



**ELECTRICAL INDUSTRY KWA-ZULU NATAL PENSION FUND**

**ANNUAL TRUSTEE REPORT**

**2020**



## **ELECTRICAL INDUSTRY KWA-ZULU NATAL PENSION FUND**

Registration No: 12/08/14479

23 Lennox Road, Greyville, Durban, 4001

Annual Trustee Report (31 December 2020 Annual Financial Statements)

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### **1. CHAIRPERSON'S FOREWORD**

The COVID-19 pandemic continues to be a challenge and I would like to wish you and your loved ones health and safety as we adapt to the new normal.

Despite the challenges of these times, the Board of Trustees has been active in ensuring that your investment in the Fund is carefully managed to the benefit of all Fund members and stakeholders.

Investment market performance was negatively impacted by the pandemic early in 2020. However, the markets have since rebounded and the prudent investment strategy developed in consultation with the Fund's expert investment advisers has performed well through this disruption to the marketplace.

This is a timely reminder of the power of developing a sound strategy, and then staying the course through challenging times. Persevering and preserving produces its reward over time.

The Board of Trustees are in constant engagement with our service providers to continuously improve levels of service and maintain an appropriate level of investment risk to achieve the Fund's long-term objective – improved financial outcomes for its members.

Members are encouraged to review their contact information available on the Fund records to ensure these are up to date for communication purposes. Beneficiary Nomination Forms should be updated regularly, especially when there is any change in information or circumstances. The beneficiary nomination form is a valuable tool to assist the Trustees in identifying beneficiaries.



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All members are invited to contact the Fund if they have any queries regarding the Fund or their own investments or benefits. Contact can always be made through the National Bargaining Council for the Electrical Industry of South Africa (NBCEISA), by visiting their premises or contacting them telephonically.

**Dave Alcock**  
**(Chairperson)**

## 2. INTRODUCTION

The Trustees communicate annually with Members, by issuing Annual Benefit Statements providing Members with details of the benefits held in the Electrical Industry Kwa-Zulu Natal Pension Fund (*"The Fund"*), accompanied by a Trustee Report providing information about the Fund, any developments in the Fund in particular and in the Retirement Fund Industry in general for the Financial Reporting Year (2020).

The Trustees and Principal Officer are bound by the Rules of the Fund, which are available for inspection at the Registered Office of the Fund.

Some of the information in this report has already been included in the Member Booklet but has been included again for completeness.

## 3. MANAGEMENT OF THE FUND AND SERVICE PROVIDERS

The Board of Trustees of the Fund are as follows and hold office for a period of three (3) years (01 July 2019 – 30 June 2022) and for the Independent Trustee (21 May 2021 – 20 May 2024):

FULL NAME		POSITION
Mr Sipho	Mayisela	Member Trustee*
Mr Deon	van Deventer	Member Trustee*
Mr Innocent	Nkabinde	Member Trustee*
Mr Amos	Madonda	Member Trustee*
Mr Dave	Alcock	Employer Trustee
Mrs Shantonette	Pillay	Employer Trustee
Mrs Zinhle	Mfeka	Employer Trustee



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Mr Bernie Carr	Employer Trustee
Mr Carlyle Field	Independent Trustee

*\*The Fund has been granted a Pension Funds Act, Section 7B exemption in terms of the requirements of Section 7A which requires members of the Fund to elect Member Trustees. The Employee Parties to the NBCEISA therefore appoint the Member Trustees.*

The Board of Trustees are not obliged to have all the expert skills necessary for the day-to-day operations of the Fund. The Board of Trustees engages its Expert Advisors as noted below for support in managing the affairs of the Fund.

<b>PRINCIPAL OFFICER / FUND CONSULTANT / INFORMATION OFFICER</b>	Ms. Lizané van der Merwe
<b>AUDITORS</b>	PricewaterhouseCoopers Incorporated ('PWC')
<b>ACTUARY</b>	Independent Actuaries and Consultants ('IAC')
<b>VALUATOR</b>	Mr. Asim Gani ('IAC')
<b>INVESTMENT CONSULTANT</b>	Simeka Consultants and Actuaries
<b>SECRETARIAT</b>	NMG Consultants and Actuaries
<b>ADMINISTRATOR</b>	Sanlam Corporate / NBCEISA
<b>RISK BENEFITS INSURER</b>	NestLife Assurance Corporation Limited ('NestLife')

#### 4. BOARD OF TRUSTEES DUTIES

The legislated duties of Trustees include the following:

- Ensure that the interests of members are protected
- Act with due care, diligence, and good faith
- Avoid conflict of interests
- Act with impartiality in respect of all members and beneficiaries
- Ensure that proper control systems are in place
- Communicate with members
- Ensure that contributions are paid timeously and in accordance with the Pension Funds Act
- Obtain expert advice where applicable



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- Ensure that the Rules of the Fund as well as the operation and administration of the Fund comply with the Pension Funds Act
- Ensure that the assets are invested for the benefit of the members of the Fund and in a manner that is appropriate for the membership profile.

The Fund should carry Fidelity Insurance that provides cover against losses caused by wrongful acts (i.e. theft, fraud, dishonesty) of officials in carrying out their duties.

All Expert Advisors are required to carry Professional Indemnity Insurance that protects the Fund against losses arising out of errors, omissions, or negligence.

### 5. FUND BENEFITS AND RELATED ISSUES

#### Contributions:

Member contributions	<b>6,00%</b>
Employer contributions	<b>9,00%</b>
<b>TOTAL</b>	<b>15,00%</b>

The following deductions are made from the above contributions:

#### Less (Unapproved benefit\* premiums paid directly to the Insurers by the NBCEISA):

PHI premium (Disability benefit)	<b>1,40%</b>	(Monthly Remuneration)
Funeral benefit premium	<b>0,25%</b>	(R20 per member per month)
<i>Sub-total (Total contribution paid to Sanlam by NBCEISA)</i>	<b>13,35%</b>	

#### Less:

GLA premium (Death benefit): Approved benefit**	<b>2,19%</b>	(Monthly Pensionable Salary)
Fund expenses*** (average for the 2020 Financial Reporting Year)	<b>2,25%</b>	
<i>Sub-total</i>	<b>4,44%</b>	

#### **NETT ALLOCATION TO RETIREMENT SAVINGS 8,91%**

*(average for Financial Reporting Year)*

\***Unapproved benefits** means that the NBCEISA is the policyholder. The benefit will be paid out tax-free, however the monthly premiums are taxed as a fringe benefit in the hands of the employee.

\*\***Approved benefits** means that the Fund is the policyholder and benefits are distributed in terms of Section 37C of the Pension Funds Act. The benefit will be taxed as per the tax scales noted, the monthly premiums are not taxed (tax deductible).



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\*\*\* **Fund Expenses** relates to FSCA Levies, Audit Fees, Administration Fees, etc.

### Additional Voluntary Contributions:

Members may make additional voluntary contributions.

### Option upon Resignation (Withdrawal):

- **Become a Paid-Up member:**
  - When a member resigns from employment at their Employer, they can leave their Fund Credit in the Fund, no further contributions are payable and/or risk benefits apply (i.e. Death Benefit, Disability Benefit or Funeral Benefit).
  - A paid-up member certificate must be provided.
- **Transfer to a new Employer's Fund:**
  - Members have the option to transfer their Fund Credit to a new Employer's Fund.
- **Transfer to a Pension Preservation Fund:**
  - Members have the option to transfer their Fund Credit to a Preservation Fund.
  - Transfers to a Preservation Fund at retirement is not allowed.
- **Take the full Fund Credit as a cash lump sum:**
  - Although not recommended, members may take the full Fund Credit as a cash lump sum. Any cash lump sum is subject to tax (as illustrated in the table below).

### Tax scales (1 March 2021 – 28 February 2022)

TAXABLE INCOME (R)	RATE OF TAX (R)
R1 – R25 000	0%
R25 001 - R660 000	18% of taxable income above R25 000
R660 001 - R990 000	R114 300 + 27% of taxable income above R660 000
R990 001 and above	R203 400 + 36% of taxable income above R990 000

### **Important Notes:**

- The information illustrated should not be considered as advice as defined and contemplated in the Financial Advisory and Intermediary Services Act No 37 of 2002 ('FAIS Act') or the Financial Sector Regulation Act No 9 of 2017 ('FSR Act').



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- The tax relief provided by the South African Revenue Services ('SARS') is provided once in a lifetime, when calculating the tax payable by the member the total value of all the lump sum benefits and tax relief received by the member, will be taken into account. If any tax-free benefits have been received previously, a reduced amount will now be available.
- The illustrations contained herein do not constitute tax advice, the actual amounts payable will be determined by SARS on application for a tax directive by the Fund Administrator.
- The tax implications for everyone may vary based on the income tax rate that applies, therefore we strongly encourage you to contact your personal financial advisor to discuss or alternatively to contact your bank or the Financial Planning Institute of Southern Africa ("FPI") to obtain the services of an accredited Financial Advisor.

### Options at Retirement:

The following options are available when a Member retires from the Fund either, Early Retirement Age (55 years), Normal Retirement Age (65 years) or Late Retirement Age (70 years). Please note that Late Retirement is subject to an agreement between the Employer and Member. Membership and contributions will continue until 70 years. After 70 years the Member may elect to become a Deferred (Postponed) Retiree.

- ***Elect to become a Deferred (Postponed) Retiree:***
  - When a member retires from employment at their Employer, they can leave their Fund Credit in the Fund until the election date, no further contributions are payable and/or risk benefits apply (i.e. Death Benefit, Disability Benefit or Funeral Benefit).
  - The election date is the date on which the member retires or advises the Fund that he/she elects to retire from the Fund.
  - Members will remain invested in the portfolio in which they were before the retirement date. Alternative measures would have to be taken regarding an income from the retirement date from the Employer until the member can access their benefit from the Fund.





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- **Purchase an Annuity (pension) with the full Fund Credit from this Fund:**
  - The Fund adopted an In-Fund With-Profit Annuity Strategy.
- **Purchase an Annuity with the full Fund Credit from another provider:**
  - Members may choose to purchase an Annuity from any other provider.
- **Take a portion as a cash lump sum and purchase an Annuity with the balance either from this Fund or another provider:**
  - Although not recommended members may take up to 1/3<sup>rd</sup> maximum of their Fund Credit as a cash lump sum and the 2/3<sup>rd</sup> balance will be used to purchase an Annuity. Any cash lump sum is subject to tax (as illustrated in the table below).
- **Take the full Fund Credit as a cash lump sum:**
  - Although not recommended members may take the full Fund Credit as a cash lump sum if the total Fund Credit is less than R247,500. Any cash lump sum is subject to tax (as illustrated in the table below).

Tax scales (1 March 2021 – 28 February 2022)

TAXABLE INCOME (R)	RATE OF TAX (R)
R1 – R500 000	0%
R500 001 – R700 000	18% of taxable income above R500 000
R700 001 – R1 050 000	R36 000 + 27% of taxable income above R700 000
R1 050 001 and above	R130 500 + 36% of taxable income above R1 050 000

### Important Notes:

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- The tax relief provided by the South African Revenue Services ('SARS') is provided once in a lifetime, when calculating the tax payable by the member the total value of all the lump sum benefits and tax relief received by the member, will be taken into account. If any tax-free benefits have been received previously, a reduced amount will now be available.
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- The tax implications for everyone may vary based on the income tax rate that applies, therefore we strongly encourage you to contact your personal financial advisor to discuss or alternatively to contact your bank or the Financial Planning Institute of Southern Africa ("FPI") to obtain the services of an accredited Financial Advisor.

### Insured Benefits:

The following benefits are offered to employees who are members of the Fund:

- Group Life Assurance ('GLA') – Death Benefit
- Permanent Health Insurance ('PHI') – Disability Benefit
- Funeral Cover Benefit

### ***(Death Benefit)***

The benefit is an approved benefit which means that the Fund is the policyholder, and the Trustees will decide on the distribution of the benefits in accordance with Section 37C of the Pension Funds Act (as amended) and the Rules of the Fund. The benefit will be taxed as per the tax scales noted below and the monthly premiums are not taxed (tax deductible).

Pays a multiple of two (2) times the annual pensionable salary. Upon the death of a member the benefit plus the Fund Credit is payable to the beneficiaries of the deceased member.

### **Example:**

R10, 000 (Monthly Pensionable Salary)

R100,000 (Fund Credit at date of death)

$R10, 000 \times 12 = R120,000$  (Annual Pensionable Salary)

$R120,000 \times 2 = R240,000$  (Insured Death Benefit payable – GLA)

R100,000 (Fund Credit) *plus* R240,000 (GLA)

**= R340,000** (Total benefit distributed according to Section 37C)



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TAXABLE INCOME (R)	RATE OF TAX (R)
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R500 001 – R700 000	18% of taxable income above R500 000
R700 001 – R1 050 000	R36 000 + 27% of taxable income above R700 000
R1 050 001 and above	R130 500 + 36% of taxable income above R1 050 000

#### **Important Notes:**

- The information illustrated should not be considered as advice as defined and contemplated in the Financial Advisory and Intermediary Services Act No 37 of 2002 ('FAIS Act') or the Financial Sector Regulation Act No 9 of 2017 ('FSR Act').
- The tax relief provided by the South African Revenue Services ('SARS') is provided once in a lifetime, when calculating the tax payable by the member the total value of all the lump sum benefits and tax relief received by the member, will be taken into account. If any tax-free benefits have been received previously, a reduced amount will now be available.
- The illustrations contained herein do not constitute tax advice, the actual amounts payable will be determined by SARS on application for a tax directive by the Fund Administrator.
- The tax implications for everyone may vary based on the income tax rate that applies, therefore we strongly encourage you to contact your personal financial advisor to discuss or alternatively to contact your bank or the Financial Planning Institute of Southern Africa ("FPI") to obtain the services of an accredited Financial Advisor.

#### Beneficiary Nomination Form

In terms of the provisions of the Pension Funds Act, benefits arising on the death of a fund member are excluded from the estate of such member. The member therefore does not have the right to determine how this amount will be dealt with. The Beneficiary Nomination Form, although a valuable tool to assist the Trustees in determining a fair distribution of the benefits, is not legally binding on the Fund or Trustees for purposes of benefits distribution.



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Members are encouraged to update their beneficiary nomination form at least once annually but more importantly as/when their personal circumstances change (i.e. when a potential beneficiary pass away or are no longer a dependent, marriage, divorce, adoption etc.). The information provided on the Beneficiary Nomination Form must always be truthful and accurate.

Members must ensure that the details of all their children (including any child born outside of wedlock) are provided.

If a child is over the age of 18 years members must indicate whether they are being supported on a regular basis and indicate how they are supported.

### ***(Disability Benefit)***

The benefit is an unapproved benefit, which means that the NBCEISA is the policyholder. The benefit will be paid out tax-free, however the monthly premiums are taxed as a fringe benefit in the hands of the employee and will increase annually by 5% (escalation rate). The Fund Credit will remain invested in the Fund and contributions to the Fund will continue until recovery, retirement (55yrs – Early; 65yrs – Normal; 70yrs – Late) or death, whichever event occurs first.

Pays a monthly income of 55% of monthly remuneration after the waiting period in the event an employee is incapable of engaging in their own or in another occupation for which they are or could reasonably be expected to become qualified for in terms of their knowledge, training, education, ability, or experience.

The monthly income benefit will be paid until recovery, retirement (55yrs – Early; 65yrs – Normal; 70yrs – Late) or death, whichever event occurs first. You will be required to undergo annual (or more regular) medical reviews, to prove to the Insurer that you still qualify for the benefit.

The waiting period means the period that applies before the insurer is liable to start paying the benefit. The waiting period is six (6) months from the date the insured person is unable to perform the inherent job requirements or was accommodated at work due to illness or injury.



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### **Example:**

R10, 000 (Monthly Remuneration)

R10, 000 x 55% = **R5, 500** (Insured Disability Benefit payable – PHI)

### **(Funeral Cover Benefit)**

The benefit is an unapproved benefit, which means that the NBCEISA is the policyholder.

The benefit will be paid out tax-free as the monthly premiums are taxed as a fringe benefit in the hands of the employee.

BENEFICIARY	BENEFIT PAYABLE
Member	R20,000
Spouse	R20,000
Child: 14years – 21years*	R10,000
Child: 6years – 13years	R7,500
Child: 1year – 5years	R3,500
Child: Stillborn – 11 months	R3,500

\*Up to 21 years if the child is unmarried.

\*Up to 26 years if the child is studying full time at a recognised educational Institution.

\*Up to the date the membership ceases for the Principal Member or Spouse (if later) if the child is mentally handicapped or totally and permanently disabled.

### **Retirement Planning:**

Deciding on what to do with your retirement savings is an important financial decision to make, it is the high point of a working lifetime of saving. It is prudent to find an accredited Financial Advisor well in advance to assist you in taking a holistic view in selecting the appropriate savings/investment option.

### **(Retirement Benefit Counselling)**

Legislation requires all funds to offer members Retirement Benefit Counselling services, this also applies upon withdrawal, to allow members to be provided with the relevant information to make an informed decision. This service is provided free of charge by the Fund. To make use of this service please contact the Sanlam Individual Member Support Service as per the details below:



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Call the toll-free number : 0800 111 956, or

Send an email to : [retire-mate@sanlam.co.za](mailto:retire-mate@sanlam.co.za)

It is important to note that a Retirement Benefit Counsellor may not provide advice as defined and contemplated in the Financial Advisory and Intermediary Services Act No 37 of 2002 ('FAIS Act') or the Financial Sector Regulation Act No 9 of 2017 ('FSR Act'), although they may be qualified/accredited. To obtain the services of an accredited Financial Advisor members are encouraged to request assistance from your bank or alternatively to contact the Financial Planning Institute of Southern Africa ('FPI').

### **(Financial Advisor)**

Members are encouraged to first seek the services of an accredited Financial Advisor. It is important to remain vigilant against "Fly-by-night advisors" who may prejudice your retirement savings. Legislation has been put in place to protect the public from such individuals. Always request that the Financial Advisor confirms that he/she is accredited in terms of FAIS legislation. This is the first step to ensure that your interests are protected.

An accredited Financial Advisor must be registered with the Financial Sector Conduct Authority ("FSCA"), previously known as the Financial Services Board ("FSB") as an advisor.

If you do not have an accredited Financial Advisor, you are welcome to request assistance from your bank or alternatively to contact the Financial Planning Institute of Southern Africa ("FPI") on the contact details stated below to obtain the details of an accredited Financial Advisor in your area:

Tel : (011) 470 6000

Website : [www.fpi.co.za](http://www.fpi.co.za)

## **6. INVESTMENTS**

Simeka Consultants and Actuaries are the Fund's Investment Consultants and advise the Board of Trustees on investment related matters. The fair value\* of the Funds' assets was R414, 425, 942 as at 31 December 2020 (31 December 2019: R409, 711,104).

**Fair value** means the estimate of the potential market price of an asset.



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The table below illustrates the Asset Managers and Asset Allocation per portfolio as at 31 December (2020 AFS):

YOUNGER MEMBER PORTFOLIO		OLDER MEMBER PORTFOLIO		PENSIONER PORTFOLIO	
Coronation Houseview Equity	15.2%	Coronation Houseview Equity	5,1%	Coronation Houseview Equity	5.6%
Mazi Asset Management Equity	21.1%	Mazi Asset Management Equity	7,1%	Mazi Asset Management Equity	7.8%
Momentum Capped SWIX Equity Index Tracker	14.9%	Momentum Capped SWIX Equity Index Tracker	5.0%	Momentum Capped SWIX Equity Index Tracker	5.5%
Momentum Development Bond	5.3%	Momentum Development Bond	19.3%	Momentum Development Bond	20.7%
BlackRock World Sub Index Equity	21.4%	BlackRock World Sub Index Equity	20.7%	BlackRock World Sub Index Equity	20.0%
Momentum Investments Property Equity	0.3%	Momentum Money Market	0,3%	Momentum Money Market	0,3%
Momentum Money Market	5,3%	Momentum Investments Property Equity	4,0%	Momentum Investments Property Equity	5.0%
Prescient Low Liquidity	0,3%	Momentum Active Cash Fund	23.6%	Momentum Active Cash Fund	20.1%
Momentum Active Cash Fund	6.5%	Sanlam Inflation Plus	15,0%	Sanlam Inflation Plus	15,0%
Sanlam Inflation Plus	9.6%				
	<b>100%</b>		<b>100%</b>		<b>100%</b>

### Default Investment Strategy:

The Fund's Default Investment Strategy is a Life-Stage Model which comprises of a Younger and Older Member Portfolio and two (2) transition steps takes place to move members from the Younger Member Portfolio to the Older Member Portfolio up to Normal Retirement Age ("NRA") of 65 years. Member Individual Choice is not allowed.



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PORTFOLIO	MEMBER'S AGE	TRANSITION (GLIDE PATH)
Younger Member Portfolio (100%)	Up to 60 years	Not applicable
Younger Member Portfolio (50%) and Older Member Portfolio (50%)	From 60 years (≥5 years to NRA)	On 01 January annually of the year in which a member will reach the age of 60 years: <ul style="list-style-type: none"> <li>50% of the member's accumulated fund credit is switched from the Younger Member Portfolio to the Older Member Portfolio; and</li> <li>All future contributions are directed towards the Older Member Portfolio.</li> </ul>
Older Member Portfolio (100%)	From 62 years (≥3 years to NRA)	On 01 January annually of the year in which a member will reach the age of 62 years: <ul style="list-style-type: none"> <li>The balance of the member's accumulated fund credit is switched from the Younger Member Portfolio to the Older Member Portfolio.</li> </ul>

### Investment Performance:

The declared investment returns of the Fund as at 31 December 2020 for the 1-year, 3-year and 5-year period is illustrated below:

PORTFOLIO	1-YEAR	3-YEAR	5-YEAR
Younger Member	6.9%	3.9%	5.1%
Older Member	8.3%	6.8%	7.2%
Pensioner	7.6%	6.6%	7.3%

## 7. FINANCIAL REPORTING (31 DECEMBER 2020)

The table below illustrates a brief summary of the Audited Annual Financial Statements which confirms the income received by the Fund and the benefits paid out to Members/Beneficiaries during 2020.





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The fair value of the Fund's investment, administered by the investment administrator at the end of the year was:

	FSCA Registration number	31 December 2020 R	31 December 2019 R
Momentum Outcome-Based Solutions (Pty) Limited:	19840	414,425,942	409,711,104
<b>Total value of investments managed</b>		<b>414,425,942</b>	<b>409,711,104</b>

### MEMBERSHIP

	Active members	Pensioners	Unclaimed benefits
Number at the beginning of year	4,408	127	7,393
Adjustments	(533)	-	518
Additions	458	2	1
Re-instatements	-	2	-
Withdrawals	(184)	-	-
Retirements	(12)	-	-
Retrenchments	(269)	-	-
Deaths	(17)	(8)	-
Unclaimed benefits paid	-	-	(601)
<b>Number at the end of the year</b>	<b>3,871</b>	<b>123</b>	<b>7,311</b>
South African citizen at the end of the year	3,633	123	7,311
Non-South African citizen at the end of the year	238	-	-

The active members' membership at the year-end was made up of the following:

- Active members - 3292
- Paid up members - 579

#### Adjustments

Adjustments in the active membership was due to 15 member records being depleted by fees and 518 moved to unclaimed benefits.

## 8. REVIEW OF THE FINANCIAL YEAR'S ACTIVITIES

### Membership:

The total number of members as at 31 December 2020 was 7 311 (2019: 7 393)

### Rule Amendments:

A Rule Amendment to make provision for the increase for both member and employer contributions was effective 01 June 2019 and approved by the Authority ("FSCA") on 10 March 2021.

### Member Website:

In terms of Pension Fund Circular Number 86, the Fund is required to provide a member benefit statement to all Members, at least annually. Members are provided with an Annual Benefit Statement to ensure amongst other things that they are satisfied that all the static information reflected is correct and current (i.e., Full Name, Date of Birth, Pensionable Salary, etc.).



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The Fund's Financial Year-End is 31 December annually, and members can expect to receive their Annual Benefit Statements during October annually.

The Member Website is Administered through Sanlam and Members may register on the Member Website to access more regular information as per the process noted in the Member Booklet.

### **9. SUBSEQUENT EVENTS**

#### COVID-19 Pandemic:

The COVID-19 pandemic has and still has a significant impact on markets locally and globally, however the Board of Trustees is in constant consultation with its expert advisors to assess the impact of the COVID-19 pandemic on the Fund and its members and remain sensitive to developments locally and globally.

#### Appointment of new Independent Trustee

The Fund appointed Mr Carlyle Field with effect from 21 May 2021 as the new Independent Trustee who replaced Ms Duduza Khosana following her resignation in February 2021.

#### Protection of Personal Information Act ('POPIA')

The Protection of Personal Information Act, 4 of 2013 ('POPIA') was enacted to give effect to the constitutional right of privacy by safeguarding personal information processed by a Responsible Party ('Fund').

#### Personal Information Collected:

Personal information is collected and processed pertaining to its purpose which may include financial reporting (audit and valuation purposes); risk benefits insurance; maintaining member details; historical purposes; in connection with any legal proceedings and providing industry and/or regulatory requirements updates.



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The type of personal information will depend on the need for which it is collected and will be processed for that purpose. Personal information collected may include (but is not limited to);

- Member's identity number, name, surname, marital status, age, physical address, postal code, email, contact number; spouse, beneficiaries and/or dependents details.
- Any other information required by operators to execute its mandate and/or for the purpose of reinsuring benefits described in terms of the Rules of the Fund;
- All operators (including any third-party operators) are required to adhere to the lawful processing of personal information.

Disclosure:

Personal information may be disclosed to service providers who are involved in the delivery of services and agreements are in place to ensure compliance with the lawful processing of information.

PAIA Manual:

The Fund is required to compile a manual to provide a reference as to the records held and the process which needs to be followed to access such records. Requests for access to records, corrections or deletion may be submitted as per the manual and the Protection of Personal Information Act Policy ('POPIA').

Complaints Management:

In the event of a complaint, members may lodge an appeal with the Fund through the internal appeal procedure described in the POPIA Policy.

Should the complaint remain unresolved after the internal appeal procedure has been exhausted, members may lodge a complaint with the Information Regulator as per the details noted below.



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Information Regulator:

The Information Regulator will take over the responsibilities for the protection and promotion of personal information on 30 June 2021 and the Information Regulator can be contacted at;

Physical address: JD House, 27 Stiemens Street, Braamfontein, Johannesburg, 2001

Postal address: PO Box 31533, Braamfontein, Johannesburg, 2017

Tel: 010 023 5200

Fax: 086 500 3351

Website: <https://justice.gov.za/inforeg/>

General enquiries: [inforeg@justice.gov.za](mailto:inforeg@justice.gov.za)

Complaints: [complaints.IR@justice.gov.za](mailto:complaints.IR@justice.gov.za)

Information Officer and Deputy Information Officer:

Legislation requires all public and private bodies to appoint an Information Officer and allows for the designation of one (1) or more Deputy Information Officers, depending on the size, structure, and the complexity of the operations of a specific body. The contact details of the Officers have been noted below:

### **Information Officer**

**Full Name** Ms. Lizané van der Merwe

**Contact number** 073 350 8064

**E-mail address** [lizane@lvdmconsulting.co.za](mailto:lizane@lvdmconsulting.co.za)

### **Deputy Information Officer**

**Full Name** Mr. Kiren Jugdeo

**Contact number** (031) 306 8100 or (031) 309 1325 / 1326 / 1307 / 1279

**E-mail address** [kiren@nbcei.co.za](mailto:kiren@nbcei.co.za)

The Fund is committed to protecting member's privacy and all reasonable measures shall be taken to adequately protect the personal information the Fund holds and to avoid unauthorised access and use thereof.



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### Nestlife Liquidation

NestLife informed the Fund of its impending closure during July 2021. The liquidation application was heard on 17 August 2021, and the High Court granted an order placing Nestlife into final liquidation on the same day. Following the liquidation of Nestlife alternate measures are being investigated by the Fund to arrange cover. Members will be advised of any further developments in due course.

## **10. PENSION FUNDS ADJUDICATOR**

The Office of the Pension Funds Adjudicator ('OPFA') is a statutory body established in terms of Section 30B of the Pension Funds Act, 24 of 1956. The OPFA was established to investigate and decide on complaints lodged in terms of the Pension Funds Act ("PFA") and in terms of the Financial Sector Regulation Act ("FSR Act").

The OPFA on 23 June 2020 published the OPFA Communication 2 of 2020 (Internal Dispute Resolution Procedures) which all retirement funds must adhere to effective from 01 August 2020 and is summarised as follows in terms of the PFA:

- Complainants must lodge their complaints with the Fund first and exhaust all internal dispute resolution processes first, before approaching the OPFA for resolution of their complaints.
- Complainants must first approach organisations approved by the FSCA for the purpose of resolving pension complaints, such as bargaining councils.
- Proceedings instituted at accredited Councils or the Labour Court, which would constitute the subject matter of a complaint to be investigated by the OPFA (i.e. non-payment of contributions by the employer), would prevent the OPFA from investigating the complaint if such proceedings have already commenced.

### Who can complain to the Adjudicator?

- A member or former member of a fund,
- A beneficiary or former beneficiary of a fund,
- An employer who participates in a fund,
- The Board of Management of a fund, or any member of the board can also lodge a complaint.



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### What must you do before you complain to the Adjudicator?

Before you submit your complaint to the Adjudicator address your complaint with the party against whom you are complaining in writing and wait for a response. If after 30 days, you have not received a response, or you have received a response, but you are still not satisfied you can submit your complaint to the Adjudicator.

### How to submit a complaint to the Adjudicator?

Any complaint to the Adjudicator must be in writing. The Pension Funds Adjudicator will not accept complaints on the telephone.

You can submit your written complaint to Adjudicator, either by:

- Post: P.O. Box 580, Menlyn, 0063
- Fax: 086 693 7472
- E-mail: [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za) or
- In person: 4th Floor; Riverwalk Office Park, Block A, 41 Matroosberg Road, Ashlea Gardens, Pretoria, 0181

### Where can I contact the Pension Funds Adjudicator?

The Pension Funds Adjudicator can be reached telephonically on 012 346 1738, or on e-mail at [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za).

### What can I do if I am not satisfied with the Pension Funds Adjudicator's ruling?

Should you not be satisfied with the decision of the Pension Funds Adjudicator, you may, within six (6) weeks, apply to the High Court for relief.

## **11. REGISTERED ADDRESS OF THE FUND**

Address : 23 Lennox Road, Greyville, Durban

Tel : (031) 306 8100 or (031) 309 1325 / 1326 / 1307 / 1279

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