



September **2026**

Your industry. Your Fund. Your future. **Together**

Life-Stage Investment Model is simplified

From 1 September 2026, the Fund's new Investment Policy Statement (IPS) and simplified life-stage model was implemented.

Page **2**



Changing jobs should not mean cashing in

You should leave your savings alone (invested and preserved) for as long as possible. The TSRF makes it easy for you to preserve your savings.

Page **3**



Make sure you are registered for tax

Members must be registered for tax, have their returns up to date and may have tax debt deducted from savings withdrawals.

Page **3**



The lucky winner of the TSRF Survey

Congratulations to Gobe Masa for completing, and returning the survey. He wins a R1000 Checkers gift card.

Page **3**



Your savings component is available, but it remains retirement money

Annual Savings component withdrawals should **ONLY** be made in case of emergency.

Page **4**



Message from the Chairman

I am pleased to report that the Fund once again received a clean audit for the year ending 28 February 2026. The audited financial statements were approved by the Board on 17 August 2026 and submitted to the FSCA.

Despite persistent market volatility, inflationary pressures and global uncertainty, the Fund has continued to demonstrate strength, stability and disciplined growth. Our performance over the past year reflects not only prudent governance, risk and sound financial management, but also the collective efforts of our Trustees, management team, service providers and stakeholders, all working towards a common purpose: securing better retirement outcomes for our members and their beneficiaries.

We move into the next phase of the Fund's journey from a position of strength with a clear strategy, resilient operations, a responsible investment philosophy and a firm commitment to service excellence. Together, we continue to build a sustainable, future-ready Fund that honours its legacy while embracing opportunity for growth.

Some of the Strategic Highlights for the 2025/2026 financial year:

Our Assets under Management

increased by 28.8% to
R13.31 Billion

Member Contributions

R2.05 Billion

Net Investment Income

R2.07 Billion

Benefits paid

R1.66 Billion

In the coming year, our priorities include deepening member education, strengthening retirement counselling, enhancing digital engagement with members, improving operational efficiency and continuing to oversee the Fund's investment and risk strategies with discipline and care. The Board will also continue to support initiatives that promote preservation, financial literacy and long-term retirement security.

I would like to thank my fellow Trustees, the Principal Executive Officer, the management team, employees, service providers, participating employers and all stakeholders for their continued commitment and support. Most importantly, I thank our members for the trust they place in the Fund. As we continue driving secure futures in a changing transport world, the Board remains committed to building a Fund that is well governed, financially resilient, member-focused and capable of delivering meaningful long-term outcomes for every member we serve.



Mdumisani Mabaso
Chairperson

The tribe has spoken - results from the TSRF annual member survey

The Fund wishes to thank all the members who participated in the annual member survey. This research is important to the TSRF as it helps the Fund to ensure service excellence and to make sure that members are satisfied with the Fund's products and services. It also provides insights into member knowledge levels and what the Fund can do to improve communication with members. **The results for 2026 were very positive and here is what you had to say:**

Knowledge levels

- ✓ **80%** of respondents say they understand their **Fund benefits**;
- ✓ **81%** say they understand the **claims process**;
- ✓ **84%** understand their **benefit statements**;
- ✓ **67%** understand the **Fund's investment portfolios**.

Confidence in the Fund

- ✓ **86%** say that they Fund products and services **meet their expectations**.

Receiving Fund communication and channel rating

- ✓ **70%** of respondents say that they **regularly receive emails from the Fund**;
- ✓ The preferred communication channel remains **sms** followed by **WhatsApp**.

Rating Fund communication

- ✓ **70%** find information from the Fund is **easy to understand**;
- ✓ **86%** say the member **newsletter is easy to understand**;
- ✓ **90%** find the **member newsletter very valuable**.

Rating of services

- ✓ **90%** say that the **Walk in Centres** provide **excellent service** to members;
- ✓ **88%** say that the **Call Centre** provides **excellent service** to members.

Life-Stage Investment Model is simplified

From 1 September 2026, the Fund's new Investment Policy Statement (IPS) and simplified life-stage model was implemented.

The IPS is the plan used by the Board of Trustees to guide how the Fund invests members' retirement savings. The new life-stage model reduced the investment portfolios from three (3) to two (2) and places members in an investment portfolio that reflects how much time they have left before they reach the Fund's normal retirement age of 65.

The aim is simple: give members with more time before retirement greater opportunity for long-term growth, while gradually reducing investment risk (the risk that markets decline sharply) as they near retirement.

What is a life-stage model?

A life-stage model automatically adjusts the way your retirement savings are invested as you move closer to retirement.

How does the new life-stage model work?

- When you are more than five (5) years from retirement (younger than 60 years),** your savings are invested in the Growth Portfolio. This portfolio aims for higher long-term growth (more equity exposure), but the portfolio value may move up and down over the short term as financial markets move up and down.
- During the final five years before retirement,** your savings gradually move into the Conservative Portfolio. This portfolio has more investments in cash and bonds and will provide less up and down movement in the value of the portfolio with more stable growth.
- When you are one year away from retirement (64 years)** your savings are invested in the Conservative Portfolio. The Conservative Portfolio aims to reduce short-term market risk and provide greater protection as retirement approaches, although no investment is risk free.

How your savings will be invested

The investment portfolios you are invested in will be based on the number of years remaining until you reach age 65:

Years to normal retirement age (65)	Growth Portfolio	Conservative Portfolio
More than 5 years	100%	0%
5 years	80%	20%
4 years	60%	40%
3 years	40%	60%
2 years	20%	80%
1 years or less	0%	100%

- Examples:**
- If you are four years from age 65 (aged 61),**
60% of your retirement savings will be in the Growth Portfolio and 40% in the Conservative Portfolio.
- If you are three years from age 65 (aged 62),**
40% of your retirement fund savings will be invested in the Growth Portfolio and 60% in the Conservative Portfolio.
- When you are 1 year from age 65 (aged 64),**
100% of your fund savings is invested in the Conservative Portfolio.

Why do the percentages change?

Investments that aim for more growth can fluctuate more. When retirement is still many years away, there is more time to recover from short-term market falls. As retirement gets closer, the model gradually reduces your exposure so that a larger portion is held in the lower-risk Conservative Portfolio until you are fully invested in the Conservative Portfolio when you are one year from retirement.

What changes on 1 September 2026?

- The new IPS and investment allocation have become effective, reducing the default life-stage model from three portfolios to two.
- Your existing retirement savings and future retirement contributions will be invested in the life-stage portfolio/s applicable to you according to your term to retirement.
- The Fund's administrator will automatically transition members between the Growth and Conservative Portfolios according to the years remaining until age 65.
- During each of the final five years, a further 20% moves from Growth Portfolio to Conservative Portfolio until your investment is fully invested in the Conservative Portfolio with one year or less remaining.

Investment targets

The **Growth Portfolio** aims for a net return (after costs are deducted) of inflation (CPI) plus 5% a year over rolling 5- to 8-year periods.

The **Conservative Portfolio** aims for CPI plus 3% a year over rolling 3- to 5-year periods.

These are long-term objectives, not guaranteed returns.



- English Good to know:**
- You do not need to complete a form for the default life-stage model to apply. The Fund will use its records to determine how many years you have until normal retirement age.
- More than five years from retirement: your savings remain fully in the Growth Portfolio.
 - Five years or less from retirement: your savings move gradually into the Conservative Portfolio.
 - Paid-up members: paid-up members remain in the life-stage portfolio they were in immediately before becoming paid-up.

- Zulu Ngiyathokoza ukwazi:**
- Akudingeki ugcwalise ifomu ukuze imodeli yesigaba sokuphila esizenzakalelayo isetshenziswe. Isikhwama sizosebenzisa amarekhodi aso ukunquma ukuthi uneminyaka emingaki kuze kube yiminyaka evamile yokuthatha umhlalaphansi.
- Iminyaka engaphezu kwemihlanu kusukela ekuthatheni umhlalaphansi: imali yakho egciniwe ihlala ngokugcwele ku-Growth Portfolio.
 - Iminyaka emihlanu noma ngaphansi kusukela ekuthatheni umhlalaphansi: imali yakho egciniwe ingena kancane kancane ku-Conservative Portfolio.
 - Amalungu akhokhelwe: amalungu akhokhelwe ahlala ku-portfolio yesigaba sokuphila ayekuyo ngaphambi nje kokuba akhokhelwe

- Sesotho Ho monate ho tseba:**
- Ha ho hlokahale hore o latse foromo hore mohlala oa boemo ba bophelo ba kamehla o sebelisoe. Letlole le tla sebelisa lirekoto tsa lona ho fumana hore na u na le lilemo tse kae ho fihlela lilemo tse tloaelehileng tsa ho tlohela mosebetsi.
- Lilemo tse fetang tse hlano ho tloha ho tlohela mosebetsi: chelete eo u e bolokileng e lula ka botlalo ho Growth Portfolio.
 - Lilemo tse hlano kapa ka tlase ho tloha ho tlohela mosebetsi: chelete eo u e bolokileng e fetela butle-butle ho Conservative Portfolio.
 - Litho tse lefuoang: litho tse lefuoang li lula ho portfolio ea boemo ba bophelo eo li neng li le ho eona hang-hang pele li lefuoa.

- Tsonga I swinene ku swi tiva:**
- A swi bohi leswaku u tata fomo ya modele wa xiteji xa vutomi xa ntolovelov ku tirha. Nkwama wu ta tirhisa tirhekodo ta wona ku kumisisa leswaku u na malembe mangani ku fikela eka malembe ya ntolovelov yo huma penceni.
- Ku tlula ntlhanu wa malembe ku sukela loko u humile penceni: mali leyi u yi hlayiseke yi tshama hi ku helela eka Photifoliyo ya Ku Kula.
 - Malembe ya ntlhanu kumbe ehansi ku sukela loko u humile penceni: mali leyi u yi hlayiseke yi ya eka Photifoliyo ya Conservative hakatsongo-tsongo.
 - Swirho leswi hakeriweke: swirho leswi hakeriweke swi tshama eka photifoliyo ya xiteji xa vutomi leyi a swi ri eka yona hi ku hatlisa va nga si va lava hakeriwaka.

Changing jobs should not mean cashing in

Resigning from a job is a significant milestone, often filled with excitement and new opportunities. But resigning and accessing your retirement savings will have a negative impact on your pension at retirement. Preserving these benefits when you resign can be a key factor in ensuring a secure financial future. Here's why it's important to take this step seriously and how to navigate the process effectively.

Research shows that the average pension fund member in SA can only replace 28% of their salary with a pension income at retirement. This means that if you were earning R10 000 per month before retirement – your retirement capital would only be able to buy a pension income equal to R2 800 per month. The TSRF targets a 75% replacement ratio. This means as a member of the TSRF (and if you limit withdrawing money from the Fund) you could retire with a pension of R7 500 and NOT R2800 as shown in this example.

One of the biggest reasons why South Africans don't retire comfortably is because they don't preserve their savings when changing jobs. By taking a cash withdrawal, they deplete their retirement savings, and basically have to start saving all over again, with less time to make up for what they've lost. They also lose out on compound interest.

Compound interest helps your savings to grow over time – and the more time you give it, the more it will work for you. But how does it work?

You probably know that you earn interest on your savings. Over time, you will also start to earn interest on the interest you've already earned, for as long as you keep your money invested/preserved. This might not seem like very much, but over time, it makes a massive difference.

Have a look at the example below:

Bongani joined the TSRF at age 18 and contributed R500 a month for 10 years and when he left at 28 he became a paid-up member, and he left his money (R60 000) to grow in the Fund for the next 47 years. At age 65 he has R1 050 000.

Themba joined the TSRF at 28 years and contributed R500 a month for 38 years (his money was invested for 10 years less than Bongani's money). At age 65 he has only R998 000.

Even though Themba contributed almost four times more than Bongani, he still has less money at retirement. This is because his money earned compound interest for ten years less than Bongani's did! Isn't it amazing what time can do?

The moral of the story is that you should leave your savings alone (invested and preserved) for as long as possible.

The TSRF makes it easy for you to preserve your savings. You have the option to leave your money in Fund even if you do change jobs. This is known as becoming a paid-up member. In fact, unless you instruct the Fund otherwise, you will automatically become a paid-up member. It's that easy.

Remember - if you resign and join another employer that is also a member of the TSRF you will remain a member of the Fund and NO withdrawal benefit will be payable to you.

Make sure you are registered for tax

SARS confirms that members must be registered for tax, have their returns up to date and may have tax debt deducted from savings withdrawals. Once the Fund has submitted the directive application to SARS, the withdrawal cannot be cancelled.

Please click here to view the [SARS two-pot guidance](#)

The lucky winner of the TSRF Survey



Gobe Given Tshepang Masa is the winner of the TSRF Survey Competition. His name was randomly drawn from the many members that participated in the survey. Gobe took the time to complete and return the survey. Gobe has been a member of the TSRF for 3 years and works for Digistics Meadowview. **He wins a R1000 Checkers gift card.**

Congratulations!

“
Market volatility
is just the wind,
and we are the sail.

By investing
with purpose
in 2026,
we transform
challenges into
stepping stones
for lasting wealth.”



Bongani invests R500 each month from the age of 18. After ten years, at age 28, he decides to stop. He has invested a total of **R60,000**. He leaves this amount alone for the next **47 years**, until he turns 65.



Themba, Bongani's twin brother, also invests R500 a month, but he only starts at age 28. He carries on investing this monthly amount for **37 years**, when he turns 65. In total, he invests **R222,000**.

Which brother will have more when he retires?

	Amount Invested	Time spent contributing	Time spent invested	Projected benefits at retirement
 Bongani	R60,000	10 years	47 years	R1,050,000
 Themba	R222,000	37 years	37 years	R998,000

Scenario 1 Before the Two-Pot system was effective.

Mandla had R20 000 in the Fund on 1 February 2024. If he works for 35 years and retires at 65 years these examples below show how much retirement capital (money to retire with) he will have after 35 years.

A. In this example Mandla preserved his benefits when he leaves the Fund. Never taking any money out of the Fund until he retired.

B. In this example Mandla leaves the Fund every 5 years - takes his entire benefit in cash, rejoins the Fund after a few months and starts from scratch to save for retirement.



Over 35 years Mandla withdraws
***R1.3 million**

Mandla retires at age 65 with:
***R7.7 million**

Mandla retires at age 65 with:
***R1.1 million**

Lesson learnt: From resigning every 5 years Mandla retires with ***R6.6 million less** than if he preserved his benefits.

Scenario 2 After the Two-Pot system was effective.

Mandla had R20 000 in the Fund on 1 February 2024. If he works for 35 years and retires at 65 years these examples below show how much retirement capital (money to retire with) he will have after 35 years.

C. In this example Mandla never makes a Savings Pot withdrawal, even though he can.

When he does resign he preserves his benefits in the Fund.

Mandla never takes any money out of the Fund until he retires.

D. In this example Mandla does not have to resign from the Fund to access money from the Fund.

Mandla takes his full Savings pot withdrawals every year, without having to resign from his employer.



Over the 35 years that he is a member of the Fund he receives
***R468 804** as Two-Pot withdrawals

Mandla retires at age 65 with:
***R7.7 million**

Mandla retires at age 65 with:
***R5.2 million**

Lesson learnt: By making no savings pot withdrawals Mandla can retire with ***R2.5 million more.**

Important note: The reason why Mandla will retire with more money in this scenario is that when Mandla does resign from the Fund he cannot access his Retirement component, it must be preserved for retirement.

Your Savings component is available, but it remains retirement money

With the new Two-Pot system you may access your Savings component annually without having to resign BUT you also cannot access the money in your Retirement component, even if you resign, as it must be preserved until retirement to buy an annuity (pension). With the implementation of the Two-Pot system the following benefits will have to be considered when you resign (or are dismissed). You will need to make a decision on ALL three of your Components as follows:

Vested component		Tax
Take part or full cash	Although members may take their entire Vested component in cash (net of applicable tax), it will be wise to consider preserving this benefit when you resign (or are dismissed) from your employer. If you are considering taking your Vested component in cash when you resign you should remember the following:	Vested component: Using withdrawal tax tables only the first R27,500 is tax free
And/or Preserve in-fund	1) It will be wise to consult your financial advisor so that you can understand the impact on your retirement plans and replacement ratio at retirement (percentage of your final salary that you will be able to replace with a retirement income). When you withdraw your Vested component before retirement you increase the risk that you will not be able to replace your salary with an adequate pension income in retirement.	
And/or Transfer your components to another retirement fund	2) Withdrawing prematurely will result in hefty tax penalties. Only the first R27,500 and tax table are cumulative and apply to the total amount of your withdrawals from funds in your lifetime. In addition, the tax concessions granted on early withdrawal (resignation) may reduce the tax concessions at retirement.	
Savings component		Tax
Take part or full cash net of tax except if you've made a withdrawal from Savings component in the same tax year	From 1 September 2024 you may withdraw a minimum of R2,000 (before fees and taxes) once a tax year without leaving your employer and fund; the maximum withdrawal is the total available in your Savings component. But you will pay tax (at marginal PAYE tax rates) and a processing fee (R250) on your saving component withdrawals.	Using Marginal tax rates
If the balance in the Savings component is R2,000 or less, a further withdrawal will be allowed		
Preserve in-fund, but must transfer if part of the cash was taken from Vested component		
Transfer your Savings component to another fund		
Retirement component		Tax
Cannot take in cash before retirement	As can be seen from the table above the Retirement component cannot be accessed when you resign and must be preserved for your retirement. You have the following options and may: Become a paid-up member in the fund, or transfer the benefit to an approved preservation fund, or transfer to an approved retirement annuity fund, or transfer the benefit to your new employer's fund.	Non-taxable event if transferred to another approved fund
Preserve in-fund (paid-up member)		
And/or transfer your Retirement Component to another retirement fund or preservation fund		

Conclusion

Preserving your Vested components when you resign or are dismissed and making annual Savings component withdrawals **only for emergencies** are not just a matter of financial wisdom; it's a crucial step toward ensuring your long-term financial security. By understanding your options and making careful decisions, you can improve your financial future and ensure that you're building a solid foundation for retirement. **As can be seen from the example above - if you NEVER make a Savings component withdrawal you could save R2.5 million more for retirement. Remember:** Every choice you make today will impact your financial security tomorrow. Take the time to explore your options, consult with financial advisors, and make the most of your hard-earned retirement savings.

Fund contact info

- Member enquiries Call:**
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- Two-Pot System enquiries Call:**
087 405 6376
- Email the Fund**
members@tsrf.salteb.co.za
- Visit the Fund's Website:**
www.tsrf.co.za
- Visit the Fund's Facebook page:**
[@TransportSectorRetirementFund](https://www.facebook.com/TransportSectorRetirementFund)
- Visit the Fund's Instagram page:**
[transportsectorretirementfund](https://www.instagram.com/transportsectorretirementfund)
- Online Member Portal:**
WhatsApp "Hi" to:
087 240 7004
TSRF Benefit Counselling Tool

TSRF Client Contact Centres

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Braamfontein



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Edward building 1,
116 Edward Street,
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Durban
1 Dorothy Nyembe Street,
The Marine,
Durban Central,
Durban

Follow the Fund's social media pages

Visit the Fund website
www.tsrf.co.za

where you can find all documents and videos relating to your Fund benefits.

Follow the Fund on **Facebook**

Our page has over 9700 followers, so far.

In April 2025 the Fund launched a **Instagram** page, for younger members. Make sure you visit these pages and follow us for **regular informative Reels** which includes all the important aspects of the Fund. **Make sure you don't miss out!** Visit the TSRF Instagram page today:

[Click here](https://www.instagram.com/transportsectorretirementfund)

or find us using the Instagram name:
[transportsectorretirementfund](https://www.instagram.com/transportsectorretirementfund)