

KZN AGGRESSIVE FUND

FEBRUARY 2026

The KZN Aggressive Fund is an aggressive fund that aims to maximise investment returns over the longer term. The fund maintains a high exposure to growth assets, such as local and foreign equities and gains additional exposure to growth assets via investments in local property and private equity. The fund's asset allocation is fixed and the fund makes use of specialist asset managers to select the most attractive securities to invest in within each asset class.

Due to its high allocation to growth assets, the fund has a high chance of capital loss in the short term, but is expected to achieve real growth of capital over the long-term. As a result, the fund is best suited to members who have a longer term (7 years or more) investment horizon.

The portfolio complies with the prudential investment guidelines set out in Regulation 28 of the Pensions Funds Act.

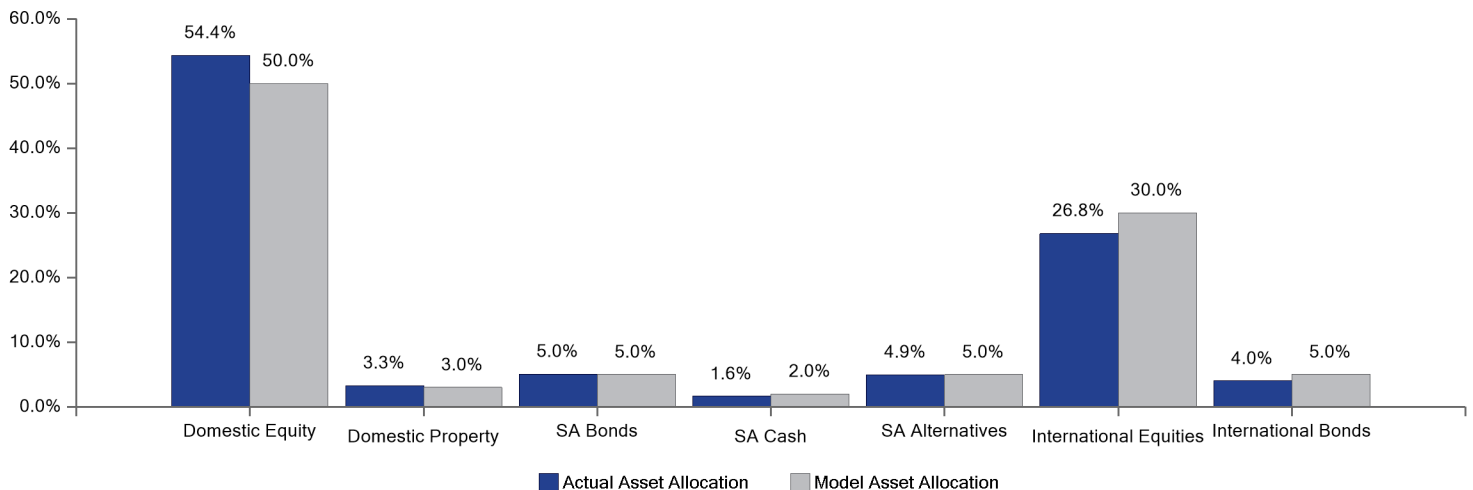
MONTHLY COMMENTARY

In the US, new tariff regimes, the Iran invasion and midterm elections are introducing a near-term source of volatility. The US Supreme Court ruled that President Trump's reciprocal tariffs were unlawful, opening the possibility of \$175 billion in refunds. Trump responded by applying a flat 10% global tariff and an intention to increase this to 15%. On average, tariffs will drop slightly, but countries whose tariffs were higher than 15% are the clear winners - like China, Brazil and South Africa - while countries like Australia and the UK (with lower original deals) could see a hike to the proposed 15% baseline. Uncertainty has increased, and the European Union has frozen ratification of its US trade accord. Similarly, Japan may renege on its \$550bn US investment pledges. Back home, the Democrats are pushing for taxpayer refunds ahead of midterms. Though uncertainty has increased, we do not expect an escalation given the midterm focus and cost of living concerns. The US and Israel launched coordinated missile strikes against Iran, killing Supreme Leader Ayatollah Ali Khamenei. The large-scale attacks targeted Iran's military infrastructure, with the stated aim of preventing the country from developing a nuclear weapon. Iran responded with retaliatory missile strikes on targets across the Middle East. President Trump stated that bombing operations would continue through the week.

In response to the escalating conflict, OPEC+ agreed to increase oil production to help offset potential supply disruptions, though a geopolitical risk premium in global oil markets is expected to persist. Behind this volatility, the economy is seeing a move to more balanced growth, in which a cooling in consumer spending is accompanied by a pickup in job growth and non-tech business spending. Stable growth and easy liquidity conditions have kept us overweight equities, but valuations are stretched and risks are rising. For now, we remain overweight emerging markets and South African equities, with the expectation of a weaker dollar, Asian technology investment and Chinese resilience. However, the rising price of oil and natural gas as a result of the Middle East conflict may force a reversal.

The FTSE/JSE CAPI Index improved by 7.2%, while Industrials lost 0.1% and Financials rose 7.4%. The JSE All Bond Index increased by 1.7% and the Rand strengthened 0.7% against the Dollar.

ACTUAL ASSET ALLOCATION AS AT 31 DECEMBER 2025



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KZN
MUNICIPAL PENSION FUND
Together We Grow Your Wealth

FUND SUMMARY AS AT 28 FEBRUARY 2026

STATISTIC	FUND	BENCHMARK
% Positive Months	73.3%	73.3%
% Negative Months	26.7%	26.7%
Worst Month	-4.7%	-5.6%
Best Month	7.3%	8.1%
Average Return	1.2%	1.2%
Median Return	1.7%	1.6%
Maximum Drawdown	-7.1%	-8.4%

PERFORMANCE ANALYSIS TO 28 FEBRUARY 2026

PERIOD	FUND	BENCHMARK
1 Month	3.7%	3.9%
3 Months	7.3%	7.1%
6 Months	14.3%	14.7%
Year to Date	5.6%	5.6%
1 Year	27.2%	29.1%
3 Years	17.2%	17.9%
5 Years	14.7%	15.3%
Since Inception	12.1%	12.4%

Inception Date: 31 August 2012. Returns prior to inception are backtested. Returns are net of the TIC.

FEES

	PERCENTAGE
Total Expense Ratio (TER)	0.49% (Dec 2025)
Transaction Costs (TC)	0.06% (Dec 2025)
Total Investment Charge (TIC)	0.55% (Dec 2025)

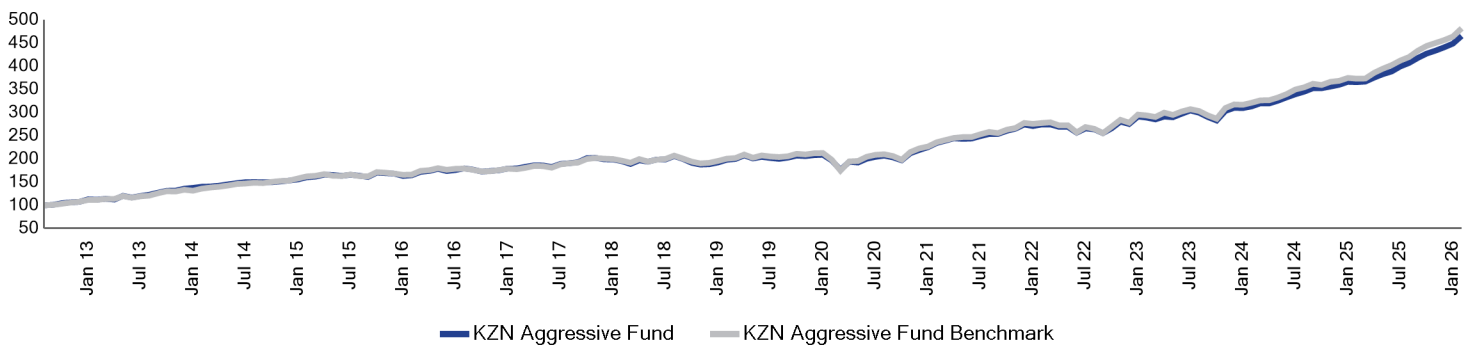
BENCHMARK COMPOSITION

The fund benchmark is a composite benchmark consisting of: 40% Capped All Share, 5% ALBI, 3% SAPY, 7% STeFI, 30% MSCI All Country World Index, 5% Barclays Global Agg Bond Index, 10% Private Market Composite

HISTORICAL PERFORMANCE

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2021	2.8%	4.1%	2.1%	2.1%	-0.5%	0.3%	2.1%	1.8%	0.0%	2.6%	1.8%	3.4%	25.1%
2022	-1.2%	1.2%	0.1%	-1.9%	0.0%	-4.7%	3.5%	-0.7%	-3.2%	4.1%	5.4%	-1.8%	0.4%
2023	5.8%	-0.8%	-1.3%	2.1%	-0.5%	2.6%	2.4%	-1.6%	-3.1%	-2.5%	7.3%	2.2%	12.6%
2024	-0.2%	1.2%	2.1%	-0.1%	1.8%	2.2%	2.0%	1.6%	2.2%	0.0%	1.0%	1.1%	16.0%
2025	1.8%	-0.2%	0.3%	2.3%	2.0%	1.5%	2.8%	1.9%	2.7%	2.2%	1.5%	1.7%	22.5%
2026	1.8%	3.7%											5.6%

CUMULATIVE INVESTMENT PERFORMANCE



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CALENDAR YEAR RETURNS

PERFORMANCE	FUND	BENCHMARK
2021	25.1%	24.7%
2022	0.4%	0.2%
2023	12.6%	14.1%
2024	16.0%	16.0%
2025	22.5%	23.8%

TOP 10 MANAGER ALLOCATION 31 DECEMBER 2025

MANAGER	PERCENTAGE
iShares Developed World Index Fund	19.7%
Argon SA Equity Fund	16.4%
Mianzo Capped Swix Active Equity Fund	12.8%
KZN Satrx SmartCore Portfolio	8.4%
Old Mutual - SA Hedge Fund of Funds	4.8%
Lima Mbeu Equity Portfolio	3.7%
iShares Emerging Markets Index Fund	3.4%
Vunani	2.5%
All Weather BCI Property Fund C	1.6%
Meago - KZN Municipal Pension Fund	1.6%
Other	25.1%