Liberty Corporate Conservative Balanced Tracker Fund

Corporate Selection

Liberty Conservative Tracker Fund

Liber8

As at 30 June 2026

General Information

Portfolio manager(s)	Liberty Financial Solutions
Asset manager(s)	Liberty Group Limited
Benchmark	Composite (see Strategic allocation)
Portfolio size	R 598.16 Million
Status (New business)	Open
CorpSel Launch date	01 July 2014
Liber8 Launch date	01 December 2018
Regulation 28	Compliant
Guarantee available	No

Cost ratios

Annualised (including VAT) 30/06/2025		
	CorpSel	**Liber8**
Based on period from	30/06/2022	30/06/2022
Total Expense (TER)	0.35%	0.35%
Transaction Costs (TC)	0.00%	0.00%
Total Investment Charge (TIC)	0.35%	0.35%

Please refer to Cost ratios section of Disclosures for important information relating to the above.

Fees

Annual (including VAT where applicable)		
	CorpSel	**Liber8**
Investment Management	0.35%	0.35%

Portfolio objective

This portfolio aims to provide cost-effective market exposure focusing on capital preservation. This is ideal for investors with medium to long term investment horizons who are not concerned with short term market fluctuations.

Strategic allocation

The below table provides the portfolio's strategic allocation, designed to meet its long-term return and shorter-term risk objectives. The portfolio's composite benchmark is based on the indices and % allocations shown.

Asset Class	Index	Allocation
Local Equity	FTSE/JSE Capped Top 40	20.00%
Local Bond	FTSE/JSE All Bond	27.50%
Local Cash	STeFI Composite	20.00%
Global Equity	MSCI World Net TR	17.00%
Global Bond	JPMorgan Global Government Bond	9.50%
Global Cash	JPMorgan Cash Index USD 3M	6.00%

The portfolio's strategic allocation, shown in the table above, was effective from 1 October 2024. Benchmark returns in this document prior to 1 October 2024 are based on historical allocations. This tracker portfolio is rebalanced quarterly in February, May, August and November.

Investor profile

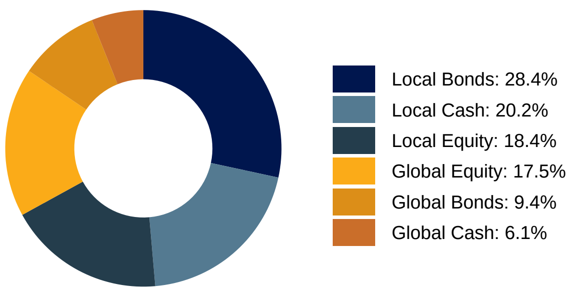
Investors seeking cost-effective exposure to a conservative risk-profiled balanced allocation using a combination of tracker funds with different asset class exposures.

Risk profile

Conservative	Moderately Conservative	Moderate	Moderately Aggressive	Aggressive

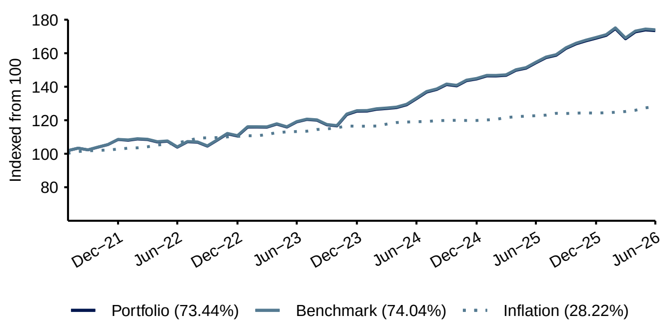
Holdings

Asset Allocation (%) as at 30/06/2026



Performance

Cumulative performance (%) over 5 Years



Returns							
%	YTD	3m	1y	3y	5y	10y	Launch
Portfolio	2.66	2.87	12.44	13.38	11.64	9.99	9.51
Benchmark	2.71	2.90	12.52	13.43	11.72	10.16	9.68
Inflation	3.19	2.40	4.51	4.23	5.10	4.70	4.84

Statistics		
Over 10 Years	**Month**	**Year**
Best %	6.07	20.49
Worst %	-5.04	-1.61
% Positive	72.50	99.17

Volatility, over a three-year period: 5.44%

Portfolio manager(s)

Liberty Financial Solutions

LibFin is a centre of excellence for the management of Liberty Group's market, credit and liquidity risks, as well as the management of its shareholder investment exposures.
LibFin's primary responsibilities include the following: Management of asset-liability mismatch risks arising in the life insurance business, primarily resulting from the guaranteed investment product set and capitalised margins; Origination and management of credit assets backing the guaranteed investment product set (the "Credit Portfolio"); Management of the performance of shareholder investment exposures in the life insurance business (the "Shareholder Investment Portfolio").

Asset Manager(s)

Liberty Group Limited (trading as Liberty Life)

Liberty Group Limited, FSP 2409, is an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002.

Liberty Life is a member of the Standard Bank Group, a leading financial services group with a representation in 24 countries across the African continent.

Commentary as at 30 June 2026

Market review

Markets weakened over the first quarter of 2026 as a relatively positive start to the year gave way to a sharp late-quarter risk-off month of March. While domestic inflation remained contained and the broader fiscal backdrop was initially supportive, sentiment deteriorated meaningfully in March as the ongoing war in the Middle East pushed energy prices higher. This reignited inflation concerns and triggered a global bond selloff. Major central banks, including the Fed, ECB and Bank of England, kept rates unchanged in March, similarly, the SARB also left the repo rate on hold at 6.75%, reflecting a more cautious policy environment.

South African equities gave back most of the momentum from a buoyant first two months, with the ALSI declining 0.61% in Q1 2026, falling 10.45% in March alone. The quarter was marked by a broad pullback in risk appetite, with local equities affected by the selloff in emerging-market assets and weaker sentiment globally. Even so, the longer-term picture remains strong, with local equities still up 33.60% over one year, suggesting that Q1 was not a full deterioration in the domestic equity story.

Fixed income markets also experienced a notably weaker quarter. After delivering very strong gains over the past year, domestic bonds declined 3.36% in Q1 and 6.81% in March, as higher oil prices and renewed inflation fears pushed yields higher globally and locally. The sharp repricing in bond markets reduced the benefit usually associated with duration exposure, even as the one-year return profile for bonds remained exceptionally strong at 19.24%.

Listed property also came under pressure, declining 4.92% over the quarter and 11.41% in March. Having rebounded strongly in prior periods, the sector was hit by the rise in bond yields and a reassessment of the rate outlook, which weighed on investor appetite for rate-sensitive assets. Although the one-year return remains impressive at 28.65%, Q1 showed how quickly sentiment toward the sector can reverse when inflation and interest rates re-emerge as market concerns.

Global assets were softer in rand terms, with foreign equity returning -1.65%, although the broader picture remained mixed. Offshore markets contended with a more cautious policy environment, heightened geopolitical uncertainty and renewed inflation concerns linked to higher energy prices. While global equities remained positive over one year at 8.51%, the quarter reflected a more volatile and less supportive backdrop than investors had become accustomed to in prior periods.

The rand weakened with USD/ZAR up 2.33%, which helped cushion offshore asset returns when translated back into local currency. However, the weaker currency also reflected the broader risk-off tone and the severe pressure placed on emerging-market assets during the month of March. In that sense, the rand acted as both a shock absorber for offshore allocations and a barometer of the more fragile global environment that defined the end of the quarter.

Fund review

The Liberty Balanced Tracker Funds delivered slightly negative returns across the risk spectrum for the quarter, as the sharp market selloff in March offset the gains built earlier in the period. While shorter-term performance came under pressure, the Tracker range continues to reflect solid longer-term returns across all three risk profiles..

The Liberty Aggressive Balanced Tracker Fund recorded a quarterly return of -0.46%, following a March return of -5.52%. The weaker quarter was driven primarily by the fund's higher exposure to local and global equities. Despite this, the fund's longer-term profile remains strong, with a one-year return of 20.74%, reflecting continued alignment with its growth-oriented mandate.

The Liberty Moderate Balanced Tracker Fund delivered a quarterly return of -0.20%, with March returning -4.49%. The fund's diversified positioning helped cushion part of the drawdown, although weakness in both equities and domestic fixed income limited the benefit of its more balanced asset mix. Over one year, the fund remains firmly positive, returning 17.71%, which continues to reflect the value of its balanced exposure across growth and defensive asset classes.

The Liberty Conservative Balanced Tracker Fund achieved a quarterly return of -0.21%, with a March return of -3.46%. Its higher allocation to cash and lower exposure to equities continued to provide relative downside support during a volatile period, although the selloff in bonds reduced the usual defensive benefit from fixed income. Even so, the fund has continued to deliver stable longer-term outcomes, with a one-year return of 14.87%, consistent with its more conservative risk profile.

Looking Ahead

It is almost impossible to look beyond the impact this conflict will have on energy, downstream refined products, and their inflationary impacts, the supply chain stress this might create, and the impact on growth, especially as time passes. We already expect a small deterioration in earnings growth due to a mix of margin compression and lower rates of GDP expansion around the world than previously factored. The central question for markets is whether the Middle East conflict will evolve into truce, stalemate, or escalation, and what that would mean for energy prices. Prediction markets at month-end were placing only a 28% probability on a ceasefire before April 30 and less than 50% on full normalisation of Strait of Hormuz traffic before July 1.

This is the single biggest variable for equities, oil, currencies, and inflation expectations, and it operates on a timeline the market cannot predict with any precision. The longer the conflict continues, the more skewed things become toward a more negative outcome for equities and potentially for bonds as well.

The war is coming at a time when other concerns have been growing. A drawn-out war will only add to fiscal concerns already prevalent around the world. Who knows when these will really matter to markets?

In early March we highlighted a shift in stance from our constructive view to one that is more circumspect about potential pathways from here. Our major concern is that the quick resolution opportunities have vanished. Escalation to resolve seems to be more plausible, with growing discontent in Gulf Co-operation Council states and a Strait that cannot be navigated as before (tolls may well become a permanent feature).

The market is hanging on every Trump headline tweet and we believe it is mispricing the impact of a Trump offramp. Trump held all decision rights on tariffs in April 2025, and the TACO mantra (Trump Always Chickens Out) was born. This time is vastly different. Even if Trump were to announce "victory" and give himself an offramp, will the Israelis cede their generational opportunity? We cannot be certain that the Iranians will do the same, and if they do, can we expect a return to normalcy?

Much damage has been done to oil wells, flow rates and energy infrastructure. A supply shock (and growth) is becoming more likely. Borrowing from our J.P. Morgan Asset Management colleagues, "It Takes Three to Taco"! Trump appears to have miscalculated the Iranians' resolve and their stranglehold on the global economy, equity markets and his political future (perhaps even freedom), with the upcoming mid-term elections in November.

While these events all indicate a conservative stance is appropriate, it must be noted that global markets, economies and earnings were all in a good space prior to the Gulf closure. De-risking has been aggressive, oversold indicators are flashing across multiple frameworks, and the S&P 500 (amid secular tailwinds) has already absorbed a meaningful de-rating, as have other markets. 12-month forward earnings remain on an upward trajectory. Investors who wish to position bearishly need to make an active call that earnings will deteriorate materially, which is difficult to make, given the resilience of US consumer data and the broadening of fiscal support, although that fiscal support will potentially impact yield curves. We are therefore treating the current period as one of elevated but priced downside risk for equities. If the growth shock looks increasingly likely, a few factors make the downside more asymmetric than the upside, but we are evaluating closely and watching our tactical indicators, which are increasingly defensive.

Central bank policy paths have become genuinely contested and divergent. Markets were pricing modest rate hikes across several central banks in early April, a reflection of expected near-term inflation impulses. In line with our previous New Regime scenario (2023-2025), we think that most central banks will act to cushion growth (and job losses), irrespective of inflation. They will view a supply side shock as temporary, despite being scarred by the haunting transitory comments of 2021 and 2022. The transition from hike-pricing to cut-pricing will require evidence of growth deterioration, and that evidence is not yet in the data. How the credit cycle and AI build out/capex will be impacted by higher energy and input prices is a material variable that should not be dismissed, even though we believe in the secular theme.

SA remains one of the more attractive destinations for risk capital in this environment. Commodity exposure, fiscal credibility, improving real yields and a government coalition that has avoided the worst political scenarios underpin a constructive view on local assets, even as local elections loom. We retain our bias to equity and fixed income in SA and are less concerned about gold concentration, given the equity setback and a kind of Hawkish Hiccup that has partly played out (bond market). We are selectively building offshore allocations, where currency and asset-class signals permit. Yields appear to be more asymmetric than equities but volatility across the board will remain elevated, as will correlations. This makes diversification difficult, but our multi-scenario framework keeps us nimble and disciplined.

(Source: STANLIB Multi-Strategy)

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Disclosures

General information and Holdings

Property portfolio holdings are updated on an annual basis. Holdings and commentary are updated quarterly. Assets under management and return data are updated monthly. The strategic asset allocation and investment management fees of a portfolio may be amended by Liberty from time to time. Historic changes to asset allocations and fees will be made available upon request. The investment management fee is a policy fee charged by Liberty. This fee includes but is not limited to asset management fees (excluding any performance fees that may apply - payable to the underlying manager) which Liberty pays to underlying asset managers.

Cost ratios

The Total Expense Ratio (TER) depicts the percentage of the value of the Financial Product that was incurred as expenses relating to the administration of the Financial Product over a specified period of time. This may include performance fees payable on a variable scale. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs.

The Transaction Costs (TC) depicts the percentage of the value of the Financial Product that was incurred as costs relating to the buying and selling of the assets underlying the Financial Product over a specified period of time. The TC are a necessary cost in administering the Financial Product and impact Financial Product returns. The TC should not be viewed in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

The Total Investment Charges (TIC), which is the sum of the TER and TC (TIC = Total Expense Ratio (TER) + Transaction Costs (TC)), depicts the percentage of the value of the Financial Product that was incurred as costs relating to the investment of the Financial Product over a specified period of time. The TER, TC and TIC values represent the weighted average of all tax classes (where more than one tax class exists).

Performance

All returns shown are historic and are in ZAR. Unless noted otherwise, fund returns are for an untaxed policyholder fund.

Cumulative Performance and Returns: The investment returns shown are gross of explicit product charges and gross of investment management fees. Any explicit charges are as per your quote or renewal letter and are charged as a unit deduction (where applicable). Individual investor returns may differ as a result of timing and size of cash flows (including but not limited to premiums invested, expenses deducted, and benefits paid out), and time period considered. The returns of the portfolio benchmark over time provides the basis against which the portfolio manager is measured. This may change from time to time. Benchmark returns are gross of all fees. Returns are calculated using a time weighted rate of return and ignore any positive or negative cashflows over the reported period.

Statistics: All statistics are calculated on returns gross of investment charges and fees. Best % - the highest 1 month and rolling 1 year return that the portfolio has delivered over the last 10 years or since inception (whichever is the shorter period). Worst % - the lowest 1 month and rolling 1 year return that the portfolio has delivered over the last 10 years or since inception (whichever is the shorter period). % Positive - the number of positive 1 month and rolling 1 year returns, shown as a percentage of the total number of 1 month and rolling 1 year return periods respectively during the last 10 years or since inception (whichever is the shorter period). Volatility - the annualised measure of how much a portfolio's monthly returns vary from the average of all of its monthly returns over the relevant period.

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