



ACTUARIAL SOCIETY
OF SOUTH AFRICA

Advancing Actuarial Excellence

A Goals Based approach to Wealth Management

27 July 2025



The Holistic Financial Plan

Goals First, Products Last



ACTUARIAL SOCIETY
OF SOUTH AFRICA

Advancing Actuarial Excellence

Educate • Develop • Uphold



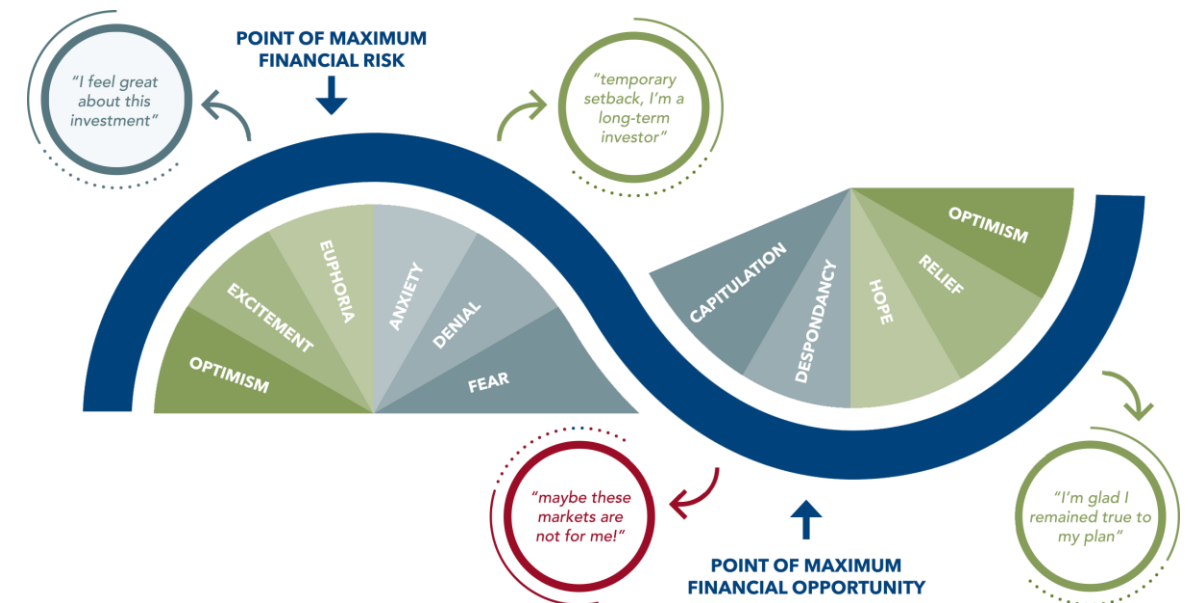
Why Goals Based Wealth Management?

Goals Based Wealth Management (GBWM) focuses on the progress towards reaching your goal and helps to minimise the volatility of the market.

GBWM holds many advantages over traditional wealth management, which includes providing clients with a greater sense of clarity and control over your financial lives and increasing your confidence in making investment-related decisions. Additionally, GBWM helps to prevent emotional investment decisions by providing a clear, straightforward five-step process. Often in poor market conditions many investors make poor decisions, motivated by excitement and overconfidence, they often buy at the top of a bull market, just in time to see their investments

decline.

In contrast, fear and panic cause many investors to sell at the bottom of a bear market. However, this point in the market cycle actually provides investors with the highest growth potential.





The Golden Circle – Simon Sinek

1. **WHY** – The Client's Purpose (The Foundation)

This is the most important layer.

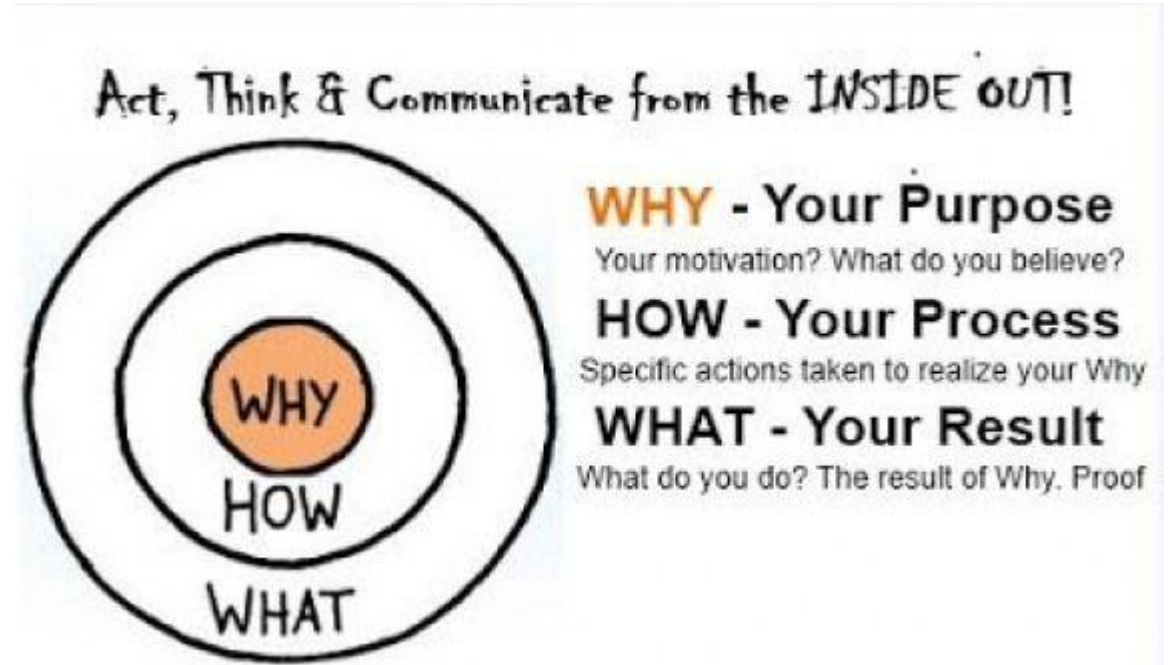
In financial planning, the Why is not “to retire comfortably” or “to grow wealth.” It's the deeper motivation.

2. **HOW** – The Strategy and Behaviour

The How is how you turn their purpose into a disciplined approach.

3. **WHAT** – The Tools and Products

This is the outer layer — and where many wealth managers mistakenly start.



Goals Based Framework



Excellence = Integration around goals.

Structure (Goals-Based Framework)

- Life Vision
- Measurable Goals (lifestyle, legacy, security, freedom)
- Cashflow modelling
- Risk, tax, estate, investments integrated
- Ongoing review and behavioural coaching



Goals hierarchy – How do we determine goals



Goals Based Framework



Excellence = Integration around goals.



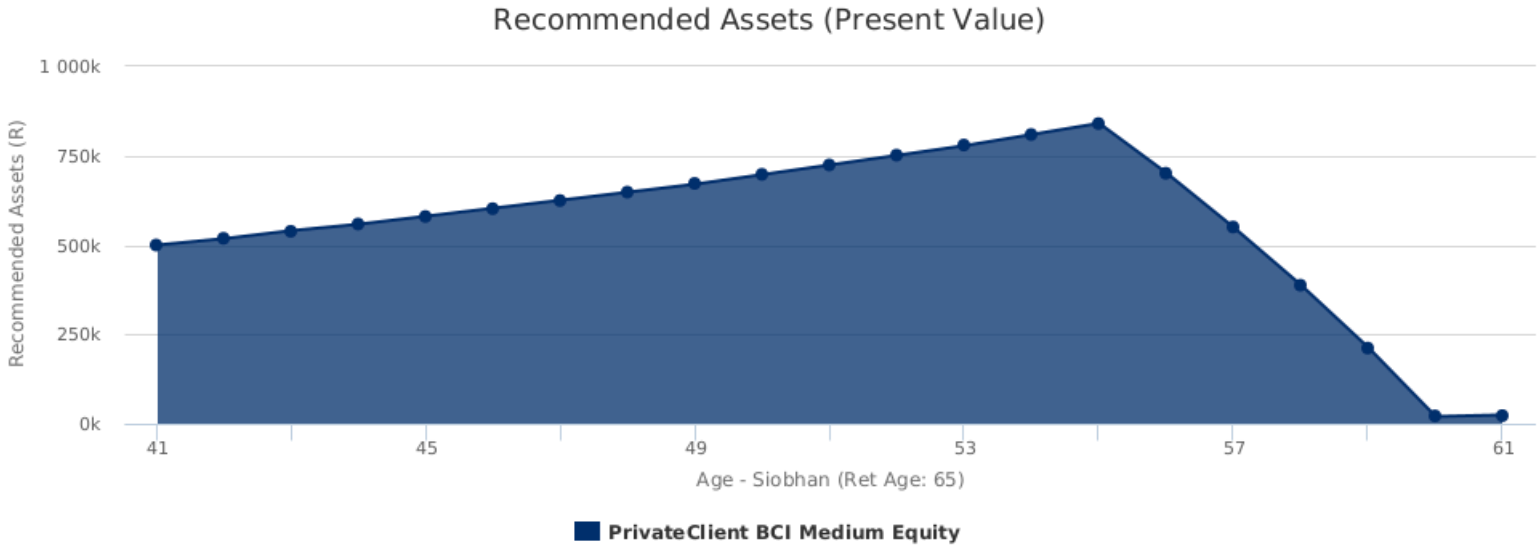
Cashflow Example



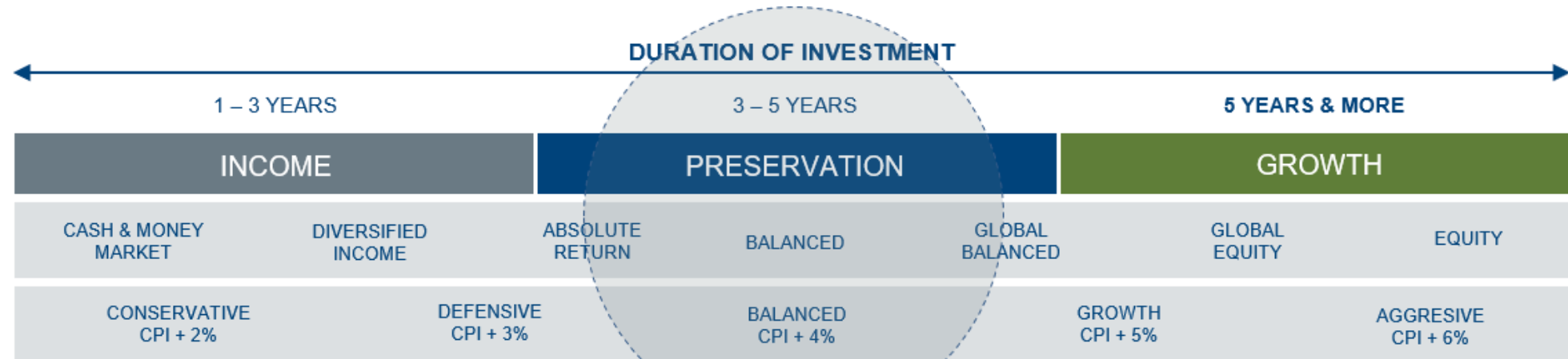
FAMILY GOAL 1 – Cindy’s SECONDARY EDUCATION

Based on the 2025 fees for Springfield Convent School, we estimate a present value amount of R 107,623 per annum is required from Age 55 – 59 (5 years) to provide for Charlotte’s Secondary education. The cost of Secondary Education is expected to increase annually at 10%.

After taking into account the above assumptions, you will require approx. R490,000 in order to fund this goal. We have allocated R500,000 towards the goal, and the below chart shows the build-up and subsequent drawdown of the allocated monies for Cindy’s Secondary Education, as per the projected returns of the proposed investment (refer to recommendation).



Asset Allocation per goal important



BALANCED CATEGORY – BENCHMARK ASSET ALLOCATION

ASSET ALLOCATION - % OF TOTAL	EQUITY	BONDS/PREFS	PROPERTY	ALTERNATIVE	NEAR CASH
BALANCED	60%	20%	5%	0%	15%

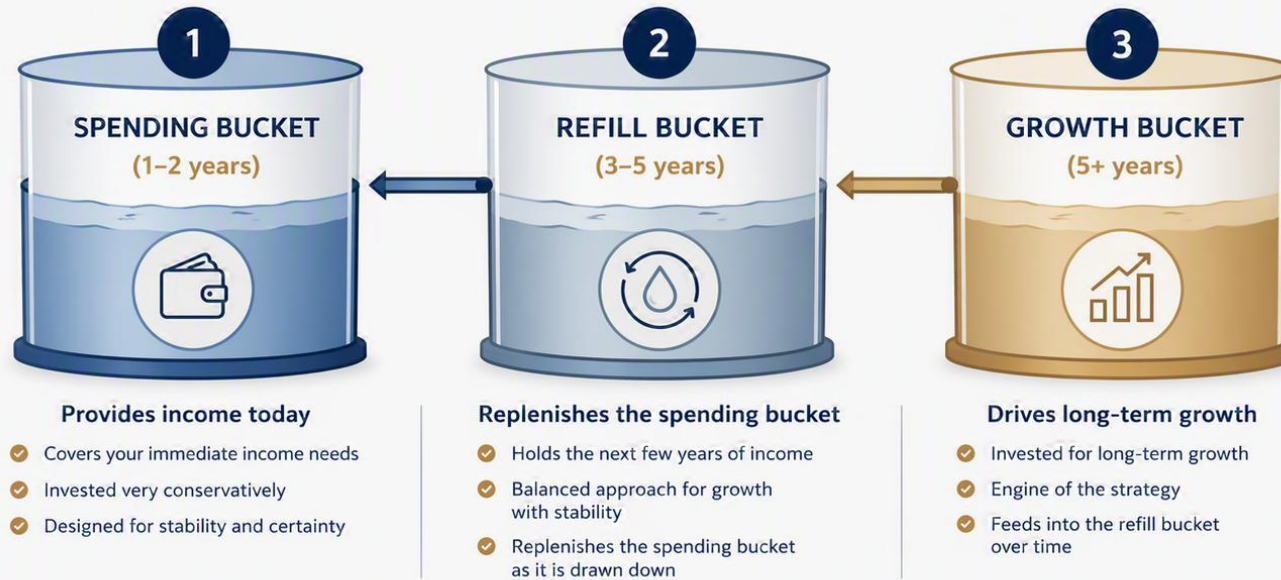
BALANCED CATEGORY – BENCHMARK ASSET ALLOCATION & GLOBAL DIVERSIFICATION

The Bucket Strategy



THE BUCKET STRATEGY

A smarter way to create income today while growing your wealth for tomorrow.



HOW IT WORKS



One bucket provides income now



One supports the near future

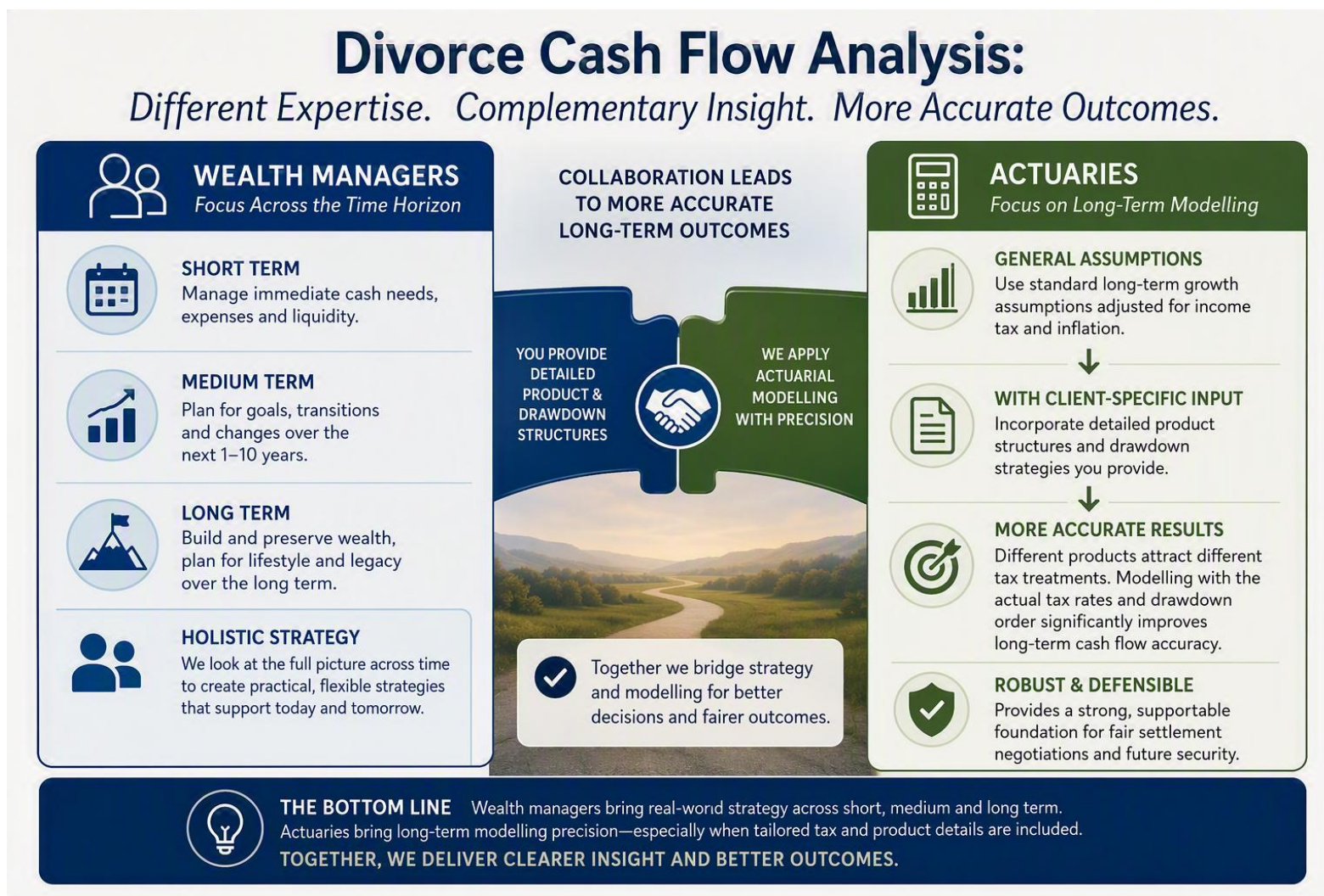


One continues to grow and replenish the system

This creates stability today and growth for tomorrow.

Your money is continuously moving and replenishing itself – working harder and lasting longer.

Divorce example



Conclusion



Goals first, products last

A goals-based approach anchors planning to the client's deeper purpose, giving greater clarity, control and confidence.

A clear five-step process removes emotion, keeping clients disciplined through market cycles.

Excellence comes from integration around goals — risk, tax, estate and investments aligned to one life vision.

- **Planning as decision architecture**
 - **Cashflow modelling is the “truth engine” that tests every goal against reality.**
 - **Goals are prioritised, funded and matched to the right assets — illustrated through the bucket strategy and per-goal allocation.**
 - **Ongoing review and behavioural coaching keep clients on track toward their life vision.**
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Thank you

