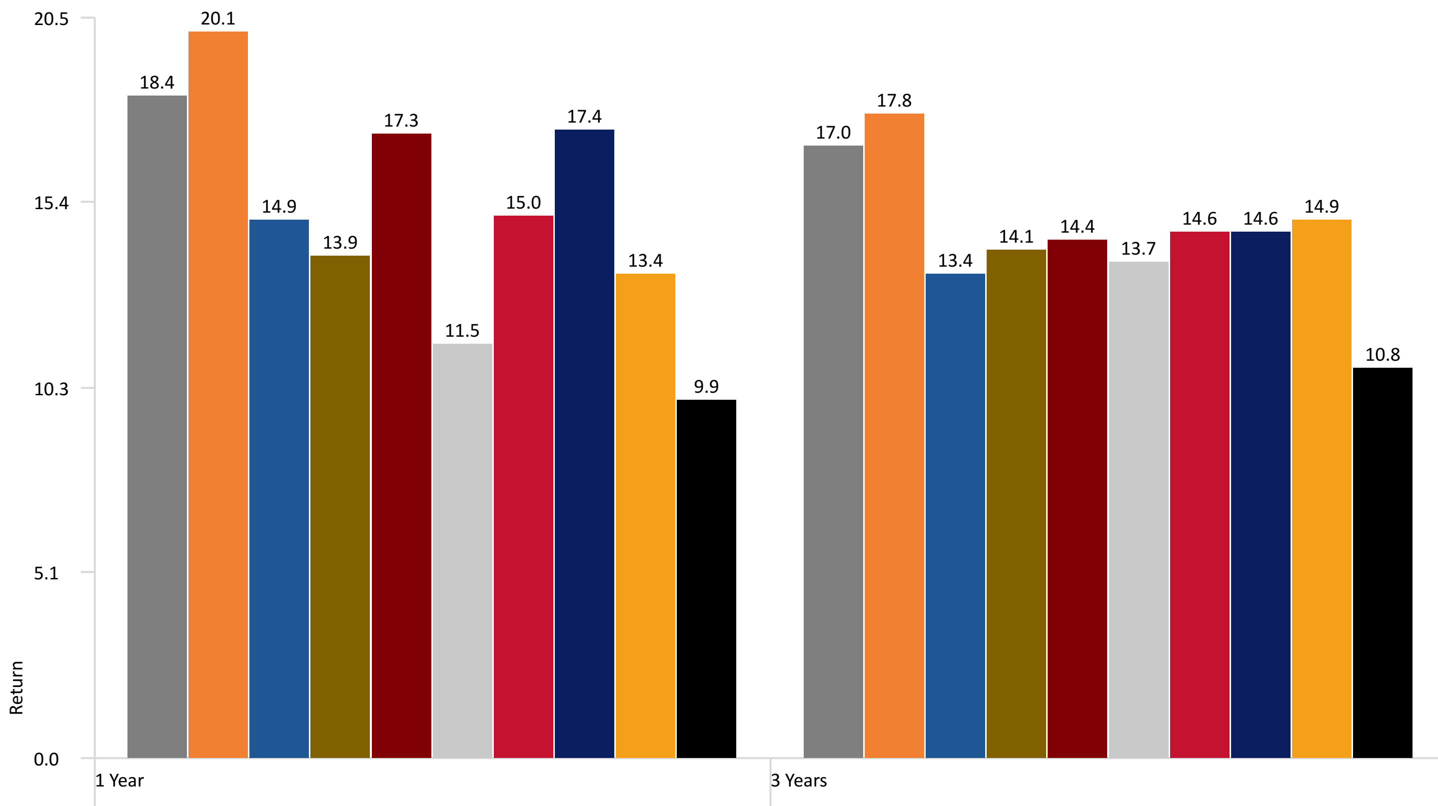
The returns for the Default Portfolio and the Allan Gray Namibia Balanced Fund (segregated) are the unit price returns allocated to members after fees, which is received from RFS Fund Administrators. The remaining returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

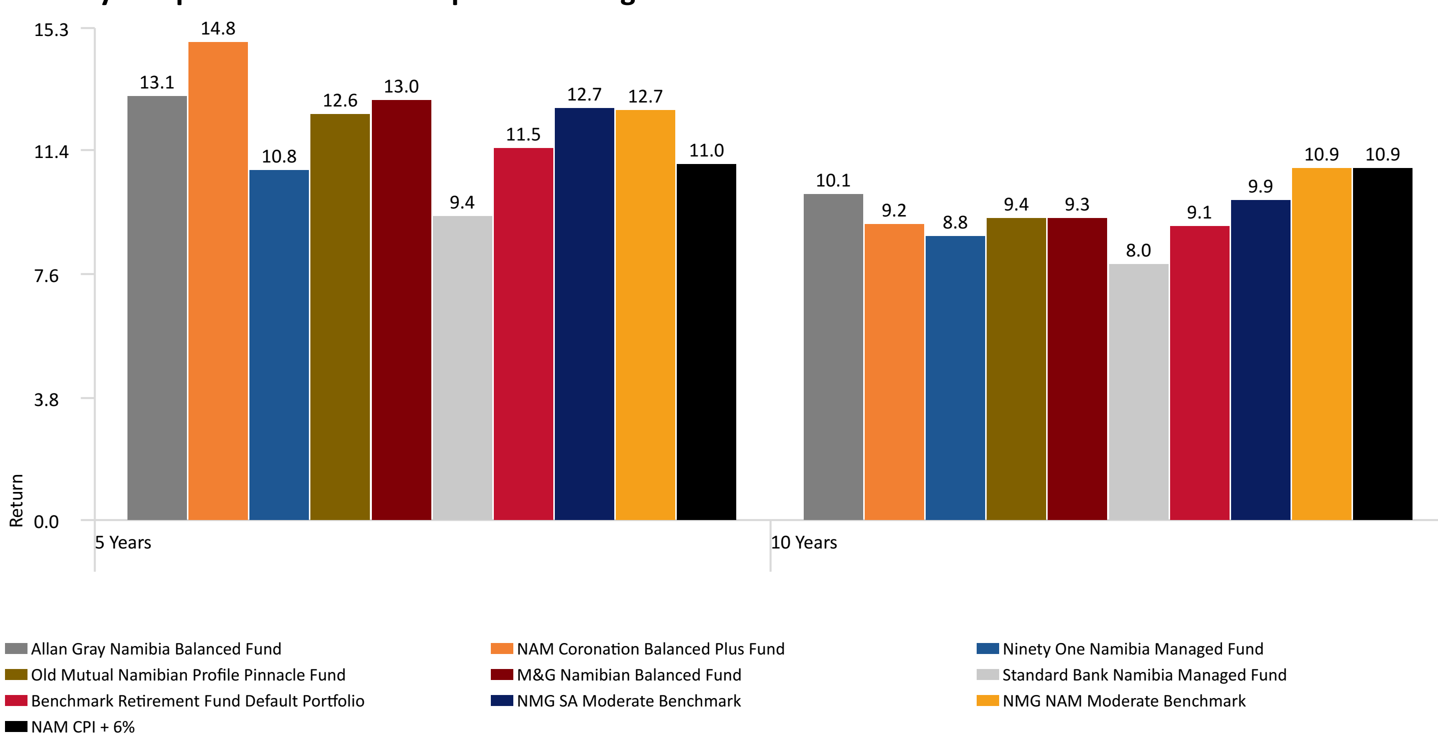
Performance Comparison

Moderate Risk Portfolios

1 & 3 year performance for the period ended 30 June 2025



5 & 10 years performance for the period ending 30 June 2025



Source: Morningstar Direct

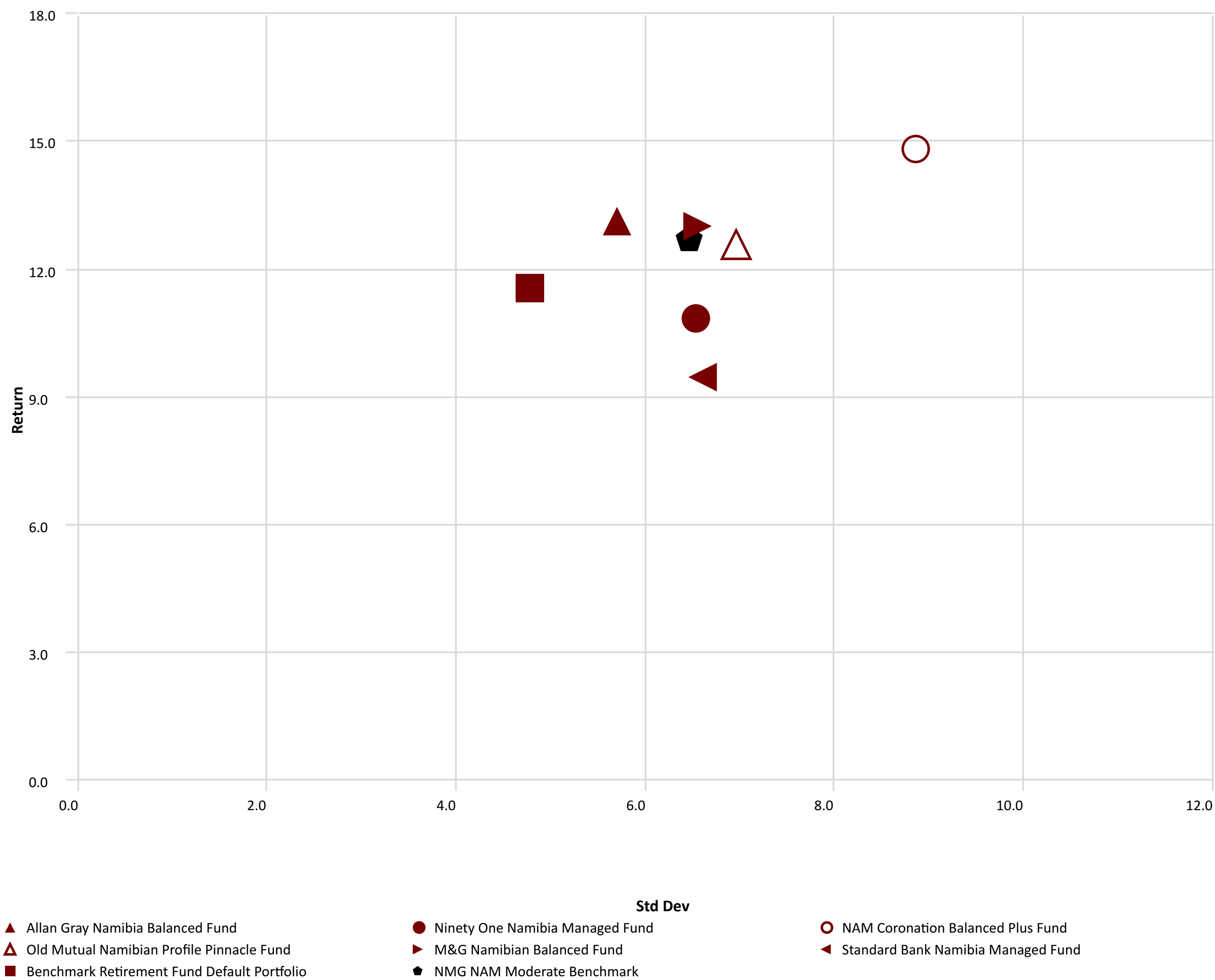
Performance Comparison

Moderate Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

Time Period: 01 Jul 2020 to 30 Jun 2025

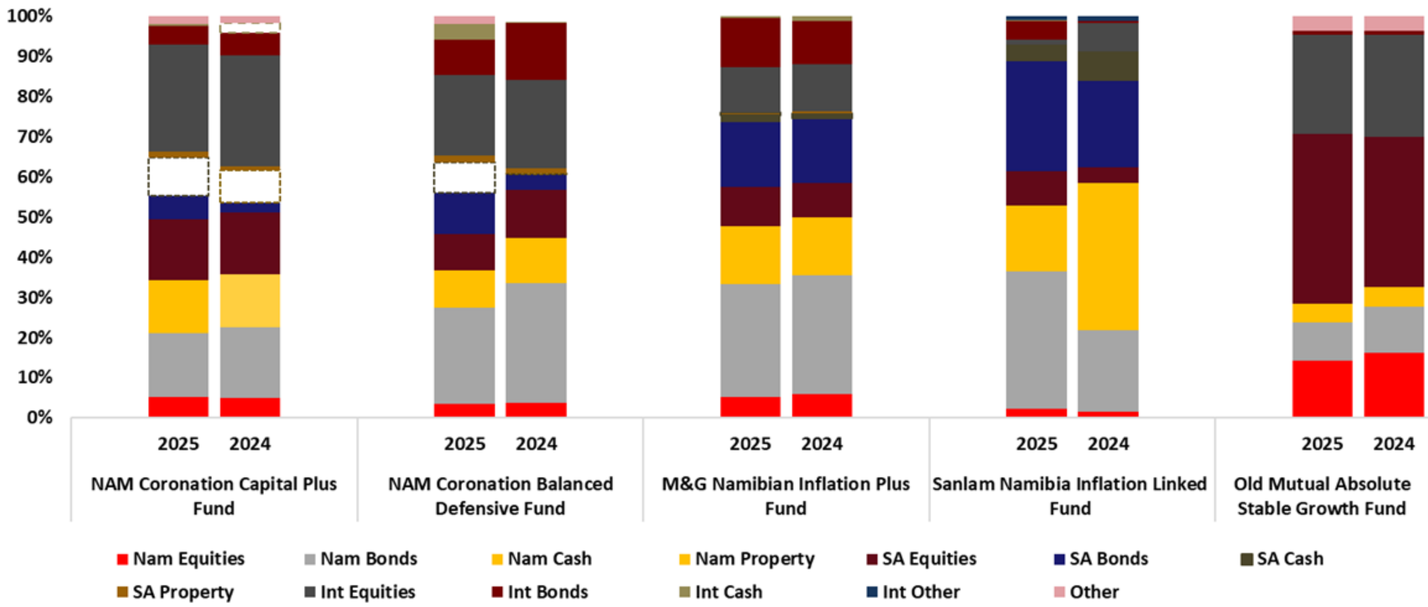


Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 June 2025 as compared to 30 June 2024



Notes 30 June 2025:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
4. NAM Coronation Capital Plus SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

Notes 30 June 2024:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive NAM Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
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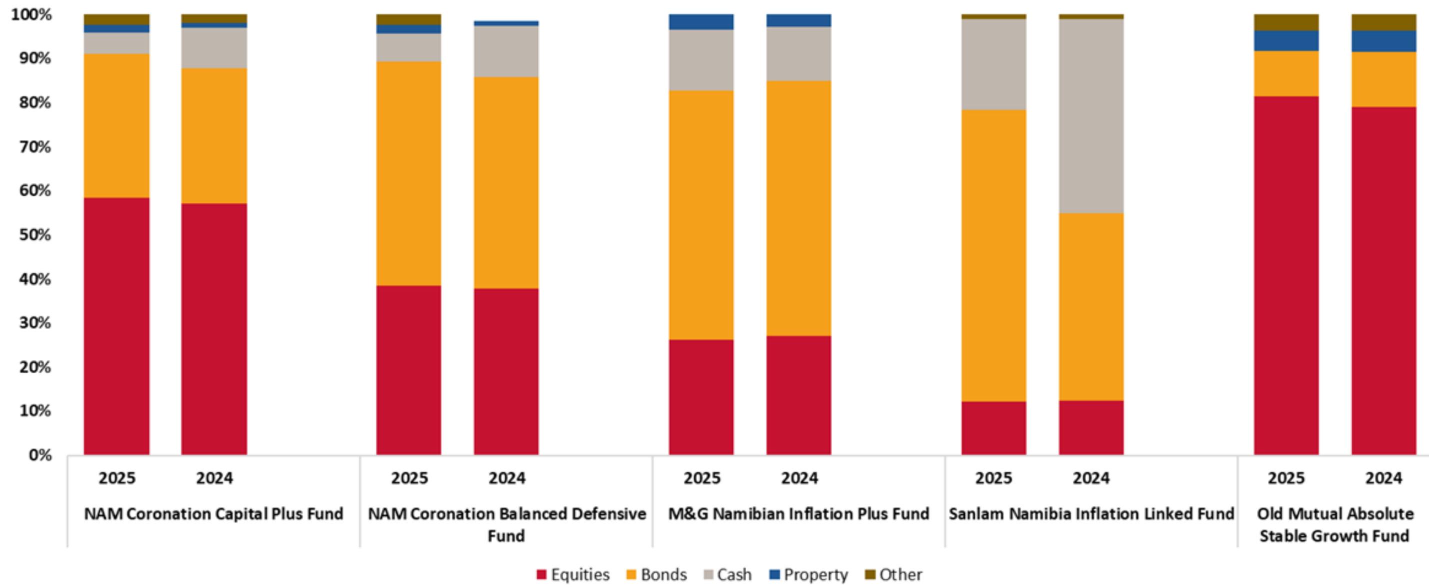
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

Source: Morningstar Direct

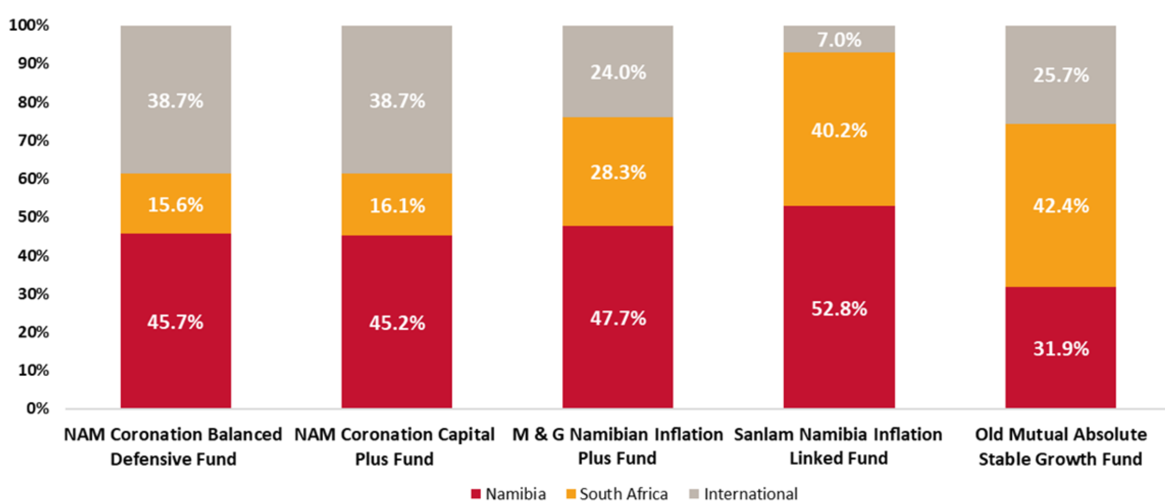
Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 June 2025 compared 30 June 2024



Geographical Split as at 30 June 2025:



*Note: Sanlam and Old Mutual portfolios are classified as insurance policies and therefore their Namibian exposure is managed in accordance with the life company's balance sheet exposure

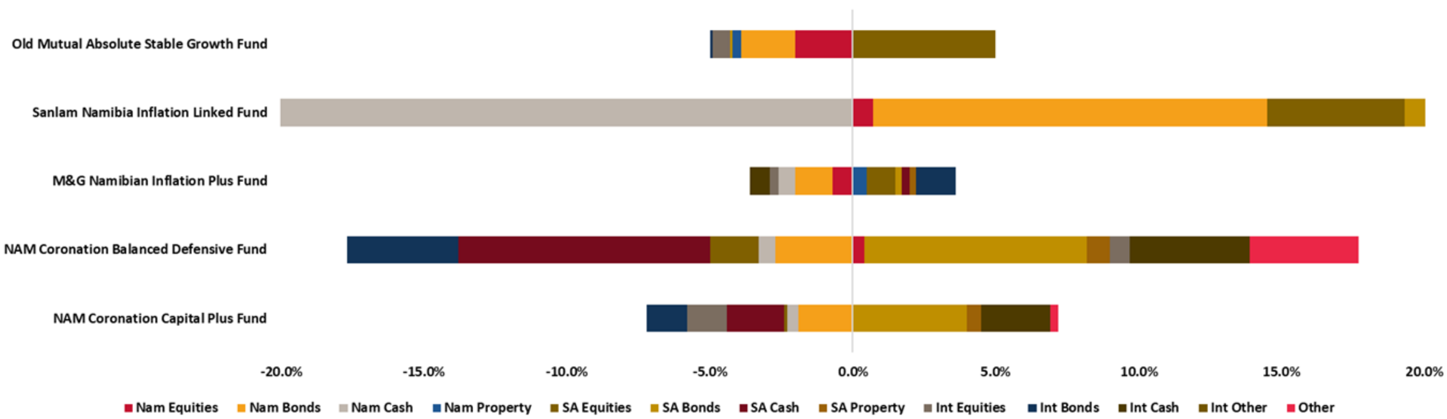
Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2025.** In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The Sanlam Namibia Inflation Linked Fund underwent the most significant changes over the past year, increasing exposure to International Bonds, SA Bonds, SA Equities, and Nam Bonds, while reducing holdings in International Equities, SA Cash, and Nam Cash. In contrast, the NAM Coronation Balanced Defensive Fund and NAM Coronation Capital Plus Fund made similar adjustments, albeit at different magnitudes, increasing allocations to SA Bonds and International Cash, while decreasing exposure to SA Equities, SA Cash, Nam Cash, Nam Bonds, and International Bonds. The Old Mutual Absolute Stable Growth Fund and M&G Inflation Plus Fund saw minimal changes. The Old Mutual fund shifted from Nam Equities and Nam Bonds to SA Equities, while the M&G Fund slightly increased SA Equities and International Bonds, and decreased International Cash, Nam Bonds, Nam Equities, and Nam Cash. Across all managers, asset allocation changes were mixed, with no uniform trend observed among the Moderate Low Risk Portfolios. However, most portfolios saw a decrease in Nam Bonds and Nam Cash, and an increase in SA Bonds. These changes resulted from a combination of active management decisions and market fluctuations, rather than solely from manager decisions.

Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Trailing Returns as at 30 June 2025

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	16.2	13.8	10.8	8.3
NAM Coronation Capital Plus Fund	19.2	14.9	11.8	8.1
M&G Namibian Inflation Plus Fund	13.6	12.3	10.6	8.4
Sanlam Namibia Inflation Linked Fund	11.6	12.0	9.3	8.2
Old Mutual Absolute Stable Growth Fund	13.7	11.0	11.4	8.4
NMG NAM Mod Conservative Benchmark	12.6	13.1	11.2	9.9
NAM CPI + 4%	7.8	8.7	8.9	8.8

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	9.2	8.4	8.3	7.6
NAM Coronation Capital Plus Fund	10.0	8.5	8.5	6.9
M&G Namibian Inflation Plus Fund	8.7	9.8	8.3	7.9
Sanlam Namibia Inflation Linked Fund	11.3	9.5	8.4	8.1
Old Mutual Absolute Stable Growth Fund	10.0	11.0	8.2	8.5
NMG NAM Mod Conservative Benchmark	12.5	10.6	9.9	9.4
NAM CPI + 4%	8.8	9.5	8.6	8.8

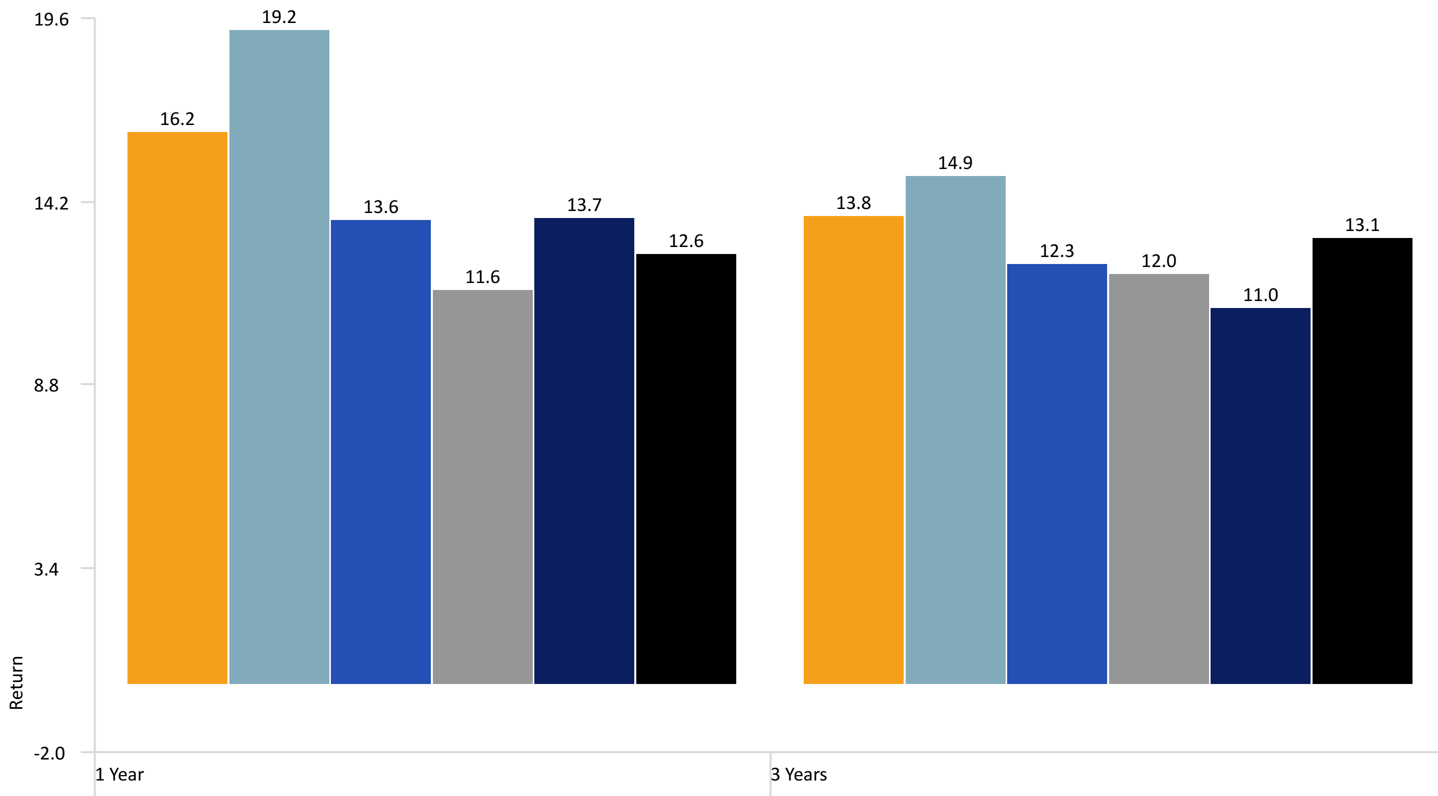
The returns for the Old Mutual AGP portfolios are sourced from the NMG Survey data. The remaining returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

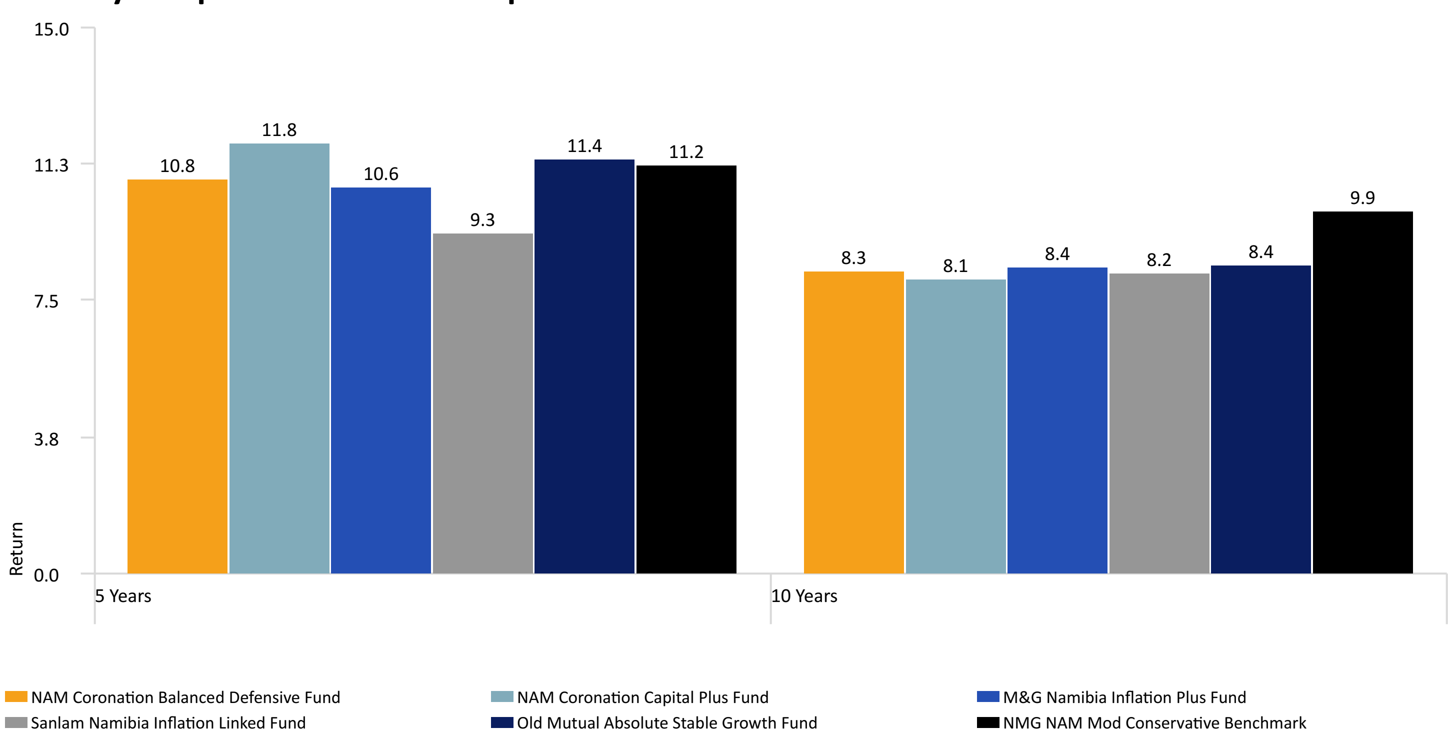
Performance Comparison

Moderate-Low Risk Portfolios

1 & 3 year performance for the period ended 30 June 2025



5 & 10 years performance for the period ended 30 June 2025



Source: Morningstar Direct

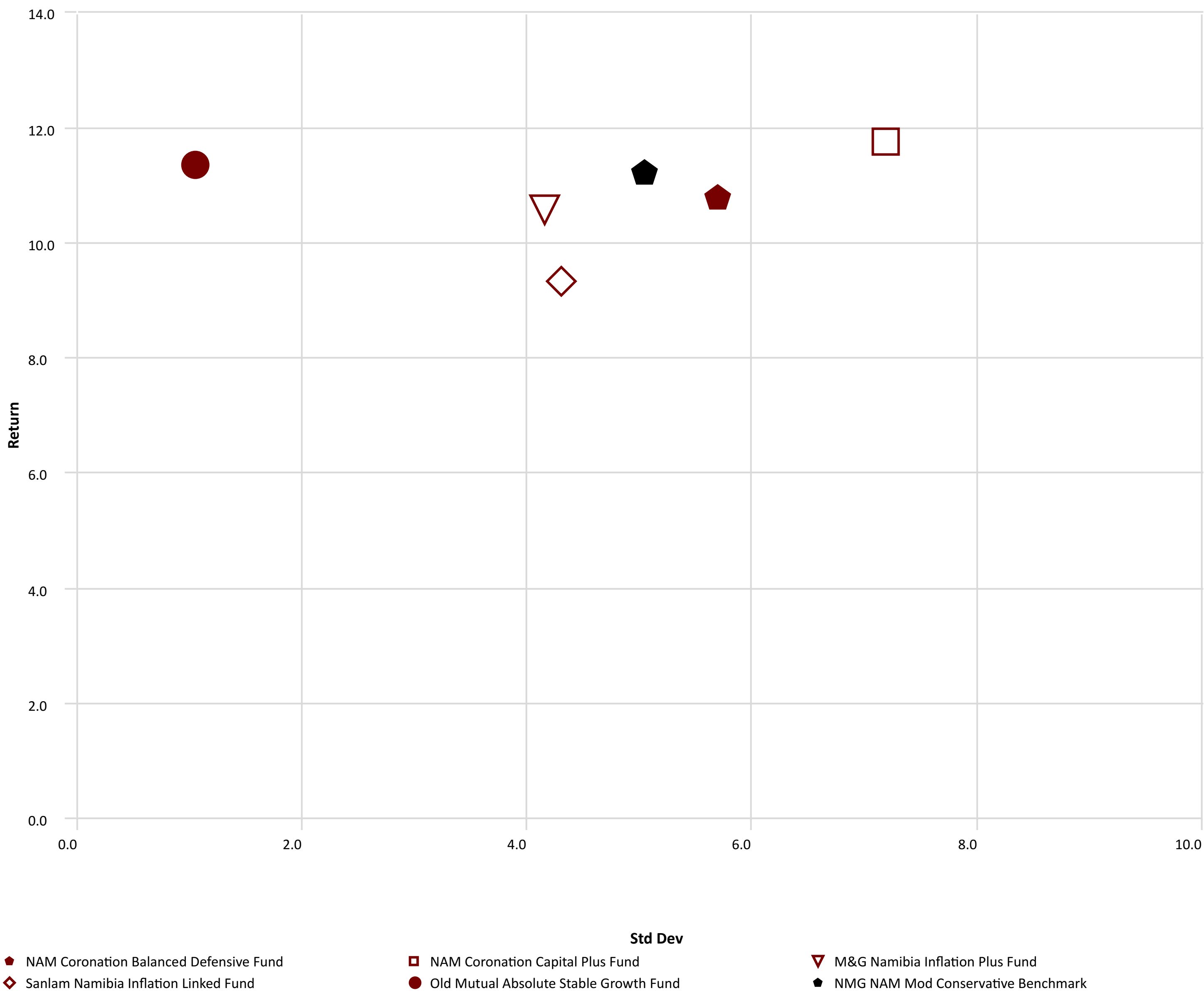
Performance Comparison

Moderate-Low Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

Time Period: 01 Jul 2020 to 30 Jun 2025

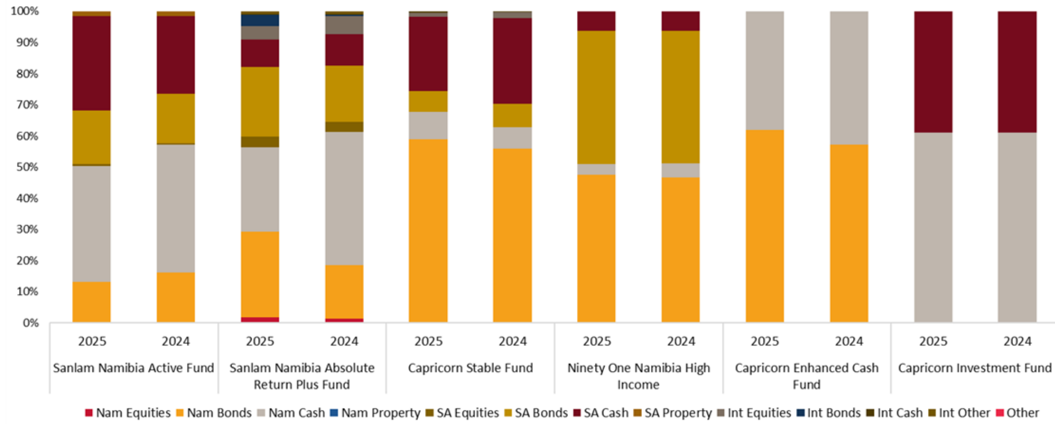


Source: Morningstar Direct

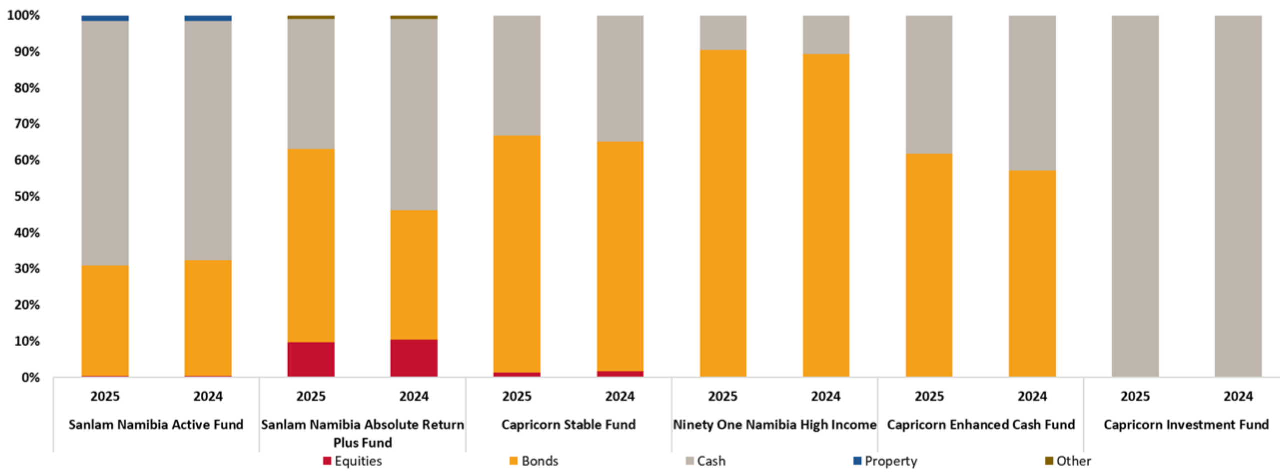
Performance Comparison

Low Risk and Capital Preservation Portfolios

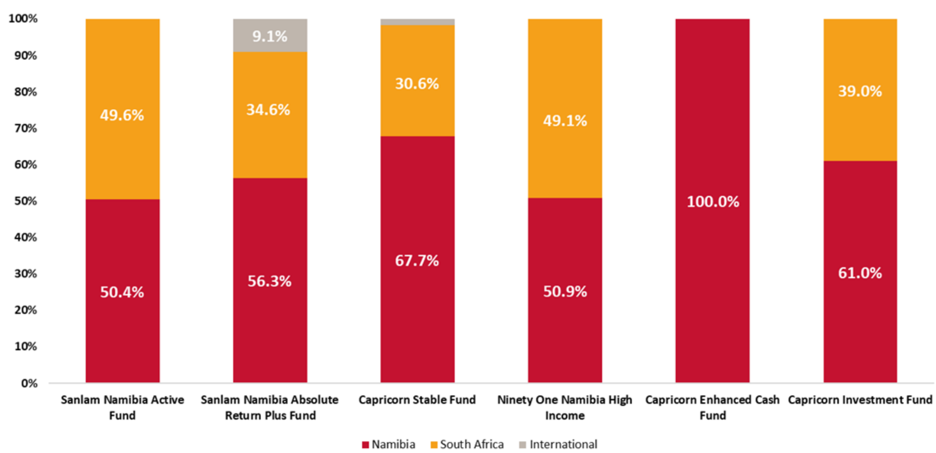
Asset Allocation as at 30 June 2025 as compared to 30 June 2024



The total Namibian exposure is 50.4% for the Sanlam Namibia Active Fund. The Capricorn Stable fund is a multi-asset low risk fund. 67.7% of the funds assets are currently invested in Namibian assets. The Money Market Fund (Capricorn Investment Fund) is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments. The Sanlam Namibia Absolute Return Plus fund is a low risk smoothing product with 56.3% exposure to Namibian assets.



Geographical Split as at 30 June 2025:



*The Sanlam Namibia Absolute Return Plus fund is classified as an insurance policy and therefore their Namibian exposure is managed in accordance with the life company's balance sheet exposure.

Source: Morningstar Direct

Performance Comparison

Low Risk and Capital Preservation Portfolios

Trailing Returns as at 30 June 2025

	1 Year	3 Years	5 Years	10 Years
Sanlam Namibia Active Fund	10.6	9.5	7.8	7.8
Sanlam Namibia Absolute Return Plus**	13.3	9.0	7.3	7.7
Capricorn Stable Fund*	11.5	12.9	11.1	9.4
Ninety One Namibia High Income Fund***	9.7	9.5	7.6	7.6
Capricorn Enhanced Cash Fund***	8.5	8.1	7.1	7.9
NAM CPI + 1%	4.7	5.6	5.8	5.7
NAM CPI + 2%	5.8	6.6	6.8	6.7
FTSE/JSE ALB 1-3 Yr TR ZAR	10.4	9.4	7.5	8.3

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.
**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.
***Investment by Benchmark into the fund was only made during February 2022. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Sanlam Namibia Active Fund	10.1	7.3	6.7	7.5
Sanlam Namibia Absolute Return Plus**	10.1	6.5	7.4	7.8
Capricorn Stable Fund*	12.5	11.9	10.1	—
Ninety One Namibia High Income Fund***	9.8	7.8	7.3	7.2
Capricorn Enhanced Cash Fund***	8.9	7.0	7.1	7.8
NAM CPI + 1%	5.7	6.4	5.5	5.6
NAM CPI + 2%	6.7	7.4	6.5	6.7
FTSE/JSE ALB 1-3 Yr TR ZAR	10.6	7.4	7.5	7.9

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.
**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.
***Investment by Benchmark into the fund was only made during February 2022. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 30 June 2025

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	8.5	8.2	6.9	7.2
NAM CPI	3.7	4.5	4.7	4.6
IJG Money Market GR NAD	8.1	7.9	6.5	7.1

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	9.1	7.1	6.6	7.0
NAM CPI	4.6	5.3	4.4	4.6
IJG Money Market GR NAD	8.5	6.7	6.3	6.9

The returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

Performance Comparison

Unlisted Investments

Trailing Returns as at 30 June 2025

	1 Year	3 Years	5 Years	01 Jan 2016 - 30 Jun 2025
Allegrow Fund*	-9.3	1.3	-4.3	-0.9
Caliber Capital Fund (A)	9.5	10.0	8.7	7.7
IJG Frontier Investment Fund**	-26.6	-10.1	-6.3	-6.7
Stimulus	0.0	4.1	3.1	3.2
NAM CPI + 4.5%	**8.3**	**9.2**	**9.4**	**9.5**

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.
*Fair value adjustment in September 2021.
**Fair value adjustment in September 2024.

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	01 Jan 2016 - 30 Jun 2024
Allegrow Fund	12.2	-4.0	-2.2	0.2
Caliber Capital Fund (A)	11.1	9.2	8.5	7.5
IJG Frontier Investment Fund	-7.3	5.7	-6.2	-4.1
Stimulus	0.1	4.6	4.7	3.6
NAM CPI + 4.5%	**9.4**	**10.0**	**9.1**	**9.6**

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.

The returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Glossary

Asset Allocation: The weighting of assets in an investment portfolio amongst different asset classes (shares, bonds, property, cash, and international investments).

BEASSA All Bond Index (ALBI): Bond Exchange Actuarial Society of South Africa Index.

Balanced Fund: An investment portfolio that spreads its holdings over a range of asset classes, which typically include shares, fixed interest, property, international securities and cash.

Benchmark: An index or other market measurement that is used by a fund manager as a yardstick to assess the risk and performance of a portfolio; for example, the All Share Index is a commonly used benchmark for Domestic Equity portfolios.

Bottom-up Analysis: A form of security analysis that begins with forecasting returns for individual companies, then moves to industries and, finally, the economy as a whole.

Capital Preservation Portfolio: Portfolios that provide investors with greater stability in returns and aim to preserve capital. These portfolios experience less volatility and may or may not have an underlying guarantee.

FTSE/JSE All Share Index (ALSI): A “basket” of shares representing all the shares on the JSE. This index is used as a measurement to indicate price movements in the market.

Growth Style: Growth style managers identify companies with above average earnings growth, which they believe will be reflected by the price in future. These shares usually have a higher P/E ratio as the price is higher due to earnings being generated at a fast pace.

Growth at a Reasonable Price: An investment style in which the manager selects shares where the company is growing profits, but the share price is not over-priced relative to that growth or shares of which the P/E ratio is below that of the index.

Inflation (CPI): The consumer price index represents the increase in the price of a “basket” of basic goods and services e.g. food, petrol. It provides an indication as to how fast prices are increasing in the economy.

Institutional Investor: An organisation whose primary purpose in investment markets is to invest its own assets or those that it holds in trust for others. Institutional investors include fund managers, life companies, retirement funds, banks, etc.

JP Morgan Global Bond Index: An index which can be used to measure global bond market movements. Countries’ bonds across the globe form part of the index, each carrying a certain weight in the index.

Market Value Adjustment: A term used with smooth bonus products. All disinvestments which are not for benefit payment (ie switches, terminations) will be paid out at the lower of book or market value. Genuine benefit payments are defined to be payments iro resignation, death and retirement.

Median: The middle value that exceeds half of the values in the sample and which is exceeded by the other half. For example, if five items cost N$20, N$80, N$100, N$300, and N$500 respectively, the median value would be N$100, whereas the mean would be N$200.

MSCI World Equity Index: An index which can be used to measure global market movements. Countries across the globe form part of the index, each carrying a certain weight in the index.

Source: Morningstar Direct

Glossary

NSX Index: A "basket" of shares representing all the shares on the Namibian Stock Exchange. This index is used as a measurement to indicate price movements in the market.

Price Earnings Ratio: A stock's market price divided by its current or estimated future earnings per share. The PE ratio is used by the investing public as a measure of the attractiveness of a particular share versus all other shares. The lower the ratio relative to the average of the share market, the lower the market's profit growth expectations.

Prudential Unit Trust: A unit trust which complies with Regulation 13 of the Pension Fund Act.

Regulation 13: The regulation in the Pension Fund Act providing guidelines for the investments of retirement funds.

Strategic Asset Allocation: The composition of an asset mix within a portfolio, constructed with the aim of meeting the long-term objectives of a fund, rather than being based on short-term views of relative performance of the various asset classes. Usually a benchmark is derived in this fashion.

STeFI: Short Term Fixed Interest Index. An index used to measure performance for short term (cash) investments.

Top Decile: A statistical measure dividing a sample into ten numerically equal groups. Thus, 'top decile' means the top 10% of a given sample.

Top-Down Analysis: A form of security analysis that begins with forecasting broad macroeconomic trends, then assessing the impact on industries and, finally, on individual companies.

Tactical Asset Allocation: A process by which the asset allocation of a fund is changed on a short-term basis to take advantage of perceived differences in relative values of the various asset classes. TAA can also be described as the variation of asset allocation around the strategic asset allocation.

Upper Quartile: A statistical measure dividing a sample into four numerically equal groups. Thus, 'upper quartile' means the top 25% of a given sample.

Value Style: Asset managers who have a value style identify shares which trade below intrinsic value in the belief that the share price will return to its intrinsic value. These securities usually have low prices relative to book value or earnings.

Volatility: A measure used to define risk which refers to the degree of fluctuation of returns over a specified period (normally short-term). The higher the volatility, the higher the fluctuation of returns which is associated with greater uncertainty of expected returns. This scenario is defined as being high risk.

Appendix A: Replacement Ratios

The following table represents some salary replacement ratios:

Assumed NET Contributions towards retirement i.e. AFTER all costs for risk and administration etc. (as % of pensionable salary)					
Assumed Investment Return for 30 years before retirement (after fees)	**8%**	**10%**	**12%**	**14%**	**16%**
CPI + 5%	47%	59%	70%	82%	94%
CPI + 4%	39%	49%	59%	69%	79%
CPI + 3%	33%	42%	50%	58%	67%
CPI + 2%	28%	35%	42%	50%	57%

The Trustees consider an appropriate post retirement income to be 60% of pre-retirement pensionable income after 30 years of service (assuming that 2% accumulates for each year of service). This ratio is defined as the salary replacement ratio. The above table shows a range of ratios for various net retirement funding contribution rates in relation to real investment returns, assuming retirement at age 60. Other assumptions are:

Pre-retirement:

- **Real rate of return before retirement is dependent on the investment portfolio chosen;**
- Salaries are assumed to increase in line with price inflation. In order to assess the impact of a salary increase of 1.0% per annum above inflation, one needs to look at a 1.0% per annum lower real return (e.g. if the targeted real rate of return on the selected investment portfolio is CPI + 4% then one needs to look at the results of CPI + 3% in the above table to see the salary replacement ratio if salaries increase 1.0% per annum above price inflation);
- No break in service or 100% preservation of accumulated fund credit where there is a change of employer;
- Full fund credit available on retirement (one-third and two-thirds) is used to generate the pension; and
- Effect of tax is not taken into account.

Post retirement

- Single life with-profit annuity is purchased at age 60 years; and
- Allowance for future pension increases is approximately 2/3rds of price inflation.

Source: Morningstar Direct