

The Fairheads Umbrella Beneficiary Fund



FAIRHEADS
Benefit Services

APRIL 2026



Message from the Chairperson

Dear guardians, caregivers and members

We hope this newsletter finds you well. We're heading towards mid-year and I'm sure you'll agree that it feels as if the months are going by way too fast! Let's hope we can all achieve the goals we set for the year.

At the time of writing this message, the conflict in the Middle East is negatively impacting our day to day expenses, like the increase in the price of fuel. Financial markets and investments have also been affected. Beneficiary fund investments are well-governed and managed with market fluctuations in mind. The investment strategy continues to prioritise protection and growth of members' money and the Board of Trustees regularly review investment performance to ensure we are on track.

We are very pleased with Fairheads' Khanya Nathi – 'Shine with us' initiative which you will be hearing more about. Fairheads has identified areas where we can add value to members' lives, for example giving support for education and career choices.

Last year, career guidance sessions were held at three of the Guardian Roadshow workshops in which members aged 15 and older explored their strengths, learning styles, and potential career directions in a fun and interactive way. Watch out for more news about Khanya Nathi on Fairheads' Facebook page and website.

The Guardian Roadshows will be happening later this year in Mpumalanga, Limpopo, Lesotho and Eastern Cape. We will send SMS's to those members and guardians living in the areas where workshops are happening. We look forward to seeing you there.

We've included in this newsletter an article on the importance of having a Will. If you want to protect your loved ones and ensure your assets are dealt with according to your wishes, it is very important that you draw up a Will. If you don't have one or are not sure if yours is valid, read the article for guidance.

Please keep in touch with the Fund at least once a year.

We wish you and your loved ones well for the rest of the year.

Regards

Olefile Moea, Chairperson

The Fairheads Umbrella Beneficiary Fund

Fairheads Umbrella Beneficiary Fund working for members

From March 2025 to February 2026 the Fund made the following payments for the benefit of our members

±R239 million

in payments for educational and other costs such as medical, accommodation, clothing etc.

±R255 million

in monthly or bi-annual payments for the day-to-day living expenses of members





Protect your loved ones – DRAW UP A WILL

Most people want to leave their possessions and money to their loved ones. In order to make sure that happens with the least problems and delays, you should draw up a Will.

Below is some information to help you if you don't have a Will or are not sure if your Will is correctly drawn up. **PLEASE NOTE: Fairheads Benefit Services do not draw up Wills.** You can get assistance from attorneys, banks, chartered accountants, boards of executors, insurance companies, trust companies and various individuals who have the necessary qualifications.

What is a Will?

A will, also known as a testament, is a document in which a person sets out what must happen to their estate when they die. A person can also nominate the person or persons, known as executors, who should administer their estate on their death.

A person's estate consists of all their assets (belongings, property) and liabilities (debts) which they had as at date of death.

To administer an estate means to collect or take control of all the assets of the deceased, to pay the debts which the deceased left at date of death, and then to pay the balance left for distribution to the rightful heirs of the deceased as determined in the will, or if you do not have a will, to the heirs as determined in terms of the rules of intestate succession.

What happens when you die without a Will?

When you die without a Will, you die 'intestate' – this means that your possessions are dealt with, according to the laws of our country.

Some problems may arise if you die without leaving a Will, for example:

- Your assets may not be left to the person/s you choose.
- It can take a longer time to have an executor appointed.
- The executor who is appointed may be somebody you would not have chosen.
- There could be extra and unnecessary costs.
- There could be unhappiness and conflict among members of your family as family members that you may not have been close with may inherit.

What makes your Will valid?

The Will must:

- be in writing (handwritten, typed or printed)
- be signed by you at the end of the Will
- be dated
- be signed in the presence of two or more witnesses (anyone older than 16 years, if competent to testify in a court of law)
- be signed by yourself and two witnesses on each page, if there is more than one page

Important points

- The person who is nominated as Executor should not sign your Will as a witness.
- People who stand to inherit should not sign as witnesses, as this will disqualify them from inheriting.
- Update your Will whenever your situation changes – e.g. divorce, children born, financial situation drastically changes, etc.
- If you are the guardian or caregiver of a member of a beneficiary fund or trust, it would be wise to state in your Will who should take over guardianship if you should die.
- You can download an example of a last Will and testament from the Legal Aid South Africa website or you can get an easy-to-complete Will form from a stationery shop. If you draw up your will by yourself, make sure it complies with all the guidelines mentioned in this article.
- Once you have drawn up your Will, keep it in a safe place, and tell someone that you trust where to find it.

National Wills Week

National Wills Week in South Africa is scheduled for 14–18 September 2026. During this week, participating attorneys nationwide will draft basic wills for free. Check the Law Society of South Africa's website later in the year to see the attorneys who are offering this service during Wills Week.

DO THIS TO PREVENT DELAYS

in payments and communication



Contact us at least once a year so that we can update our records to show that the member is still in your care and that we're still making payments to the correct person.



Send in your requests for the 2027 school year as soon as you get the fees and requirements from the school.



Let us know immediately if your phone number, address, or banking details change.



Always state the reference code of the beneficiary fund sub-account, your identity number and your phone number when sending documents to us.



Send us your email address for faster communication.



Always have your ID or Passport with you when you call the client service centre. Visit one of our walk-in centres.

Management Fee Explained

All Rand denominated fees are adjusted on the 1st of March 2026.

Capital Introduction Fee	We charge a fee when we open the member account. The fee is only charged once and is 0.5% of the money that is placed in the account.
Annual Administration Fee	We charge a percentage fee to look after the money in the member account. The fee is 1.8% per year – capped at R78,009.66 per year.
Reporting Fee	We charge a Rand fee for providing reporting and governance services to the Fund. These services include reporting to Government agencies such as SARS and the Financial Sector Conduct Authority (FSCA). It also includes governance and compliance costs relating to capital payments and termination transactions. The fee is R29.47 per month. If the member account becomes unclaimed this fee is reduced to R14.73.
Fund Transfer Fee	If all the members, or a group of related members are moved to another beneficiary fund, we charge a fee to pay for the costs related to the transfer. An amount equal to 1% of the market value of the assets under administration payable in the month of transfer to the new Fund or the new administrators as the case may be.
Fund Costs	• Bank charges are shared equally between each member. • Audit fees are shared by each member based on the amount of money in their member account. • Independent Trustee, Principal Officer, Asset Consultant, Legal Consulting, Fidelity Cover, Communication, Investment Transition Fee, Tracing, Statutory Levies and Taxes and any other Fund related costs: some of these fees are shared equally by each member, and some of these fees are shared by each member based on the amount of money in their member account. • The investment manager deducts fees from the investments directly.

Effective 1 March 2026. All fees are exclusive of VAT.

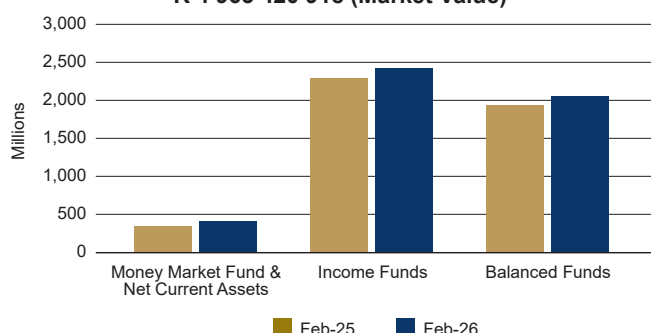
Queries and Complaints procedure	Dipotso kapa Ditlelebo mabapi le tsamaiso	Inqubo ngemibuzo noma ngezikhhalazo
Ubani ongamthinta uma unombuzo Ngasosonke isikhathi veza lerifarensi yakho. Ke mang okamoletsetsang haonale dipotso Ka nako tsohle kenya reference ya hao. Who to contact with a query Always quote the member account reference code. The Administrator Fairheads Benefit Services: Tel: 0860 102 919 (Share call) Email: queries@fairheads.com Fax: 086 219 0778 Post: PO Box 4994 Cape Town 8000	Ubani ongamthinta uma unesikhalazo Siyakukwazisa ukuthi isikhalazo sakho samukelekile ngemuva kwesikhathi esinganga mahora awu 24 uma zinazo izindlela zokuxhumana nawe. Motho eo o iteanyang le eena ha o na le tlelebo Re tla o tsebisa ka kamohelo ya ttlelebo ya hao horeng tse 24, ha e ba re nale nomoro ya hao ya mohala/aterese ya hao ya poso. Who to contact with a complaint We will acknowledge that your complaint has been received within 24 hours, if we have your contact details. The Complaints Officer Fairheads Benefit Services: Tel: 0860 102 919 (Share call) Email: complaints@fairheads.com Fax: 086 219 0778 Post: PO Box 4994 Cape Town 8000	Uma ungajabule ngemiphumela yesikhalazo sakho emuva kwezinsuku ezingamashumi amathathu, ungaxhumana ne Pension Funds Adjudicator. Ha o sa khotsofalla dipatlisiso/tharabollo ya ttlelebo ya hao ka moraho ha matsatsi amashome amararo, ona le tokelo ya ho ikopanya le Pension Funds Adjudicator. If you are not happy with the way your complaint has been handled after 30 days, you can contact the Pension Funds Adjudicator. The Pension Funds Adjudicator Tel: 012 346 1738 Email: enquiries@pfa.org.za Fax: 086 693 7472 Post: PO Box 580 Menlyn, 0063



INTRODUCTION

The Fairheads Umbrella Beneficiary Fund is registered with the Financial Sector Conduct Authority as a pension fund organisation. The fund operates as an umbrella arrangement catering for individual accounts for each member, providing a legal vehicle that ensures benefits are conservatively and professionally invested and managed on their behalf. The Fund's investments are required to operate in terms of Regulation 28 of the Pension Funds Act.

ASSET ALLOCATION R 4 963 420 918 (Market Value)



INVESTMENT STRATEGY

The Fund has an Investment Policy Statement ('IPS') approved by the trustees which includes an initial asset allocation model and an annual asset rebalance model which sets out the investment parameters for each member. These models are based on life stage principles with a number of different investment combinations. The underlying principle of the asset allocation model is that younger members with relatively higher fund credits will have a relatively higher exposure to equities which by their nature have a higher return versus risk profile. This provides potential for greater growth over the long-term.

During the period, the Board of Trustees outsourced the investment management function to Momentum Investments, who are responsible for the unitisation of the Beneficiary Fund Income Fund and the Beneficiary Fund Balanced Fund. These portfolios are constructed using the same underlying building block investment products.

INVESTMENT PERFORMANCE

South African markets benefited from a global risk-on rotation in February, with equities posting broad-based gains led by strong resource sector performance as precious-metal prices rose and miners' cash flows improved. The FTSE/JSE All Share Index gained 7.0%, while bonds and listed property also advanced amid contained inflation and improving fiscal credibility. A market-friendly Budget Speech reinforced commitment to gradual fiscal consolidation, supporting sentiment and contributing to a firmer rand, which appreciated to around R15.92/USD.

Globally, markets were constructive but uneven, with investors rotating away from US mega-cap technology into value, cyclical, commodities and emerging markets. EM equities significantly outperformed developed markets, supported by AI-related infrastructure investment and firmer commodity prices. Europe, the UK and Japan performed well as inflation eased, while China remained soft despite policy support. Commodities, particularly precious metals, strengthened, reinforcing support for resource-heavy markets like South Africa. (taken from RisCura Market Commentary – February 2025).

Money Market

The Stanlib Institutional Money Market Proposition is a registered collective investment scheme. It is used to meet short term liquidity needs.

	3m ^{nth}	1 year	3 year	5 year
Stanlib Money Market Fund (fees are 0.125% pa ex VAT)	1.7%	7.7%	8.5%	7.1%
Benchmark (STeFI Composite Index)	1.7%	7.3%	8.0%	6.7%

Income Funds (South African Multi Asset – Income)

The income funds are registered collective investment schemes, used to maximise income by achieving returns in excess of the money market and interbank call rate while maintaining a high degree of liquidity and capital preservation. During the year, the Fund made a small allocation to impact debt funds.

	3m ^{nth}	1 year	3 year	5 year
Prescient Income Provider Fund (fees are 0.25% pa ex VAT)	2.0%	10.8%	10.7%	9.4%
Vunani MiPlan Enhanced Income Fund (fees are 0.35% pa ex VAT)	1.7%	7.2%	9.0%	8.6%
Vunani MiPlan Enhanced Income Fund (Retention Fund)	0.0%	-58.0%		
Benchmark (110% STeFI 3 month Index)	1.9%	8.2%	8.9%	7.4%
Futuregrowth Yield Enhanced Fund (fees are 0.86% pa ex VAT)	2.1%	11.2%		
Benchmark (STeFI Composite)	1.7%	7.3%		
Riscura Impact Fund of Fund (fees are 0.5% pa ex VAT in addition to fees charged by the underlying managers)	2.2%	8.6%		
Benchmark (JIBAR +3%)	1.8%	7.8%		

Balanced fund (High Equity Multi-Asset class)

Following the principle that younger members with higher fund credits will have a relatively higher exposure to equities, an allocation to balanced funds has been selected where certain criteria are met. These criteria are based on the amount of capital available and the investment time horizon. The balanced funds have a prudential mandate to achieve long-term capital growth within an environment of moderate risk.

	3m ^{nth}	1 year	3 year	5 year
Coronation Balanced Plus Fund (fees are scaled between 0.75% and 0.85% pa (ex VAT)	4.6%	26.6%	16.4%	13.9%
ASISA South African – Multi-Asset – High Equity Category Average	6.5%	23.0%	14.3%	12.3%
Ninety One Balanced Fund (fees are 0.65% pa (Life Portfolio))	6.7%	27.3%	14.8%	12.2%
AF Global Large Manager Watch	6.9%	27.8%	16.6%	14.5%
Camissa Balanced Fund (fees are 0.65% pa (ex VAT))	4.6%	26.6%	16.4%	13.9%
ASISA South African – Multi-Asset – High Equity Category Average	6.5%	23.0%	14.3%	12.3%

ASSET CONSULTANTS

RisCura Solutions (Pty) Ltd are the appointed independent asset consultants to the Fund. Their main responsibilities are ensuring the appropriateness of the asset allocation model and monitoring the performance of the investment managers. RisCura reports on a quarterly basis to the trustees.

¹ Please note that the information shown on this document is for information purposes only. Past performance is not an indicator of future performance and individual members' returns may differ depending on individual asset allocations. This report is intended as a summary of performance. Minimum disclosure documents are provided by the underlying investment managers. All performance figures are quoted net of fees (after fees).



The Board of Trustees

Trustee and Chairperson

Olefile Moea

Independent Trustees

Mabatho Seeiso

Tashia Jithoo

Gandy Gandidzanwa

Sponsor Appointed Trustees

Khatoon Smith

David Hurford

Independent Principal Officer and Information Officer

Sanele Nyoka

The Fairheads Umbrella Beneficiary Fund

Registration Number 12/8/37890

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Fax: 086 219 0778

Facebook: [@fairheadsbenefitservices](https://www.facebook.com/fairheadsbenefitservices)

The Client Contact Centre operates:

Monday to Thursday: 07:30am to 17:00

Friday: 07:30am to 16:30

Walk-in Client Service Centres:

Cape Town (Mon – Thu: 8:30 – 16:00, Fri: 8:30 – 15:30)

15th Floor, 2 Long Street

Durban (Mon – Thu: 8:30 – 16:00, Fri: 8:30 – 15:30)

22nd Floor, Office No. 2217, Embassy Building,
199 Anton Lembede Street

Braamfontein (Mon – Thu: 8:30 – 16:00, Fri: 8:30 – 15:30)

26 Ameshoff Street Braamfontein

Have your ID or Passport with you when you call the client service centre or visit one of our walk-in client service centres.



Fairheads' YouTube videos answer your questions about beneficiary funds!

The videos can be found on our youtube channel at:

<https://www.youtube.com/@fairheadsbenefits>



Scan this QR code to go directly to the playlist of videos.



You can visit a TEBA Ltd branch to collect, fill in and hand in documents that you need to send to Fairheads. Contact us to find a branch near you.

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