RETIREMENT FUND

N E W S L E T T E R

Issue number: 1/2022 **MAY 2022**

Dear members

Welcome to the first newsletter for the year.

As a member you are assured that your Fund remains to be in a good financial position and on a positive note, the Fund's investments over the past year have been very strong. This is detailed inside this newsletter.

We hope that you find the information meaningful and interesting. If there is any item you want to see in future issues, please write to us to let us know.

INSIDE THIS ISSUE→

- Investment News
- Annual general meeting
- Retirement reform – discussion papers by National Treasury
- Funeral benefits – nomination forms
- Pre-retirement workshops
- General information
- Additional information about the CPUT Retirement Fund, including fund related costs and fees

Board of Trustees

May 2022

Disclaimer:

The information contained in this newsletter does not constitute advice by either the Board of Trustees or its advisors. If you need advice, you should seek the assistance of an independent professional advisor.

INVESTMENT PERFORMANCE

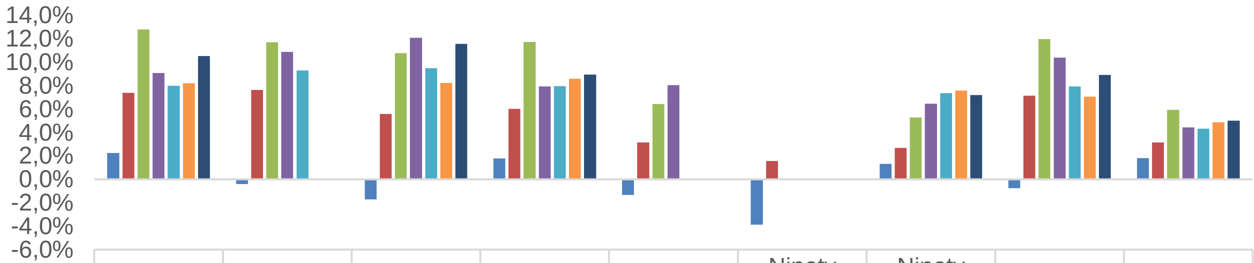
Below are the annualised manager returns (net of fees) for all the portfolios over different measurement periods to 31 March 2022.

The Ninety One Balanced Fund and Ninety One Cautious Managed Fund are excluded from the table above, as the Fund measurement period for these portfolios are too short.

Portfolio	Manager/Product	Investment Objective	Measurement period to 31 March 2022	Manager returns p.a. over measurement period	Inflation p.a. over the measurement period	Return above Inflation p.a.*
Long Term Growth Portfolio	Allan Gray Global Balanced	CPI + 4.5% net over a rolling 7-year period	7 years	8.2%	4.9%	3.3%
	Coronation Houseview			8.2%	4.9%	3.4%
Medium Term Protection Portfolio	Coronation Inflation Plus	CPI + 2.5% net over a rolling 3-year period	3 years	8.0%	4.4%	3.6%
	Allan Gray Global Stable			7.9%	4.4%	3.5%
Money Market Portfolio	Ninety One Money Market	CPI +1.5% net over a rolling 1-year period	1 year	5.3%	5.9%	-0.7%
Shari'ah Portfolio	27four Shari'ah Balanced Fund	CPI + 4.0% net over a rolling 5-year period	5 years	7.9%	4.3%	3.6%

The chart below shows the performance of each asset manager over various measurement periods to 31 March 2022. The returns are shown <u>after</u> deduction of tax and investment management expenses.

Net Returns as at 31 March 2022



	Allan Gray Global Balanced	Ninety One Balanced	Coronation Houseview	Allan Gray Global Stable	Coronation Inflation Plus	Ninety One Cautious Managed	Ninety One Money Market	27four Shari'ah	Headline Inflation
3 months	2,3%	-0,4%	-1,7%	1,8%	-1,3%	-3,9%	1,3%	-0,8%	1,8%
6 months	7,4%	7,6%	5,6%	6,0%	3,1%	1,6%	2,7%	7,1%	3,1%
1 year	12,8%	11,7%	10,8%	11,7%	6,4%		5,3%	12,0%	5,9%
3 years p.a.	9,1%	10,9%	12,1%	7,9%	8,0%		6,5%	10,4%	4,4%
5 years p.a.	8,0%	9,3%	9,5%	8,0%			7,4%	7,9%	4,3%
7 years p.a.	8,2%		8,2%	8,6%			7,6%	7,0%	4,9%
10 years p.a.	10,5%		11,6%	8,9%			7,2%	8,9%	5,0%

While there has been a recovery in the investment markets over the last 12 months, the investment managers in the Long-term Growth Portfolio are still lagging their real return targets over 7 years, as is the Shari'ah Portfolio.

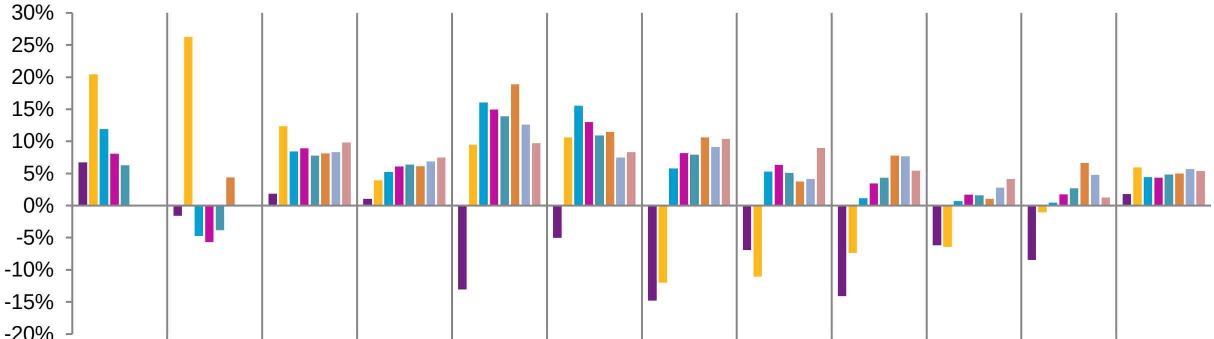
If you are a long way from retirement, you will be contributing money to the Fund for many years to come and these years of poor investment performance should not make you fearful. They are a part of the natural fluctuations of the investment markets over time and, in fact, provide some valuable opportunities for long term investors such as yourself to achieve better returns in the future. The key is that you must stay invested, through the good years and the bad.

If you are close to retirement, on the other hand, you do not have a long time remaining to be invested in the Fund. This is why the life stage model is designed to move your savings into a more conservative strategy as you get closer to retirement to protect your savings from a fall in the market, should one occur, just before you retire.

We note that there are online tools provided by the Fund's Administrator, which enables members to look at the returns earned on their individual account. Please note the disclaimers attached to the tool as there may be a difference in the returns shown on the tool from those shown above. This is due to the one day lag in the prices used on the Administration system along with the impact of the member's individual cashflows on the returns. If you have any questions over the differences, please contact Principal Officer.

KEY PERFORMANCE INDICATORS WITH MARKET COMMENTARY FOR THE QUARTER ENDING 31 March 2022

The graph below shows the performance of the various sectors of the market during various measurement periods ended 31 March 2022 (source: IRESS for local indices and Morningstar for global indices).

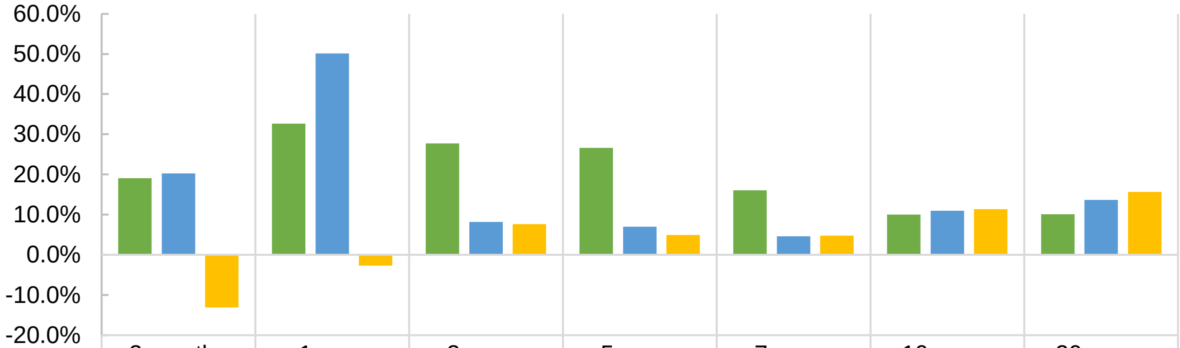


	SA Equities (Capped SWIX)	All Property (ALPI)	SA Nominal Bonds (ALBI)	SA Cash (STeFI Comp)	Global Equities (MSCI World) (ZAR)	Global Equities (MSCI World) (USD)	EM Equities (MSCI EM) (ZAR)	EM Equities (MSCI EM) (USD)	Global Bonds (BarCap Agg) (ZAR)	Global Bonds (BarCap Agg) (USD)	ZAR/ USD	Inflation (CPI)
3 months	6,7%	-1,6%	1,9%	1,0%	-13,1%	-5,0%	-14,8%	-6,9%	-14,1%	-6,2%	-8,4%	1,8%
1 year	20,4%	26,3%	12,4%	3,9%	9,5%	10,6%	-12,0%	-11,1%	-7,4%	-6,4%	-1,0%	5,9%
3 years p.a.	11,9%	-4,7%	8,4%	5,2%	16,1%	15,5%	5,8%	5,3%	1,1%	0,7%	0,4%	4,4%
5 years p.a.	8,1%	-5,7%	8,9%	6,1%	15,0%	13,0%	8,2%	6,4%	3,5%	1,7%	1,7%	4,3%
7 years p.a.	6,3%	-3,8%	7,8%	6,4%	13,9%	10,9%	7,9%	5,1%	4,3%	1,6%	2,7%	4,9%
10 years p.a.		4,4%	8,1%	6,1%	18,9%	11,5%	10,6%	3,7%	7,8%	1,0%	6,7%	5,0%
15 years p.a.			8,3%	6,9%	12,6%	7,5%	9,1%	4,1%	7,7%	2,8%	4,8%	5,7%
20 years p.a.			9,8%	7,5%	9,7%	8,3%	10,3%	9,0%	5,5%	4,1%	1,3%	5,4%

- The SA equity market (as measured by the Capped SWIX) was up 6.7% over the quarter. It was one of the few equity markets to deliver a positive return (in US$) over the quarter as the local bourse benefitted from its high weighting to commodity shares and South Africa's geographic distance from the Russian Ukrainian war.
- The one year equity return (20.4%) was underpinned by the strong performance of the banking and commodity shares. In addition, MTN was up 122.2% over the year. Naspers and Prosus were the worst performers over the year, both being down over 51%.
- An explanation of the different sectors appears below.

ALSI: South African equities as measured by the All Share Index
ALPI: South African listed property index.
ALBI: South African all bond index
SteFI Comp: South African short term fixed interest investments (cash)
MSCI World: Morgan Stanley Capital Index – equities in developed overseas markets
BarCapAgg: The Barclays Capital Global Aggregate bond index
CPI: South African inflation rate
ZAR/USD: Rand investment in US Dollars (negative numbers show a strengthening" rand).

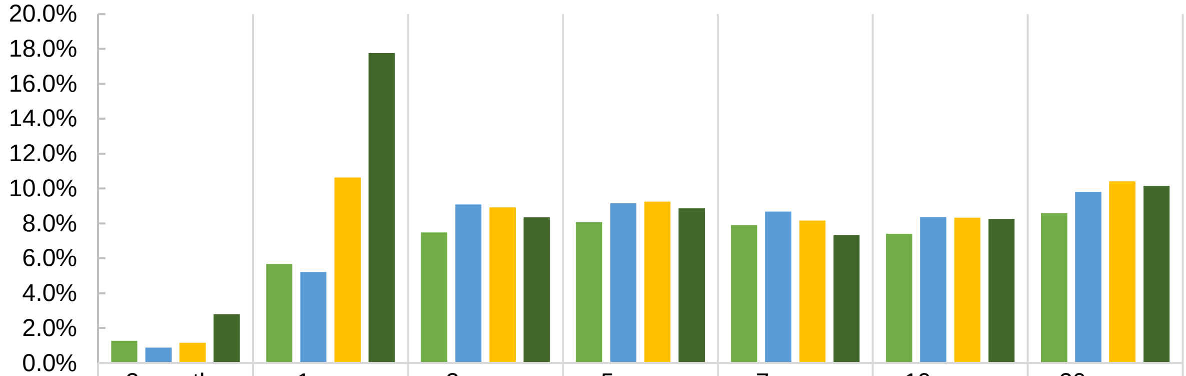
The following chart shows the performance of the broad sectors of the SA equity market for periods to 31 March 2022:



	3 months	1 year	3 years	5 years	7 years	10 years	20 years
Resources	19.0%	32.7%	27.7%	26.6%	16.0%	10.0%	10.1%
Finacials	20.3%	50.1%	8.2%	7.0%	4.6%	10.9%	13.6%
Industrials	-13.1%	-2.7%	7.7%	4.9%	4.7%	11.3%	15.7%

- Resources are comfortably the best performing sector over the three, five and seven-year periods, following on a challenging period from 2010 to early 2016, as can be seen from the 10-year returns. We highlight that this cycle has been somewhat different to previous commodity cycles as the companies have allocated very little capital to new mines, thus maintaining a firmer grip on supply. This approach may reduce the cyclicality of such counters, although their fortunes remain tied to global economic growth and supply shocks.
- The financials sector was the best performer over the quarter, being up 20.3%. The large banks delivered strong returns over the period as the bad debt provisions they made during Covid-19 proved to be excessive. Capitec has been a stellar long-term performer and was up over 67.7% over the past year (Investec was the best performing bank over this period being up over 100%) and the second performer over 10 years across the whole market, being up 30.1% p.a.
- The industrial index was down 13.1% over the quarter, driven by the weak performance of index heavyweights Prosus, Naspers and Richemont. Industrials is the best performing sector over measurements of 10 years and up. Standout performers over 10 years are Afrimat (31.9% p.a.), Clicks (24.0% p.a.), Naspers (20.2% p.a.) and Richemont (17.5% p.a.). The performance of these counters has masked the poor performance of retailers that have faced significant economic headwinds over the period.

The chart below shows the performance of the different sectors of the SA bond index for periods ended 31 March 2022:



	3 months	1 year	3 years	5 years	7 years	10 years	20 years
0-3 Years	1.3%	5.7%	7.5%	8.1%	7.9%	7.4%	8.6%
3-7 Years	0.9%	5.2%	9.1%	9.2%	8.7%	8.4%	9.8%
7-12 Years	1.2%	10.6%	8.9%	9.3%	8.2%	8.3%	10.4%
12+ Years	2.8%	17.8%	8.3%	8.9%	7.3%	8.3%	10.2%

- The rally in the bond market over the past 12 months has largely been in the 12+ year part of the yield curve. This reflects the willingness of investors to take on more duration risk as the concerns about the level of government debt moderated. Such moderation was possible because of the much higher than expected tax revenues from commodity companies.
- The 10-year SA government bond yielded 9.8% p.a. at the end of the quarter, compared to the 3.8% p.a. real return offered by the 10-year inflation linked bond, implying a break-even inflation rate of 6.0% p.a. Naturally, holders of nominal bonds demand a premium for the risk that inflation could be higher than expected; the so-called inflation risk premium is generally between 0.75% and 1% p.a. This suggests that the market is pricing ten-year inflation in the range 5.0% p.a. to 5.25% p.a. which is slightly above the mid-range of the SARB inflation target of 3% to 6% p.a.
- The 20-year return difference in the 7-12 years and 12+ years areas of the bond curve (10.4% p.a. and 10.2% p.a. respectively) is slightly negative. This is an unusual outcome implying that investors in long dated SA bonds have received negative compensation for taking on duration risk. Our sense is that this outcome reflects a material increase in South Africa's country risk premium over time.

The chart below shows the asset allocation for the different manager portfolios as at 31 March 2022:

Asset Managers	SA Equities	SA Bonds & Cash	SA Listed Property	Other	International
Allan Gray Global Balanced	53.6%	15.0%	0.9%	1.9%	28.6%
Ninety One Balanced	47.7%	22.4%	4.5%	0.6%	24.8%
Coronation Houseview	49.5%	20.4%	3.6%	1.0%	25.5%
Coronation Inflation Plus	25.7%	45.3%	3.0%	3.8%	22.2%
Allan Gray Global Stable	29.0%	36.6%	1.2%	2.3%	30.9%
Ninety One Cautious Managed	8.9%	59.7%	0.9%	2.1%	28.4%
Ninety One Money Market		100.0%			
27four Shari'ah Balanced	38.5%	32.6%		4.0%	24.9%

The "Other" asset class includes commodities and local hedge funds.

The "International" asset class includes exposure to Africa ex-SA.

Cape Peninsula University of Technology

2022 ANNUAL GENERAL MEETING

We are pleased that the Annual General Meeting of the Fund held on 17th March 2022 proceeded well. At the meeting, the Chairperson of the Board of Trustees reported on the main events of the past year as well as the recent developments of the Fund.

The Principal Officer reported on the latest industry developments.

The communication consultant reported on the investment performance of the Fund as well as the financial position of the Fund. For members that could not attend, please ask the Principal officer, Ms Rushnah Davids, for a copy of the recording.

RETIREMENT REFORM- DISCUSSION PAPERS RELEASED BY NATIONAL TREASURY

On 14 December 2021, National Treasury released two discussion papers for public comment. One paper deals with governance of umbrella funds and does not directly affect this Fund. The other paper, "Encouraging South African households to save more for retirement", has items which if/when implemented would have implications for the Fund and, in particular, for in-service members of the Fund. **(We do not believe this will have any effect on pensioners of the Fund.)** These papers are the latest developments in the implementation of retirement reforms which started in 2012. If implemented, the proposals have the potential to alter the retirement and savings landscape in South Africa. The target date for implementation, as it stands now, is 2023 (although we are not convinced this is realistic). The policy issues can be briefly summarized as follows.

The government sees **"DUAL AND OPPOSING NEEDS"** facing all of us as individuals. The first need is for everyone in South Africa to lock in savings for retirement, while the second need is to have access to emergency funding, to take care of unforeseen expenses that may arise. The way government aims to balance the two opposing needs is explained in their proposal, as summarized below.

- **There are several proposals contained in the discussion paper, but the focus in this communication is on the proposed "Two-pot" system.** To enable individuals to access some of their retirement fund savings while they are still in employment and therefore still Fund members, it is proposed that a portion of a member's **future** retirement savings be accessible while still an in-service member of a fund. To provide for this in a responsible way, **future** retirement savings be split between an **"access pot"** and a **"retirement pot"**. This is the main item that we unpack in this communication.
  - ✓ **Access pot:** Would only **be applicable to savings arising from (one-third of) contributions made after 1 March in the implementation year** – i.e., one-third of contributions towards retirement savings from 1 March 2023 onwards (if the proposals were to be implemented from this date), plus investment returns on this money. Members will be able to withdraw the amounts building up in the "access pot" on a year-by-year basis, if they want to, without leaving employment. (It is not clear yet whether such withdrawals will be taxed or not.)
  - ✓ **Retirement pot:** The other two-thirds of future contributions towards retirement savings, plus investment returns on these, **must** be preserved until retirement. This portion **must** then be used to provide a pension (**no** cash amount may be taken out of the "retirement pot" when you retire, or indeed before that, even when you change jobs and join a new employer).
- The paper proposes that **existing** retirement savings (i.e., the accumulated retirement savings that members have built up in the Fund up to the implementation date, plus future investment returns on these) can still be withdrawn entirely in cash if the member so chooses, on leaving employment before retirement. This portion constitutes a **third pot,** called the **"vested pot"** (because, as the member, you have "vested rights" in respect of this amount).
  - ✓ **Vested pot**: All retirement savings accrued in the Fund up to the implementation date, plus future investment returns on these. The current rules will continue to apply to this amount - so this can be taken 100% in cash (less tax) when changing jobs, or a member can take up to one-third in cash (less tax) when retiring.
- National Treasury will consider allowing members to transfer part of their "vested pot", i.e., part of their existing savings at the implementation date of the new regime, to the "access pot" (from which it could then be withdrawn in cash) – **but** the suggestion is that this will be limited to no more than 10% of the "vested pot", capped at

R 25 000.

It should be noted that these are discussion papers and therefore the final structure may differ from that outlined in this note. We would likely see another draft of actual proposed changes (including draft legislation) ahead of any changes to retirement savings.

The various “pots” are illustrated in the tables below.

BEFORE – i.e., what is permitted under CURRENT legislation	**Benefit available on resignation**	**Benefit available/accessible *during* employment**	**Benefit on retirement**
Pension Fund savings arising from contributions up to 1 March 2021	Up to 100% *can* be taken in cash, less tax (Transfers and preservation are also options)	None	Up to 1/3 *can* be taken in cash, less tax (rest must be used to buy a pension) At least 2/3 must be used to buy a pension
Provident Fund savings arising from contributions up to 1 March 2021			Up to 100% *can* be taken in cash, less tax (rest must be used to buy a pension)
Savings arising from contributions (to either a pension or a provident fund) after 1 March 2021			Up to 1/3 *can* be taken in cash, less tax (rest must be used to buy a pension) At least 2/3 must be used to buy a pension[1]

AFTER – i.e., what is proposed now by National Treasury	**Benefit available on resignation**	**Benefit available/accessible *during* employment**	**Benefit on retirement**
Pension Fund savings arising from contributions up to 1 March 2021	Up to 100% *can* be taken in cash (Transfers and preservation are also options) This is the “**vested pot**”[2]	None	Up to 1/3 *can* be taken in cash, less tax (rest must be used to buy a pension) At least 2/3 must be used to buy a pension
Provident Fund savings arising from contributions up to 1 March 2021			Up to 100% *can* be taken in cash, less tax (rest must be used to buy a pension)
Savings arising from contributions (to either a pension or a provident fund) between 1 March 2021 and the implementation date of the new proposals			Up to 1/3 *can* be taken in cash, less tax (rest must be used to buy a pension) At least 2/3 must be used to buy a pension[1]

[1] This does not apply to provident fund members who were aged 55 or over on 1 March 2021, and who remain members of the same provident fund (of which they were members on 1 March 2021) up to their eventual retirement. These members have the right to take (up to) the full provident fund retirement benefit in cash.

[2] Some transfers from the “vested pot” to the “access pot” are likely to be permitted.

Savings arising from contributions (to either a pension or a provident fund) after the implementation date of the new proposals [proposed to be 1 March 2023]	Up to 1/3 *can* be taken in cash at any time (i.e., while in employment, or on leaving employment including at retirement) – this is the **"access pot"**	2/3 must be used to buy a pension – this is the "**retirement pot**" Any amount remaining in the "access pot" can either be taken as a cash sum or also used towards a pension

FUNERAL BENEFIT NOMINATION FORMS

As a member of the CPUT Retirement Fund, you and your family are covered for a funeral benefit in the event of a death in the family while you are still an in-service member of the Fund. The funeral benefit is intended to assist with funeral expenses.

The funeral benefit is provided for in terms of a policy that is "owned" by your employer. Such employer owned policies are referred to as "unapproved" group insurance policies. The Insurance Act, 18 of 2017 requires that a benefit paid in respect of an unapproved policy, on the death of a member/employee, be paid only to a Beneficiary whom the member/employee has **nominated**.

SO, WHAT DOES THIS MEAN?

What this means, is that the Insurer (currently Sanlam) may no longer pay the funeral benefit to the person who comes forward to claim the benefit in the event of a member's death. Rather, the funeral benefit must be paid to a person who has been **nominated** by the deceased member. If there is no nominated beneficiary, the law says that the benefit must be paid to the Estate. This will be disadvantageous to families who require the immediate financial assistance when arranging funerals. It is therefore necessary for all in-service members under the age of 65 to complete a nomination form.

HOW YOU ARE IMPACTED

If you are in-service and under the age of 65, this impacts you directly – you are required to complete a beneficiary nomination form. The nomination of a beneficiary is only necessary in respect of **your death.**

In the event of a death of a spouse and/or child, the funeral benefit is automatically paid to you, as the member/employee. However, in the event of **your own** death, the funeral claim can only be paid to the person you have nominated (or to your Estate if you have not nominated anyone).

The funeral benefit is meant to provide immediate financial assistance to families with funeral arrangements (payable within 24hrs to 48hrs from receipt of all claim documentation). What this change clearly results in, is a potential big delay in the payment on the death of a member if no nomination has been made by the member. To ensure that your family can receive the financial assistance intended for funeral arrangements, it is necessary for you to **complete a nomination form for the funeral benefit as soon as possible**. **(*This is not the same as the beneficiary nomination form that you complete for the Group Life Cover benefits payable from the Fund in the event of your death*).**

WHAT HAPPENS IF YOU DO NOT COMPLETE A FUNERAL BENEFIT NOMINATION FORM?

Delaying or failing to complete the form may severely disadvantage your family. If you do not complete a nomination form, the funeral benefit must be paid to your estate and there is no discretion to deal with this in any other manner. Payment to the estate will obviously mean that the financial assistance will not reach your family at the time of need.

PLANNING FOR RETIREMENT WORKSHOPS

These workshops normally take place quarterly. These face to face workshops are not currently taking place due to the COVID-19 pandemic. However, we are running virtual sessions each quarter. The next workshop for the year is due to take place on 21st June 2022 at 10am. This will be a virtual session via teams.

Choosing the right pension is not an easy decision to make. We encourage you to attend these retirement planning sessions – even if you have previously attended; where you will receive in-depth education on all the options available to you. This in turn will pave the way for an easier decision-making process.

GENERAL INFORMATION

Due to the importance of the following items, they are standard features and are repeated in subsequent newsletters.

1. EXITS FROM THE FUND

A. DEATH

The importance of completing beneficiary nomination forms

This is explained in detail later on in the newsletter. **Please read it carefully as it is an extremely important article.**

B. RESIGNATION

How to speed up the benefit payment when leaving the Fund

When you leave the Fund, you will remain in the Fund as a paid up member unless you elect otherwise. If you elect to transfer or receive the benefit as cash, an income tax number is required in order to pay out your benefit. All members of the Fund, who are not registered as tax-payers and thus do not have a personal income tax number, must register and obtain a personal income tax number. It is important to do so in order to avoid unnecessary delays when a benefit needs to be paid out.

2. COMPLETION OF CLAIM FORMS

Claim forms that are not completed correctly will result in unnecessary delays. It is therefore important that you read the claim form thoroughly, fill in all relevant information and then submit whatever claim you may have to Human Resources for processing. If this is not adhered to, the benefit will remain in the Fund and will be invested in the underlying portfolio for another month.

3. BENEFICIARY NOMINATION FORMS – THE IMPORTANCE OF COMPLETING THESE

DEATH, ESPECIALLY ONE'S OWN, IS NOT A SUBJECT ONE WANTS TO THINK OF OR TALK ABOUT. HOWEVER, IT IS EXTREMELY IMPORTANT FOR ALL MEMBERS TO CAREFULLY CONSIDER THIS IN ORDER FOR THE DEATH BENEFITS PROVIDED BY THE FUND TO BE FINALISED AS SOON AS POSSIBLE.

There is an obligation on you, the member, to notify the Fund as to who you wish the beneficiaries of your death benefits should be. We therefore encourage and urge all members to please assist the Fund in ensuring that the Beneficiary Nomination form be completed and sent to the Fund's office. If you have already submitted a Beneficiary Nomination form in the past and your domestic situation has altered, it is necessary for you to submit a new form to replace the old one. It is important for all members to list ALL dependents (all spouses, children, partners, parents), especially those who you support financially. You may also indicate the portions of the benefit you would prefer to be allocated to your dependents. Feel free to indicate on the form your reason for allocating your benefit as you have indicated. The Trustees must and will consider your nomination form.

WHY IS IT SO IMPORTANT THAT THESE FORMS BE COMPLETED?

It is important for the Fund to have your beneficiary nominations as it will, on your death, serve as a guide to the Trustees in the allocation of your benefits; although, please note, that the Trustees are required to determine and allocate death benefits in accordance with Section 37C of the Pension Funds Act. This Act requires the Trustees to pay your death benefit to those persons that were financially dependent on you at the time of your death and/or those who could have become financially dependent on you had you not died. The

Trustees thus have to go through a process of establishing all the parties that are financially dependent on you which may take some time. Your beneficiary nomination form will assist the Trustees to speed up the process.

By completing the forms (and keeping them updated), you will be advising the Fund of your wishes in the event of your death (subject to Section 37C above). This information will also help to speed up the pay-out process in the event of your death.

Remember that the information provided will always be treated as confidential by the Fund administrators and only made available to the Trustees when a claim is considered. Some members believe the requirements of the Act disempowers them as far as their wishes as to the allocation of benefits is concerned. Your nomination form must, however, be considered by the Trustees when an allocation is made. The Board must have a good reason to deviate from your written nomination and your beneficiaries are entitled to know their reasons for doing so.

Should you not have advised the Fund of all your dependents, this investigation will take longer and might cause hardship for your family. The Trustees can only arrange payment of your benefit once they are aware of all the facts.

Your list of dependants and beneficiaries is treated with the utmost confidentiality.

If you need a beneficiary nomination form, please contact the Fund and we will send you one. If you are unsure as to how to complete these forms, we will assist you in this regard.

ADDITIONAL INFORMATION ABOUT THE CPUT RETIREMENT FUND

- Established on 1 November 1994.
- Membership of the Fund is compulsory for all employees unless member elected to join the NTRF at joining.

MISSION AND VALUES

- Honesty – the Fund will always act towards its members in a transparent and honest manner
- Empowerment – the Fund has a focus on providing members with education which aims to empower members to understand their benefits and make the right decisions
- Innovation – the Fund aims to be at the forefront of developments in the retirement fund industry

GOVERNANCE

The Fund is separate from the Employer and is managed by the Board of Trustees.

The Board of Trustees =

- 5 individuals elected by members of the Fund + 5 individuals appointed by the Employer
- Term of 3 years
- Meets at least 4 times a year
- Responsibilities are to run the Fund in the best interest of the members and manage the Fund in terms of the Rules and applicable laws
- The Rules of the Fund can be obtained from the Principal Officer on request – details below

Your Board of Trustees are:

Member-elected trustees	Council appointed trustees
WA Lötter (Chairperson)	N Qomoyi
D Dlamini	C Nhlapo
M Aziz	P Sotshononda
P Chibvuri	P Du Plessis
A Neethling	J Dubihlela

Principal Officer and Information Officer: Ms Rushnah Davids

If you need to know anything that is Fund specific, she is the person you need to contact, and she will always willingly assist you. Her contact details are:
E-Mail: DavidsRu@cput.ac.za Telephone: 083 7922022

COMMUNICATION

More information is provided via the following:

- Fund Website for all Fund information: **https://www.cput.ac.za/services/cputrf**
- Newsletters will be issued bi-annually
- Benefit statements showing your benefits will be issued annually towards the end of January
- Projection statements showing the expected pension that your retirement savings are likely to provide will be issued annually with your benefit statements towards the end of January

- Alexforbes Online facility where you can check your own information on a real time basis: www.alexanderforbes.co.za. In order to access this site, you need to register and then you will receive a pin and password. The AF on-line gives you access to the following information:
  - ✓ Your Member Share
  - ✓ Your contribution allocation
  - ✓ Projection tools – retirement calculator
  - ✓ Access to your benefit statement

  NOTE:

  For those members that do not have access to the internet, but you do have a smart phone, you can dowload the **AF MOBILE APP**.This app is available as a FREE download on the Apple App Store and Google Play Store. Simply search for Alexander Forbes. If you don't have an online profile, register by following the menu prompts.

  If you need assistance: Telephone: 0860 100 333 or Email: afonlinehelp@aforbes.com

- Fund Rules can be obtained from the Principal Officer (details below) or from the Fund website.

- Presentations and workshops are held regularly. In particular the pre-retirement workshops which continue to be held quarterly (on a virtual basis) for all in-service members who are aged 50 and older, however all members can attend. We encourage all members who are aged 50 and older to attend these workshops. These workshops are educational in nature, and explain in detail the different pension options available, thereby empowering members to make the RIGHT CHOICE at retirement. Furthermore, should you wish to bring your spouse along with you, please feel free to do so. (These sessions are currently being held virtually)

QUESTIONS OR QUERIES - PLEASE CONTACT:

The Principal Officer: Rushnah Davids
E-Mail: DavidsRu@cput.ac.za

CHANGE IN ADDRESS OR PERSONAL DETAILS

Please notify the Human Resources department in writing of any such changes.

COSTS

Administration and Fund costs

By pooling members' retirement savings in the Fund, the Trustees are able to negotiate lower costs than a member would typically otherwise be able to receive on their savings in the retail market. As part of increased transparency in the Fund, the Trustees will be showing the fees charged inside of the Fund.

- Active members – Fund costs are funded from a deduction from the contribution rate – 0.35% of pensionable salary.
- Deferred members – R63.25 pm plus VAT.
- Deferred pensioners – R63.25 pm plus VAT.
- Living annuitants – Initial fee = R 963.65 plus VAT (this is a once-off fee). Administration costs of R 84.34 pmpm plus VAT. This is deducted from the living annuity balance.
- **The Switching costs** (cost of changing investment decision) – first switch in the year is free. Thereafter R350.00 plus VAT is deducted from your account per switch.

Note fees are subject to review typically every 1 July.

INVESTMENT FEES AND CHARGES FOR THE 12 MONTHS ENDING 30 JUNE 2021

The investment management fees and related costs and charges which currently apply to the CPUTRF investment portfolios are expressed as a percentage of the amount invested, per annum. This includes VAT where applicable. In practice, fees and charges are usually taken monthly (so the monthly fee percentages can be estimated by dividing the figures shown in the table below by 12).

Remember that the investment performance figures shown to CPUTRF members are after all these fees and charges have been deducted, i.e. they are net of all these fees and charges. Investment Manager Portfolio

	Investment management fees, but excluding performance fees	Performance fees / (rebate) (1)	Other investment-related costs and charges (2)	**Total fees and charges, including performance fees**
Allan Gray Global Balanced	0.41%	0.00%	0.12%	**0.53%**
Allan Gray Global Stable	0.48%	0.00%	0.08%	**0.56%**
Coronation Houseview	0.70%	0.00%	0.48%	**1.18%**
Coronation Inflation Plus	0.50%	0.17%	0.24%	**0.91%**
Ninety One Balanced	0.60%	0.00%	0.19%	**0.79%**
Ninety One Money Market	0.09%	0.00%	0.00%	**0.09%**
27four Shari'ah Balanced	0.78%	0.00%	0.22%	**1.00%**

(1) Where the CPUTRF has a performance fee arrangement in place with an investment manager, performance fees may be payable depending on how these managers perform compared to their benchmarks (targets), and therefore the total fees and charges will vary from time to time. A performance fee was paid on the Coronation Inflation Plus Fund during the last 12 months.

(2) Other costs and charges include items such as trading costs (e.g., stockbroker commission when shares are bought and sold), bank charges, taxes, and custody fees.

These fees and charges have changed from time to time in the past and may change (up or down) in the future. The CPUTRF Board is committed to ensuring that the investment portfolios are reasonably priced and competitive.