SENTINEL
retirement fund

MEMBER BROCHURE

Brochure – June 2026

Your Future Preserved

Welcome TO SENTINEL RETIREMENT FUND

Sentinel was established on 1 March 1946, originally serving the retirement fund needs of the South African mining industry. Today, the Fund is a self-administered, non-commercial entity that operates as an approved type A umbrella pension fund. As an approved umbrella fund, we are open to any employer registered in South Africa across all industries /sectors.

Sentinel provides a unique retirement fund solution designed to offer smooth and seamless transitions through all the stages of life. With excellent growth opportunities based on world-class investment models, our fund features a transparent and competitive cost structure that only recovers actual expenses incurred. We offer sensibly structured products tailored to meet your needs, ensuring you have peace of mind.

Please note that information in this brochure is a summary of the Rules of the Fund and does not create any rights and obligations. If differences or disputes arise, the Rules will prevail. The full set of Rules is available on the Fund's website and at its offices.

THE ESSENCE OF SAVING FOR RETIREMENT

Becoming a member of a retirement fund opens the door to an incredible opportunity to save in a well-structured and regulated environment! Here, you can unlock a world of benefits that will set you on the path to financial freedom and security in your golden years. Benefits of joining a retirement fund include:

Accumulated Growth

Earn growth not only on your contributions but also on growth already earned.

Economies of Scale

Benefit from better investment opportunities and lower costs by pooling your investment with a large group instead of doing it on your own.

Tax Incentives

Pension funds benefit from tax exemptions. For example, your contributions are tax-deductible, the growth in the fund is tax-free, and you only pay taxes on the benefits when you receive them.

THE ESSENCE OF SAVING FOR RETIREMENT *(Continue)*

Planning for retirement is essential to continue providing for yourself and your family once you can no longer work. The main goal is to save enough during your working career to replace your salary with a pension worth around 75% of your final salary. The "recipe for success" lies in a combination of the following:

Have investment returns of around **6% above inflation** over the long term.

Have a **responsible mindset** when it comes to saving for retirement.

Make **monthly contributions** towards retirement throughout your career, of at least 15% of your salary.

Have a **good understanding** of the Fund and its offerings.

Have a savings term of at least **35 years.**

GOVERNANCE OF THE FUND

The Fund operates under its Rules, which have been approved by the Registrar of Pension Funds and the South African Revenue Service (SARS). To obtain and maintain this approval, the Fund must comply with various legislative and regulatory requirements.

Main Rules

- These rules govern essential statutory provisions, including participation, membership, minimum contribution rates, Fund management, available products and options, and dispute resolution.
- The Board of Trustees is ultimately responsible for these Main Rules and the overall management of the Fund. They fulfil this responsibility by providing strategic direction and leadership, ensuring good corporate governance and ethics, and delegating responsibilities to Fund Management.
- The Board consists of independent trustees, as well as member and employer representative trustees.

Special Rules

- These rules are specific to each participating employer and reflect the employees' conditions of employment.
- They regulate membership conditions such as normal retirement age, contribution rates, the salary on which contributions are based, and the extent to which the employer participates in risk benefits and the pension-backed home loan facility.
- The responsibility for these Special Rules lies with the participating employer or an appointed Management Committee if designated by the employer.

MEMBERSHIP

Employers who participate in Sentinel enable their employees to become members of the Fund. Your Normal Retirement Age (NRA) is a component of your employment conditions that specifies when you must retire.

1. **Membership Begins** — Active membership begins when the conditions of your employment require you to join the Fund.

2. **Membership Ends** — Membership ends when you leave your employer, whether due to resignation, retrenchment, dismissal, retirement, death, or if your employment conditions change and you are required to join a different retirement fund that your employer participates in.

3. **Paid-up Membership** — Once your active membership ends, you will automatically become a paid-up member of the Fund until you decide to exercise a valid option (please refer to the Benefit Options section below).

MEMBER ACCOUNTS

Each member has an account in the Fund that is invested in an appropriate investment portfolio, either through the default life stage model or a member-selected portfolio. Accumulated savings from a previous fund, such as a pension, provident, or preservation fund (excluding a retirement annuity fund), can be transferred to your Sentinel member account without incurring any taxes. Additionally, Sentinel will not charge any fees for this transaction.

During your active membership, the Fund will receive monthly contributions from your employer and deposit them into your member account within five working days of receipt. Any growth earned will be allocated to your account, and the total costs associated with your investment portfolio will be deducted from your member account. This process will continue until your active membership ends, at which point you can choose an appropriate option.

MEMBER ACCOUNTS *(CONTINUE)*

As of 1 September 2024, the Two-Pot Retirement System came into effect. With the Two-Pot system, each member account consists of THREE components, namely Vested, Savings, and Retirement.

SAVINGS COMPONENT

- Can withdraw once every tax-year provided the amount is more than R2,000.
- 10% of your Fund Credit on 31 August 2024 is automatically transferred to this component (limited **to R30 000.00) as Seed Capital to "kick-start" the balance.**

RETIREMENT COMPONENT

- No withdrawal benefits permitted, even if you leave your place of employment.
- Balance in this component can only be accessed at retirement and must be utilised to provide for a monthly pension.

VESTED COMPONENT

- Total accumulated savings (Fund Credit) on 31 August 2024, less seed capital transferred.
- Members joining after 31 August 2024 will not have a vested component, unless it is transferred in.

ASSET MANAGEMENT & MEMBER INVESTMENT CHOICE (MIC)

Investment Strategy

- An LDI (liability-driven investment) approach is followed to address interest rate risk, inflation risk, mortality risk and longevity risk, combined with a multi-portfolio "life stage" strategy, with each portfolio having different risk and return objectives.
- Asset liability modelling is used to set the asset allocation for each portfolio, to achieve optimal sustainable long-term investment returns at an acceptable level of risk, being cognisant of Fund payment obligations.
- Risk is managed through position sizing and a well-diversified multimanager investment structure spread across geographies, asset classes and within asset classes.
- Investments are approached in a responsible manner, incorporating sustainability considerations.
- Asset managers are monitored dynamically, including comparisons to benchmarks and peer groups.
- Regulation 28 compliant at Fund and member levels.

ASSET MANAGEMENT & MEMBER INVESTMENT CHOICE (MIC) *(CONTINUE)*

The Life Stage Model

This model consists of three portfolios, each with different risk profiles. As members accumulate retirement savings, their investments are automatically shifted from one portfolio to another based on the number of years left until NRA. Members who choose the Life Stage Model do not need to make any investment decisions. The Life Stage portfolios include the **Wealth Builder, Inflation Protector, and Pension Protector**.

1. **WEALTH BUILDER**
   Aggressive CPI + 5%

AUTO-SWITCH 12 years from NRA

2. **INFLATION PROTECTOR**
   Moderate CPI + 4.75%

AUTO-SWITCH 5 years from NRA

3. **PENSION PROTECTOR**
   Conservative CPI + 4.5 %

Investment Choice

This option is for members who prefer not to follow the Life Stage Model. They have the flexibility to choose and switch between investment portfolios on a daily basis. In addition to the three Life Stage portfolios, members can also access a Money Market portfolio and a Shari'ah portfolio. Members can split their capital between a Life Stage portfolio, such as the Pension Protector portfolio, and the Money Market portfolio. Additionally, members can allocate future contributions to any of these portfolios. Members are allowed up to two switches between portfolios per calendar year at no cost. After that, a switching fee of 0.1% of the amount switched will be charged, capped at a maximum fee of R5,000. Those who have opted out of the Life Stage Model can return to it whenever they wish.

WEATLTH BUILDER	**INFLATION PROTECTOR**	**PENSION PROTECTOR**	**MONEY MARKET**	**SHARI'AH**
Aggressive CPI +5%	Moderate CPI +4.75%	Conservative CPI +4.5%	Very Conservative	Islamic Law Compliant

For more information, please refer to the **Member Investment Choice Brochure.**

RISK BENEFIT COVER

The Risk Benefit product offered by Sentinel is designed to enhance a member's benefits in the event of permanent disability or death. This product is provided on a self-insured basis within the Fund. Contributions to the product are tax-deductible, while the benefits received are taxable.

Participation in the Risk Benefit product is initiated at the employer level and is governed by the Special Rules. Contributions are determined based on the "Fund Risk Salary," and the cover is calculated using the annual average Fund Risk Salary for the 12 months preceding the benefit date. This cover is provided without requiring any evidence of health, and there are no cover limits or waiting periods.

BENEFITS

Benefits become payable when active membership ceases, and paid-up membership has been activated. All benefits are paid in terms of the Rules of the Fund and are subject to income tax. The following benefits are provided for:

WITHDRAWAL BENEFIT

Benefit may be claimed if you have left the service of your employer and you have not yet reached your Normal Retirement Age (NRA).

KEY FEATURES/ OPTIONS:

OPTION 1: Preserve your benefit as a Sentinel Paid-up Member.
OPTION 2: Early retirement (if you are within 10 years of your Normal Retirement Age).
OPTION 3: Transfer your full Fund Credit to another approved retirement fund.
OPTION 4: Full or partial lump sum withdrawal and transfer.

SAVINGS WITHDRAWAL BENEFIT

Benefit may be taken once in every tax-year from the Savings Component without leaving the service of your employer, provided the amount withdrawn is more than R2,000.

KEY FEATURES/ OPTIONS:

Withdrawal any amount (more than R2,000) from your Savings Component once every tax-year. Members are urged to only take a Savings Withdrawal Benefit for emergency situations and preserve their savings for retirement. A Savings Withdrawal Benefit, prior to retirement, will be taxed at your marginal tax rate.

DEATH BENEFIT

Benefit is payable upon death. Trustees follow Section 37C of the Pension Funds Act when distributing benefits.

KEY FEATURES/ OPTIONS:

Enhanced Fund Credit if you participate and contribute towards Risk Cover. 50% of the total fund credit will be used to provide a spouse pension, if applicable. Remaining 50% will be paid as a lump sum to dependents/ nominees. With no spouse, 100% of the fund credit will be paid in lump sums to dependents/ nominees, or the Estate. Spouses may create the ideal monthly pension package from the Pension Income Choice Model.

DISABILITY BENEFIT

Benefit is payable upon death. Trustees follow Section 37C of the Pension Funds Act when distributing benefits.

KEY FEATURES/ OPTIONS:

Enhanced Fund Credit if you participate and contribute towards Risk Cover. 50% of the total fund credit will be used to provide a spouse pension, if applicable. Remaining 50% will be paid as a lump sum to dependents / nominees. With no spouse, 100% of the fund credit will be paid in lump sums to dependents/ nominees, or the Estate. Spouses may create the ideal monthly pension package from the Pension Income Choice Model.

RETIREMENT BENEFIT

Available if you retire, resign, are retrenched or dismissed from employment. Members may retire in the Fund at any time between the date on which they are within 10 years from their NRA and have reached age 50, and any chosen later date, even if this extends beyond their NRA.

KEY FEATURES/ OPTIONS:

Withdrawals are allowed from the vested (max one-third) and savings components. The Pension Income Choice Model is followed. A guaranteed pension is compulsory, up to a level of at least R12,500 per month. Once the R12,500 monthly pension requirement is fulfilled, a second and/or third pension may be selected. These options are:

- A second guaranteed pension, and/or
- A flexible self-managed pension with investment and drawdown income options.

TAXATION

The Income Tax Act prescribes that tax is levied when retirement fund benefits become payable. Different tax regimes apply to certain lump sum benefits and monthly pensions. For more information, please refer to the latest Taxation in South Africa Brochure on **our website (www.sentinel.za.com).**

COST RECOVERY

The Sentinel self-administered business model is beneficial to members and pensioners as they are the only "shareholders" in this arrangement and only actual costs incurred by the Fund are recovered. A "total cost" recovery methodology is followed to promote transparency and fairness, and this is recovered from members' Fund Credits.

COST DISCLOSURE COMPRISES OF FOUR COMPONENTS:

1. **Investment management fees**
   including all charges of underlying investment funds and transaction costs.
2. **Investment advice fees**
   including consulting charges not included in management charges.
3. **Administration costs**
   which in Sentinel's self-administered model will include personnel, information technology and operational costs. These costs include member and pensioner communication, counselling and advice.
4. **Other costs and fees**
   including legal & consulting fees, audit fees, Board fees, FSCA levies, insurances, valuation charges and annual report costs.

No commissions or additional fees are charged to access Fund products and members who retire in the Fund experience no transition costs or investment disturbances, as they remain invested in the Fund.

PENSION BACKED HOME LOANS

Pension backed home loans are offered through IMAS, an independent service provider. Members can obtain a guarantee for a home loan of up to 50% of their fund credit value, over a maximum term of 20 years. To qualify for a loan, your employer must participate in this scheme.

DISPUTE RESOLUTION

Every effort is made by the Fund to resolve member queries and complaints. In the unlikely event of you wanting to complain to the Pension Funds Adjudicator, the appropriate contact details and dispute resolution process is available on the Sentinel website.

ETHICS HOTLINE

Sentinel's Ethics Hotline is independently operated and has been established with the aim to enhance an honest work ethic and simultaneously provide stakeholders with a mechanism to bring any unethical business practices, i.e. theft, corruption, fraud or related activities, to the attention of the Board. The Hotline serves as an independent conduit between the Board of Trustees, management, employees and stakeholders, and all information is treated confidentially, and the anonymity of the complainant is protected.

The ethics hotline can be contacted by:

Toll-free:
0800 000 594

Email:
sentinel@thehotline.co.za

WHAT YOU CAN EXPECT FROM SENTINEL

Administrative Process & Systems

State-of-the-art, retirement fund specific, systems are utilised that have no capacity constraints. This system provides daily pricing and unitisation. IT infrastructure is hosted off-site and is web based providing real-time disaster recovery and ensures excellent business continuity provision.

Communication

Members are provided with a comprehensive communication service that includes, as a minimum, biannual newsletters, newsflashes, benefit brochures, annual benefit statements and website access to all forms and communication material.

Members are adequately informed of the composition of assets, performance of investment portfolios and total costs recovered through published:

- Quarterly investment portfolio fact sheets,
- Monthly investment returns,
- A member investment choice brochure,
- Annual Integrated Annual Reports, and
- Annual member benefit statements and explanatory brochures.

Client Service, Counselling & Advice

To maintain personal contact with members and pensioners, the following footprint has been established:

- Client Contact Centre that provides telephonic support.
- Client Service Centres in Johannesburg, Carletonville, Klerksdorp, Welkom, and Emalahleni.
- Advisory Service provides guidance, counselling, and advice to members and pensioners, at no additional cost, to assist with retirement planning and Fund product options.

WHAT YOU CAN EXPECT FROM SENTINEL *(CONTINUE)*

Support Channels for Members

The below support channels are available to our members.

SUPPORT SERVICES	DESCRIPTION
Website Chatbot	Our user-friendly chatbot is available 24/7 on our website, ready to answer your questions and guide you through common inquiries. Simply visit our website and click on the chat icon at the bottom right of the screen. Click **HERE** to visit the Sentinel website and access the chatbot.
Information Repository	Explore our online resource centre for annual reports, brochures, portfolio returns, fact sheets, communications, and other essential documents and application forms. Click **HERE** to view the repository.
Online Portal	Access your member account directly through our secure online portal. Here, you can view your balance, update your information, and manage your dependants at your convenience. Click **HERE** to access the Online Portal.
Walk-in Client Centres	Prefer face-to-face interaction? Stop by one of our walk-in support centres for assistance from our knowledgeable staff. Click **HERE** for walk-in centre details.
WhatsApp	Members can apply for a Savings Withdrawal Benefit via WhatsApp. To initiate the process, simply add the Fund as a contact, then send the message “Sentinel” to us, and we will guide you through the next steps. WhatsApp +2764 940 6821
Email Support	Have specific questions? Reach out to us via email, and our team will get back to you promptly with the information you need. info@sentinel.za.com

CONTACT DETAILS

Sentinel Retirement Fund | Reg No 12/8/1215

5th Floor | 92 Rivonia Road | Wierda Valley | Sandton, 2196
Office hours are 08:00am to 04:15pm
Mondays to Fridays excluding public holidays

0800 776 861

info@sentinel.za.com

www.sentinel.za.com

Ethics Hotline 0800 000 594

CLIENT SERVICE CENTRES

Sandton	Carletonville	Klerksdorp	Welkom	Emalahleni
5th Floor 92 Rivonia Road, Wierda Valley Sandton, 2196	S Buys Office Park Shop 10, Corner Kaolin and Radium Streets	54 Buffelsdoorn Road, Flamwood	Shop 25, The Strip 314 Stateway	WCMAS Building, Corner OR Tambo and Susanna Streets
Toll-Free 0800 776 861	**Tel** (011) 481 8290/1	**Tel** (011) 481 8024/8	**Tel** (011) 481 8025/6	**Tel** (011) 481 8295/6

Office hours are 08:00am to 04:15pm
Mondays to Fridays excluding public holidays

Innovating
Your Future
Responsibly