RETIREMENT FUND

N E W S L E T T E R

Issue number: 1/2023 **May 2023**

Dear members

Welcome to the first newsletter for the year. We are sure that 2023 is going to be an even better year than before and we would like to assure you that we remain committed to our vision of providing the best possible retirement outcome for all our members, retirees, and pensioners. As a member you are assured that your Fund remains to be in a good financial position.

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→

Board of Trustees

May 2023

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.

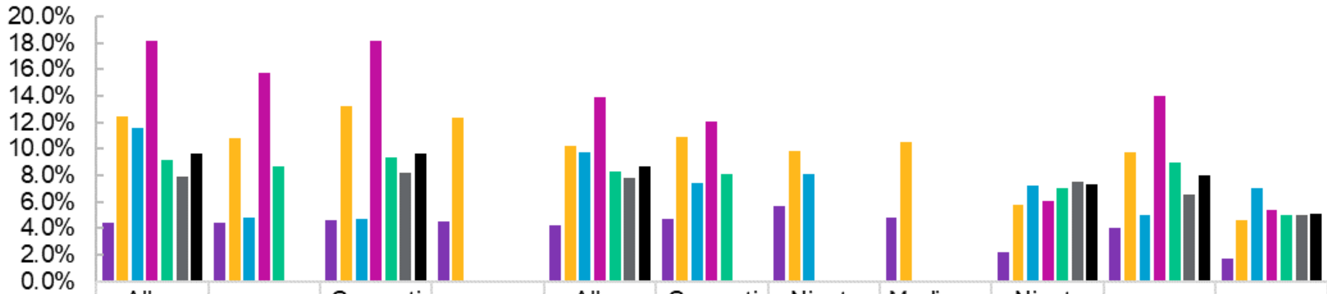
INVESTMENT PERFORMANCE

Below are the annualised manager returns (net of fees) for all the portfolios over different measurement periods to 31 March 2023.

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

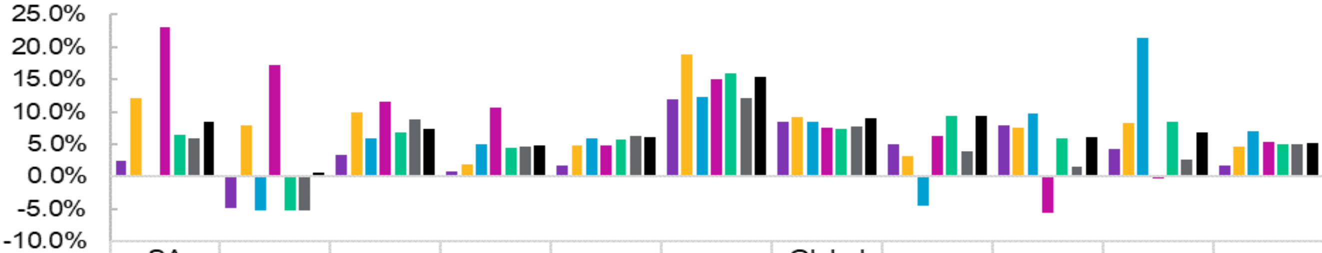
Portfolio	Manager/Product	Investment Objective	Measurement period to 31 March 2023	Manager returns p.a. over measurement period	Inflation p.a. over the measurement period	Return above Inflation p.a.*
Long Term Growth Portfolio	Allan Gray Global Balanced	CPI + 4.5% net over a rolling 7- year period	7 years	7.9%	5.0%	2.8%
	Coronation Houseview			8.2%	5.0%	3.0%
Medium Term Protection Portfolio	Coronation Inflation Plus	CPI + 2.5% net over a rolling 3- year period	3 years	12.1%	5.4%	6.4%
	Allan Gray Global Stable			13.9%	5.4%	8.1%
Money Market Portfolio	Ninety One Money Market	CPI +1.5% net over a rolling 1- year period	1 year	7.2%	7.1%	0.2%
Shari'ah Portfolio	27four Shari'ah Balanced Fund	CPI + 4.0% net over a rolling 5- year period	5 years	9.0%	5.0%	3.8%

The chart below shows the performance of each asset manager and Life Stage portfolio over various measurement periods to 31 March 2023. The returns are shown after deduction of tax and investment management expenses including the Alexforbes Investment administration fee from 1 May 2022.



	Allan Gray Global Balanced	Ninety One Balanced	Coronation Houseview	Long-term Growth	Allan Gray Global Stable	Coronation Inflation Plus	Ninety One Cautious Managed	Medium-term Protection	Ninety One Money Market	27four Shari'ah	Inflation
3 months	4.4%	4.4%	4.7%	4.5%	4.2%	4.7%	5.7%	4.9%	2.2%	4.0%	1.7%
9 months	12.5%	10.8%	13.2%	12.4%	10.2%	10.9%	9.9%	10.6%	5.8%	9.7%	4.6%
1 year	11.6%	4.8%	4.7%		9.8%	7.5%	8.1%		7.2%	5.1%	7.1%
3 years	18.1%	15.8%	18.2%		13.9%	12.1%			6.1%	14.0%	5.4%
5 years	9.2%	8.7%	9.4%		8.3%	8.1%			7.0%	9.0%	5.0%
7 years	7.9%		8.2%		7.9%				7.6%	6.5%	5.0%
10 years	9.7%		9.7%		8.7%				7.3%	8.0%	5.1%

The graph below shows the performance of the various sectors of the market during various measurement periods ended 31 March 2023 (source: IRESS for local indices and Morningstar for global indices).



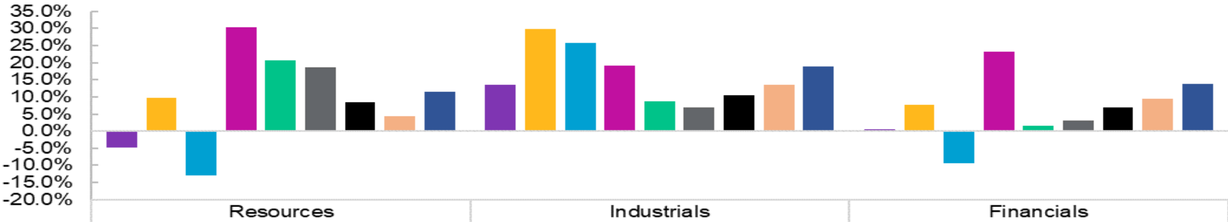
	SA equity (Capped SWIX)	SA property	SA bonds	SA ILB	SA cash	Global equity (ZAR)	Global EM equity (ZAR)	Global property (ZAR)	Global bonds (ZAR)	USD/ZAR	Inflation
3 months	2.4%	-4.8%	3.4%	0.9%	1.7%	11.9%	8.4%	5.1%	7.9%	4.3%	1.7%
9 months	12.2%	7.9%	9.9%	1.9%	4.8%	18.9%	9.2%	3.1%	7.5%	8.3%	4.6%
1 year	0.2%	-5.1%	5.8%	4.9%	6.0%	12.4%	8.4%	-4.5%	9.8%	21.4%	7.1%
3 years	23.0%	17.1%	11.6%	10.7%	4.8%	15.1%	7.6%	6.4%	-5.5%	-0.2%	5.4%
5 years	6.5%	-5.2%	6.9%	4.5%	5.8%	15.9%	7.4%	9.3%	5.9%	8.4%	5.0%
7 years	5.9%	-5.3%	8.8%	4.7%	6.3%	12.1%	7.8%	3.9%	1.6%	2.7%	5.0%
10 years	8.4%	0.7%	7.3%	4.8%	6.2%	15.4%	9.0%	9.4%	6.2%	6.8%	5.1%

The SA equity market (as measured by the FTSE / JSE Capped Shareholder Weighted Index) was up 2.4% over the quarter thus under-performing both global and emerging market equities which delivered 11.9% and 8.4% respectively. In US$ terms global and emerging market equities returns are 7.3% and 4.0% respectively as the ZAR weakened by 4.3% against the US$.

The best local performing stocks over the period were DRD Gold (up 40.9%), Gold Fields (37.1%), Aspen (34.4%) and AngloGold (32.0%). Index heavyweights Richemont, Naspers and Prosus were up 27.0%, 16.6% and 17.9% respectively on the back of a more positive outlook for China. Anglo American PLC was down 9.6% and British American Tobacco posted a return of -5.3%.In the local market, a combination of persistent loadshedding, a slowing SA economic growth trajectory, and turmoil in the US banking sector firmly shifted the market's position to risk off. S&P revised its outlook on the SA sovereign credit rating from positive to stable but left the credit rating unchanged. S&P cited infrastructure constraints, in particular the severe electricity shortages, as well as slow implementation of reforms to address these issues and the performance of SOEs as the main concerns.

Global equity markets seemed to shrug-off the demise of Silicon Valley Bank and other mid-sized regional US banks, as well as the rescue of Credit Suisse. Investors remain optimistic that the US Federal Reserve Bank would succeed in curbing inflation without the USA economy going into recession. At the same time China wrongfooted the market with Xi Jinping's government reversing its efforts to control Covid-19, Big Tech companies and the property market.

The following chart shows the performance of the broad sectors of the SA equity market for periods to 31 March 2023:



	Resources	Industrials	Financials
3 months	-4.7%	13.6%	0.4%
9 months	9.6%	29.7%	7.7%
1 year	-13.0%	25.9%	-9.3%
3 years	30.5%	19.2%	23.3%
5 years	20.7%	8.6%	1.6%
7 years	18.6%	6.9%	3.2%
10 years	8.5%	10.5%	7.0%
15 years	4.4%	13.4%	9.5%
20 years	11.5%	18.9%	13.8%

MARKET COMMENTARY

Industrials had a strong quarter on the back of the strong performance of index heavy-weights Richemont and Naspers / Prosus. Banks had a difficult quarter dragging down the financial index. Whilst gold stocks performed strongly, the general miners and platinum producers were down over the quarter.

The index heavyweights in the resources sector (Anglo American and platinum producers) delivered negative returns over the past 12 months (e.g., Anglo American -19.2%; Sasol – 26.8%, Impala –20.7% and Sibanye Stillwater – 34.6%). There was some offset from the strong performance of the gold miners. The strong performance of industrials was again driven by Naspers (98.6%), Prosus (74.9%) and Richemont (53.0%). Banks shares (particularly Capitec) delivered muted returns with Sanlam being down close to 18% for the year.

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 chart below shows the asset allocation for the different manager and Life Stage portfolios as at 31 March 2023:

Asset Managers	SA equity	SA bonds and cash	SA Listed Property	Other	International
Allan Gray Global Balanced	45.2%	18.6%	0.9%	2.5%	32.7%
Ninety One Balanced	42.0%	20.4%	2.4%	1.2%	34.0%
Coronation Houseview	35.2%	15.6%	3.0%	1.1%	45.1%
Long-term Growth	40.3%	19.0%	2.2%	1.6%	36.9%
Coronation Inflation Plus	15.6%	47.6%	1.3%	3.4%	32.1%
Allan Gray Global Stable	14.8%	48.0%	0.9%	2.5%	33.7%
Ninety One Cautious Managed	8.8%	57.9%	0.3%	2.6%	30.5%
Medium-term Protection	13.6%	53.2%	0.9%	2.7%	29.6%
Ninety One Money Market		100.0%			
27four Shari'ah Balanced	38.2%	29.8%		4.9%	27.2%

The “Other” asset class includes commodities and local hedge funds. The “International“ asset class includes exposure to Africa ex-SA.

CHANGES TO TAX LUMP SUM PAYMENTS EFFECTIVE 1 MARCH 2023

TAX TREATMENT OF LUMP SUMS ON RETIREMENT, RETRENCHMENT AND DEATH

Lump sum death or retirement benefit	Tax liability
R0 to R 550 000	0%
From R550 001 to R770 000	18% of taxable income exceeding R550 000
From R770 001 to R1 150 000	R 39 600 plus 27% of taxable income exceeding R770 000
Exceeding R1 150 001	R143 550 plus 36% of taxable income exceeding R1 155 000

TAX TREATMENT OF LUMP SUMS ON WITHDRAWAL

The tax treatment applicable to lump sum benefits on **withdrawal** (other than on retirement, retrenchment or death) is as follows:

Lump sum resignation benefit	Tax liability
R0 to R 27 500	0%
From R27 501 to R726 000	18% of amount above R 27 500
From R726 001 to R1 089 000	R 125 730 plus 27% of amount above R 726 000
R1 089 001 and above	R223 740 plus 36% of amount above R1 089 000
The tax-threshold of R27 500 is cumulative and applies to the aggregate amount of a member's resignation benefits over the member's lifetime.	
The R 27 500 tax-free amount plus the resignation lump sum(s) taken will reduce the R550 000 tax-free amount at retirement.	

RETIREMENT REFORM- TWO POT SYSTEM

In the November 2022 newsletter we communicated to you the latest developments in the implementation of retirement reforms, viz. the discussion papers released by National Treasury in December 2021 for public comment and then the more recent draft tax legislation released by National Treasury in July 2022, which included a draft Revenue Laws Amendment Bill and Taxation Laws Amendment Bill, also for public comment. There are several proposals contained in the discussion papers, but the subject matter of this communication deals with the **Revenue Laws Amendment Bill (RLAB) – the proposed "Two Pots" retirement regime.** The purpose of the draft RLAB is to implement the "Two Pots" system.

The target date for implementation moved to **1 March 2024 (previously 2023)**. It is important for members to be aware that the Fund cannot act before the legislation comes into effect!

The policy issues can briefly be summarised as follows:

The proposals, when implemented, will force preservation up to retirement of a large part of future retirement savings (the so-called "retirement pot". At the same time, it will also allow members to make cash withdrawals of a (smaller) portion of their future retirement savings for non-retirement purposes (the "savings pot"). Such withdrawals will be permitted at any time (but limited to once per year) and not only when resigning from employment.

Retirement savings already accumulated will retain their previous rights, in the so-called “vested pot”. Contributions from 1 March 2024 will then be split in two parts. One-third of retirement-funding contributions from 1 March 2024 on will be allocated to the “savings pot”, with two-thirds going to the “retirement pot”. In other words, a member’s retirement savings will in future be divided into <u>three</u> “pots”, with a different set of tax-driven rules and principles applying to each pot.

It now appears that Treasury will agree to members transferring a <u>small</u> part of their existing savings on 1 March 2024 from the “vested pot” to the “savings pot”, so that members will then have immediate access to a <u>small</u> part of their pre-1 March 2024 funds. (“Small” will mean the <u>lower</u> of 10% of your 1 March 2024 balance, and R 25 000 – as currently proposed.)

An explanation of the various pots and how they will work (as far as we understand this currently) was given in in the last newsletter. Note also that there will be NO impact on any of the Fund’s pensioners.

Importantly, this is a **draft legislation and has not been implemented yet**. Currently, members are not permitted to withdraw any portion of their savings from the Fund, while they are employed.
Your retirement savings could be your single largest asset that will support you in your retirement years – ensuring that you are financially independent in retirement. Once this legislation comes into effect, your savings pot should be responsibly accessed (for example during emergencies), and preservation of as much of your overall retirement savings as possible will always be encouraged. We will continue to communicate to you over the coming months.

PLANNING FOR RETIREMENT WORKSHOPS

These workshops take place quarterly. We have completed all the sessions for 2022 as well as 1 session in March 2023. We will notify you of the remaining dates for 2023.

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.

RETIREMENT VERSUS RESIGNATION – IMPORTANT POINTS TO NOTE BEFORE MAKING A FINAL DECISION

Last year, we communicated all the options available to you when you retire, and what is important when shopping around for your retirement. In this newsletter we look at the difference between *resigning* versus *retiring* when one reaches retirement age. This is currently a very topical issue when discussions are held just before members reach retirement. It is important that this be clarified.

Both retirement and resignation are significant life changes that can be confusing and scary, so it’s crucial to weigh your options carefully before deciding. It is important to start with the differences between the two options.

The differences between resigning and retiring?

The only similarity between retiring and resigning is that with both processes, your employment ends. However, they’re very different. Not only is the outcome different, but also the preparations needed under both scenarios are **also different, as explained in the table below.**

	Option 1 Retirement from the CPUT Retirement Fund	Option 2 Resignation – taking the full benefit in cash
Benefit available	**At retirement** – member will only be allowed to withdraw a maximum of one-third of his/her pension benefits as a lump sum (unless they were already 55 years of age or older as at 1 March 2021 – in this case they can take all their money out in cash). The remainder, if any, must be reinvested to ensure that a monthly pension (either a Life Annuity or a Living Annuity) is paid out from either the Fund (in-house Living Annuity) or from an outside service provider (Life Annuity and Living Annuity (whatever the member chooses).	**At resignation** – member will be entitled to withdraw his/her entire pension in a lump sum (once-off amount). NOTE: This cash entitlement would also apply to members who were aged 55 or older on 1 March 2021 – but they would be treated as opting for a retirement benefit and not resignation).
Unemployment Insurance Fund (UIF)	Member will receive a UIF benefit for 6 months after retirement, subject to the UIF regulations.	Member will not receive a UIF benefit on resignation.
Taxation of cash amount	All retirees are eligible for a tax-free lump sum of R5500 000. Any part of your lump sum benefit that is subject to tax, will be taxed according to the retirement tax tables as shown on the CPUT Retirement Fund website.	The tax-free amount in respect of resignation benefits (referred to as “withdrawal benefits” by SARS), is R27 500. However, the R27 500 is a ‘once-off’ cumulative value (a lifetime allowance), and once the limit of R27 500 is reached, all further resignation benefits will be taxed.
Pros and Cons	**Steady payments:** Investing in a pension (life or living annuity) means a regular monthly income payment. Having that steady income can make for less stress than taking a big lump sum, especially if you aren't an experienced investor. By choosing a steady monthly pay-out, you'll avoid the temptation to run through your pension stash soon after retirement.	**Control (but with responsibility):** If you take a lump sum, you must take responsibility for how the money is invested and how much you can afford to spend each month. One danger with a lump sum is that you may be tempted to spend too much today, leaving you short of money down the line.

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 download 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.
- The Alexforbes Investment administration fee charged on Fund assets is0.04968% per annum including VAT.

Note fees are subject to review typically every 1 July.

Cape Peninsula University of Technology

INVESTMENT FEES AND CHARGES FOR THE 12 MONTHS ENDING 30 JUNE 2022

The investment management fees and related costs and charges which currently apply to the CPUTRF investment manager 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 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	**0.40%**	**0.20%**	**0.14%**	**0.74%**
Allan Gray Global Stable	**0.50%**	**0.23%**	**0.10%**	**0.83%**
Coronation Houseview	**0.70%**	**0.00%**	**0.43%**	**1.13%**
Coronation Inflation Plus	**0.50%**	**0.62%**	**0.22%**	**1.34%**
Ninety One Balanced	**0.60%**	**0.00%**	**0.18%**	**0.78%**
Ninety One Money Market	**0.09%**	**0.00%**	**0.01%**	**0.10%**
27four Shari'ah Balanced	**0.73%**	**0.00%**	**0.19%**	**0.92%**

(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.

(2) Other costs and charges include items such as the Alexforbes Investments (AFI) administration fees (for the period from take-on date of 6 May 2022 to 30 June 2022), trading costs (e.g., stockbroker commission when shares are bought and sold), bank charges, taxes and custody fees.

(3) The total fees and charges paid for the Ninety One Cautious Managed portfolio was 0.57% and covers the period from date at funding on 10 September 2021 to 30 June 2022.

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.