

 **TSRF - "the Fund"**



**INTEGRATED
ANNUAL REPORT**

2020



“The strength of the TSRF is underpinned by the quality of our governance structures and the capability of our Board of Trustees to identify areas in which the Fund is able to directly benefit members.”

MDUMISENI MABASO

CHAIRPERSON OF THE BOARD



OUR **ACTIVITIES** AT A HIGH LEVEL:



IMPACT INVEST



FUND MANAGE



RISK MANAGE



GROW



TRANSFORM



DISTRIBUTE

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ABOUT THIS REPORT

The Trustees of the Transport Sector Retirement Fund ("TSRF" / "the Fund") have the pleasure of presenting their report for the financial year ended 29 February 2020.

This report aims to provide Fund stakeholders and members with an overview of the activities, management, administration and financial status of the Fund during the past financial year and to illustrate how the Fund creates and sustains value for all its stakeholders in the short, medium and long term.

UNCHARTERED WATERS

"In February 2020 South Africa was already in a deep, structural economic crisis, and it was highly likely that it would fall further into the abyss, with untold socio-political consequences, if drastic measures were not taken." (Business Day 18 February 2020). And then the Coronavirus/Covid-19 pandemic unexpectedly hit the world. South Africa did also not come off unscathed. In an attempt to combat the spread of the virus and the debilitating health risks it held for our entire nation, the South African President announced a National State of Disaster on 15 March 2020 and shortly after, on 23 March, he announced a National Lockdown which came into effect 26 March 2020.

This unprecedented state of affairs brought about both global and local uncertainty. The Fund acted swiftly in response to this crisis, by instituting a proactive crisis communication campaign to inform, advise and reassure members that, amongst their numerous other concerns, they could rest assured that their risk benefits would remain intact and the investments closely monitored. In addition the Fund stood in solidarity with its members to guide and assist them to navigate their way through this healthcare, economic and financial crisis.

The Fund's main message to members during this time was to acknowledge that we found ourselves in uncharted waters, but that it was not the time to start panicking. At the time South Africans needed to be united to minimise the potential far-reaching impacts of the deep health and economic crisis we faced and that the Fund considered that it and its members' well-being were interlinked.



Mdumiseni Mabaso, Chairman

“The TSRF aims to be the constant factor within members’ lives, on which they can both rely and depend, whether they are still gainfully employed or retired”

STATEMENT OF THE **CHAIRPERSON** OF THE BOARD

I am proud to report that the Fund remained operational as an essential service during the various National Lockdown levels over the past year and a half, ensuring that our members were still serviced albeit electronically and via drop-off boxes placed outside our various walk-in centres. The walk-in claim and benefit counselling service-centres were often closed at short notice as the Covid-19 pandemic took its toll. Members needed to be updated of these closures at short notice, which was effectively done via the Fund Facebook page.

In the environment of National Lockdown and social distancing the Fund needed to rely 100% on its electronic communication channels to get messages across and keep our stakeholders informed.

The Fund had invested much time and resources over the last few years encouraging members to use the Fund website, Facebook and Twitter - and this paid-off in March/April 2020. Members flocked to the Fund website to find information. The website measured 683 371 visits for March 2020 and an all time record of 1 million hits shortly afterwards.

The Fund encouraged members to use the Fund Facebook page to follow up on claims and queries thus reducing actual face-to-face interaction through the Walk-in Centres. In so doing protecting members from unnecessary exposure. The past year saw a great reduction in face to face sessions as well as visits to the Harrismith Highway Junction Truck Stop. Thus communication and member engagement evolved to become more mobile, convenient and accessible to all.

In a fluid and fast changing transport environment the TSRF aims to be the constant factor in members’ lives, on which they can both rely and depend, whether they are still gainfully employed or retired.

The strength of the TSRF is underpinned by the quality of our governance structures and the capability of our Board of Trustees to identify areas in which the Fund is able to directly benefit members. Over the last few years the Fund has worked tirelessly to enhance member benefits and improve its service delivery to members.

The Fund was once again able to further improve its funeral benefit offering to cover both the member and member spouse for R65 000 (up from R50 000) each. Benefits for immediate children have also improved; and from 01 March 2019, the Repatriation of Mortal Remains benefit was extended to include the spouse and immediate children of the member.

Besides our goal of ensuring that on retirement, members maintain their living standards, the TSRF continually looks for ways to improve members' livelihoods while they are still actively employed.

In recognition of the fact that 80% of the TSRF's members are truck drivers and as a proactive intervention to address the impact of driver fatigue and general road safety along South Africa's major transport networks, ***the Fund developed a responsible-investment strategy to invest and construct safe and convenient truck stops.*** Strategically located and well-managed truck stops will help to ensure that our members and the broader transport sector community are able to park and sleep safely, and also have access to accommodation, refuelling, primary healthcare facilities, a restaurant and other essential lifestyle services.

The first truck stop to have been revamped and expanded as part of this investment strategy is the ***Harrismith Highway Junction Truck Stop on the N3 Corridor.*** This world-class facility is one of the biggest in Africa and offers three forecourts (Total, BP and Engen).

Our journey to enhance benefits and positively contribute to our members' lives has culminated in a successful year with the Fund winning the IRFA Best Practice Gold Standard Award in 2020 for the second year in a row. This prestigious accolade essentially recognises the TSRF as one of the top Funds in the country. This is in no small means directly attributable to my fellow Board members and our visionary Principal Officer, ***Mr Joe Letswalo.*** I thank my fellow trustees, our Principal Officer and our various service providers for their diligence, hard work and ongoing commitment to improving our members' livelihoods.

Lastly, I wish to pay homage to ***Mr Johnson Gamede*** (past Vice-Chairman) who passed away on 28 July 2020 after being hospitalised for a short illness.

Mr Gamede was a deeply revered member of the Fund. He contributed passionately to the growth of the TSRF, and always displayed a deep compassion for his fellow man. It was important to him to leave a lasting legacy. This, he has done with exemption. Mr Gamede was a staunch unionist, a leader of workers, an exemplary activist and community developer. In his lifetime, he mentored countless business men and women. He was a peace loving South African and had the enviable ability to unite rivalries and bring people together for the greater good of mankind. The Transport Sector Retirement Fund will continue to honour the indomitable spirit of Mr Johnson Gamede and will treasure all the moments shared with him.



MDUMISENI MABASO
CHAIRPERSON OF THE BOARD



EXTERNAL **AUDIT** ASSURANCE

Report on the Audit of the Financial Statements presented by: Deloitte Touche

OPINION

We have audited the annual financial statements of The Transport Sector Retirement Fund set out on pages 49 to 51, which comprise the statement of net assets and funds as at 29 February 2020 and the statement of changes in net assets and funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared for the purpose of reporting to the Financial Sector Conduct Authority ("FSCA").

In our opinion, the financial statements of The Transport Sector Retirement Fund for the year ended 29 February 2020 are prepared, in all material respects, in accordance with Regulatory Reporting Requirements for Retirement Funds in South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are independent of the Fund in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board of Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



“The Board of the Fund is also responsible for compliance with the requirements of the Rules of the Fund and the Pension Funds Act of South Africa.”

EMPHASIS OF MATTER – FINANCIAL REPORTING FRAMEWORK AND RESTRICTION ON USE

We draw attention to note 1 which describes the principal accounting policies in which the applicable financial reporting framework is identified, as prescribed by the Registrar. Consequently, the financial statements and related auditor’s report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

OTHER INFORMATION

The Board of the Fund is responsible for the other information. The other information comprises the annual financial statements in terms of section 15 of the Pension Fund Act no 24, 1956, but does not include the financial statements (schedule F, G and HA) and our auditor’s report thereon (schedule D).

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



RESPONSIBILITIES OF THE BOARD OF THE FUND FOR THE FINANCIAL STATEMENTS

The Board of the Fund is responsible for the preparation of the financial statements in accordance with the Regulatory Reporting Requirements for Retirement funds in South Africa and for such internal control as the Board of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of the Fund is also responsible for compliance with the requirements of the Rules of the Fund and the Pension Funds Act of South Africa.

In preparing the financial statements, the Board of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.





Conclude on the appropriateness of the Board of Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of the Fund.

We communicate with the Board of the Fund regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Statement of Responsibility by the Board of the Fund describes instances of non-compliance with laws and regulations, including those that determine the reported amounts and disclosures in the financial statements that have come to the attention of the Board of the Fund and the corrective action taken by the Board of the Fund. There are no additional instances of non-compliance with laws and regulations that came to our attention during the course of our audit of the financial statements.



Deloitte & Touche

Registered Auditor, Per: R van Graan, Partner

Johannesburg

8 December 2020

OUR BUSINESS OFFICES

The Fund's main offices are situated in 24 Wellington Road, Parktown, Johannesburg.



CLIENT CONTACT CENTRES/ WALK-IN CENTRES

In order to service the members of the Fund the Fund also have Client Contact Centres in the following areas:

JOHANNESBURG	CAPE TOWN/BELLVILLE	DURBAN
<i>Client Contact Centre</i>	<i>Client Contact Centre</i>	<i>Client Contact Centre</i>
Samro Place	Sunbel Building	300 Anton Lembede Street
8th Floor	7th Floor	6th Floor, Office 606
20 De Korte Street	2 Old Paarl Road	Delta Towers
Braamfontein	Belville	Durban

A visit to a Walk-in Centre enables submission of claim forms and therefore *no need to wait in a queue.*

Simple **placement of completed claim packs** into the **Special Drop Box** provided. An **SMS confirms** claim receipt and verifies a claim is being attended too.

WALK-IN CENTRE



BENEFITS

TRANSPORT SECTOR RETIREMENT FUND BENEFITS FACT SHEET

FSB Registration No: 12/8/37811

BENEFIT	DESCRIPTION		COST
Employee Contribution Rate	10%		None
Employee Contribution Rate	10% (inclusive of costs)		The full risk premiums and admin fees are deducted from the 10%
Normal Retirement Age Late Retirement	65 years. Employer approves continued employment past age of 65 years. Lump sum disability benefits cease at age 65. Lump sum death and funeral benefits continue to age 70.		None
Death Benefit	3 x annual salary plus 100% fund credit		2.9% of salary per member per month (for both death and disability) deducted from the 10% employer contribution
Capital Disability Benefit	3 x annual salary plus 100% fund credit		
Funeral Benefit	Main Member Spouse Children: 14 to 21 years 6 to 13 years 1 to 5 years 0 to 11 months Stillborn	R65,000 R65,000 R48,500 R13,000 R10,000 R5,0000 R3,9000	R26.50 per member per month (deducted from the 10% employer contribution)
Repatriation of Mortal Remains	<ul style="list-style-type: none">• Repatriation of Mortal Remains• Funeral/Cremation Arrangements• Obtaining of death certificate• Trauma Counselling• Legal Assistance		
Administration Fees	Front Office (Sanlam)		R18.90 per member per month (exclusive of VAT) w.e.f. 1 May 2019
	Back Office (SALT EB)		R33.39 per member per month (exclusive of VAT) w.e.f. 1 March 2019
Pension-backed Home Loan (provided employer signs agreement)	Loan parameters 60% of Fund Credit Minimum loan term: Min: loan amount: Min: loan repayment: Interest rate:	12 months R5,000 minimum R200 pm Prime less 0.75%	R11.50 per month (inclusive of VAT) w.e.f. 1 November 2018
Investments	The Fund provides a Life Stage investment strategy - investing members' fund credit based on their age and remaining term to retirement as follows: Member 54 and younger - Growth Portfolio Members 55 to 63 - Conservative Portfolio Members 64 and older - Cash Portfolio		

No commission or broker fees are payable. Extensive member communication is done with member presentations & newsletters

TSRF AT A GLANCE

HIGHLIGHTS

2020



AWARDS

In January 2020 the **Institute of Retirement Funds (IRFA)** recognised the Transport Sector Retirement Fund as an innovative trailblazer in the industry and awarded the Fund top industry honours for the second year in a row. The Fund received the **overall Gold Standard Award** for meeting all the criteria in the following areas of excellence: ***governance; transformation; stakeholder engagement and education; investment practice, trustee development; and financial management and reporting.*** The Fund also received **two Best Practice certificates** for ***Stakeholder Engagement and Crises Communication*** during the Covid-19 State of Disaster and National Lockdown.

BOARD OF TRUSTEES REPORT

MANAGEMENT AND CONTROL OF THE FUND

The Fund is managed by a Board of Trustees. The Principal Officer and Deputy Principal Officer are the executive representatives of the Fund and official contact persons for the Financial Services Conduct Authority. The Principal Officers are required to authorise all Fund documentation and carries the same fiduciary responsibilities to the Fund as those pertaining to the Trustees.

The Fund is managed through a sub-committee structure reporting to the full board. The following sub-committees are in place:

- **Administration**
- **Legal and Risk**
- **Audit and Investment**
- **Death Benefit Disposal**

CURRENT BOARD OF TRUSTEES

The Fund Trustees are as follows:

TITLE	NAME	SURNAME	ROLE	COMMENCEMENT DATE	EMAIL
Mr	<i>Mdumiseni</i>	<i>Mabaso</i>	Chairman	01/10/2017	mabasomtwu@gmail.com
Mr	<i>Solomon</i>	<i>Mothibedi</i>	Member Elected	01/10/2017	sollymtwu@gmail.com
Mr	<i>Dumo Lovemore</i>	<i>Masango</i>	Member Elected	01/10/2017	lovemore699@gmail.com
Adv	<i>Tebalo</i>	<i>Maloka</i>	Independent Trustee	01/10/2017	stmaloka@gmail.com
Mr	<i>Mandla</i>	<i>Nkosi</i>	Independent Trustee	01/10/2017	mandla.nkosi1@vodamail.co.za
Mr	<i>Mbuso</i>	<i>Nzama</i>	Member Elected	09/07/2018	nzama@mtwu.co.za
Mrs	<i>Pontsho</i>	<i>Mokoena</i>	Independent Trustee	01/10/2017	pontsobmokoena@gmail.com
Mr	<i>Tawana</i>	<i>Mopeli</i>	Member Elected	18/09/2020	tawanamopeli@yahoo.com
Ms	<i>Tebogo</i>	<i>Kgosi</i>	Deputy Principal Officer		
Mr	<i>Joe</i>	<i>Letswalo</i>	Principal Officer	01/01/2009	joe@tsrf.co.za



MR MDUMISENI MABASO
CHAIRPERSON OF THE BOARD

Mdumiseni has served on the RFLIPF Board of Trustees since 2004. He serves on the National Bargaining Council for the Road Freight Industry as well as the General Secretary of the Motor Transport Workers Union (MTWU).



MR JOE LETSWALO
PRINCIPAL OFFICER

Joe Letswalo holds B Proc, LLB and MBA degrees, and international executive post graduate certificate from the London School of Economics . He is a qualified Professional Principal Executive Officer and Chartered Principal Executive Officer.



MS TEBOGO KGOSI
DEPUTY PRINCIPAL OFFICER

Tebogo holds BA Social Science degree from Nelson Mandela Metropolitan University, completed post graduate diploma in Financial Planning with the University of the Free State followed by an Advanced post graduate diploma in Employee Benefits, which included subjects such as Fund Design and Fund Governance with the University of the Free State, she is a Certified Financial Planner. She serves as Trustee on various Funds and was previously a Principal Officer. She is currently studying towards an Executive MBA with Henley Business School and finalising the Principal Executive Officer qualification with Batseta.



MR SOLOMON MOTHIBEDI
MEMBER ELECTED

Solomon is the National Coordinator for the Motor Transport and Workers Union. He has completed a number of accredited trustee training courses. He has extensive experience as a trustee having served on the Board of the Private Security Industry Fund.

MR DUMO MASANGO**MEMBER ELECTED**

After completing his Senior Certificate, Dumo Masango pursued a National Diploma in Industrial and Labour Relations and has since gained vast knowledge in the operations of collective bargaining in different Trade Unions. Currently he is applying his collective leadership skills whilst serving as General Secretary for the PTAWU.

**ADV TEBALO MALOKA****INDEPENDENT TRUSTEE**

Tebalo is an admitted but non-practicing Advocate with a vast range of experience as a Trade Unionist and Labour Relations expert. He is also an experienced Public Administrator with a proven track record of appearances in conciliations, arbitrations and disciplinary hearings in Municipalities, the South African Local Government (SALGBC) and CCMA.

**MR MANDLA NKOSI****INDEPENDENT TRUSTEE**

Mandla is a lawyer with more than twenty years' experience in pension fund law. He serves on numerous retirement fund boards as a Principal Officer, Chairperson as well as Independent Trustee, in legal and advisory capacities. His strong affinity to Ethics and Corporate Governance has secured him the position of Director and Trustee on the board of the IRFA – Institute of Retirement Funds Africa.

**MR MBUSO NZAMA****MEMBER ELECTED**

Mbuso is the Deputy President of the Motor Transport and Workers Union and also serves as a Board member of the Bargaining Council (NBCRFLI).





MS PONTSHO MOKOENA
INDEPENDENT TRUSTEE

Pontsho joined the board in 2017. She holds a Bachelor's Degree in Insurance & Risk Management and Business Finance from the University of the Witwatersrand, a Masters Degree in Actuarial Science from the University of Leicester and is also an Associate of the Insurance Institute.



MR TAWANA MOPELI
MEMBER ELECTED

Tawana started his studies with the London School of Business and Management and continued to complete his BA (Hons) Business Studies with the University of Greenwich. He completed a BA (Honours) in Social Science with Wits University followed with a BA (Masters) in Social Science with Wits University in 2020. He started his career with SATAWU (South African Transport and Allied Workers Union) as Head of Research and was appointed as the Head of Operations in the office of the General Secretary. Appointed as a Commissioner at the Department of Labour- Employment Conditions Commission.

"The Board of Trustees is typically the governing body of an organization and seeks to ensure the best interest of stakeholders in all types of management decisions. Trustees are responsible for ensuring that the Fund is run properly and that members' benefits are secure."



PRINCIPAL OFFICER'S REPORT

Although, the first quarter of 2020 will go down as one of the most severe in the history of markets, it recorded one of the fastest comebacks to date. After the fall in March, markets rebounded strongly in April.

I am proud to confirm that because of the Fund's well designed and diversified life stage investment strategy there was no decline in the Fund's asset values. In fact, as at the end of December 2020, the Fund's assets had grown by 6%.

The Fund differentiates itself from many other funds by its single-minded drive to benefit members. ***The Fund's shareholders are its members.*** The TSRF is a non-aligned and standalone Fund, which assists efforts to maximise members' returns.

The benefits that the Fund affords members are highly competitive and have resulted in the Fund being able to continue to grow its membership.

The Fund's proactive self-insurance approach allows it to plough back surpluses and enhance members' benefits. All the proceeds of the Fund's activities are reinvested, ultimately benefiting members' retirement savings.

Corporate governance, business integrity and ethical practices are of high importance to the Fund and its various service providers. The Fund has secured clean audits during a consecutive eight-year period and has submitted and maintained all regulated statutory returns.

The TSRF is one of a few funds managing its investments according to a risk log allowing it to timeously put risk mitigation processes in place. The Fund has diversified its investment strategy in order to carefully navigate both good and bad economic and investment environments.

Joe Letswalo, Chartered Principal Executive Officer



"The Fund has diversified its investment strategy in order to carefully navigate both good and bad economic and investment environments."

MR JOE LETSWALO

The Board of Trustees ("the Board") embraces its fiduciary duty to act in good faith, with due diligence and care, to avoid conflicts of interests and act with impartiality in respect of all its members, being ultimately accountable and responsible for the performance and affairs of the Fund. ***We believe that the strong governance of the Fund is a result of the Board of Trustees, who themselves are members of the Fund, understanding, meeting and exceeding member expectations.***

From a compliance point of view, we believe that the Fund's Section 13A compliance (payment of contributions) is a best practice as the Fund within a period of just three years, managed to obtain a 99% compliance rating. Compliance in the transport sector deviates from standard practices and poses unique challenges due to an annual staff turnover of approximately 50% within the industry. This anomaly makes it difficult for transport industry employers to maintain accurate employee data, pay contributions over before the Section 13A due date, and to complete their reconciliations. As a result, ***the Fund introduced contribution payment processes with twin goals to 1) ensure timely payment of contributions and 2) to receive clean data from employers, both which allow for a faster turnaround in making investments and paying claims.***

Section 13A compliance is an ongoing process; therefore the Fund deploys state of the art technology coupled with intensive employer training in order to ensure smooth and effective processes. If employers fail to comply, a legal process is followed with the employer to ensure the employee's contribution is invested as quickly as possible. This includes informing the Financial Sector Conduct Authority if it reaches 60 days after the due date that members' contributions were to be paid. After 90 days, the person responsible for paying contributions can be held criminally liable. Penalties are strict, with severe consequences.

The Pension Funds Adjudicator (PFA) from time to time highlights in her reports non-compliance levels and judgments against certain Fund members, including some of the TSRF. Although this can be perceived as a negative, the Fund is in actual fact encouraged by these findings as the Fund and its administrators proactively refer cases to the PFA for consideration and action. Through its administrators, the Fund liaises closely with the office of the PFA to address any issues. It is encouraged by the solid progress that is being made in this regard.

The TSRF places an emphasis on the integration of environmental, social and governance [ESG] factors in measuring the sustainability and ethical impact of any investment, which approach assists to better determine the future financial performance of an investment.

From a transformation and investment perspective, we consider our truck stop development strategy to be a best practice in the industry. The main challenge of the truck stop development plan is location, location, location. The current, as well as the new planned truck stops (***Joostenbeg, Colesberg, East London and Ventersdorp***) will all be located near major cities or key transport nodes, and at habitual stopping points, most often determined by port schedules, border operations and/or travel times. Sites are required to be highly visible, easily accessible, and located in close proximity to major transport routes.

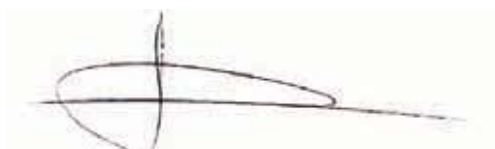
As a true corporate citizen, the Fund, through impactful investment drives and socially inclusive growth and environmentally friendly initiatives creates jobs and alleviates poverty by incorporating ESG principles in its investments. The Fund has been gradually increasing our infrastructure allocation which has grown from 20.7% in December 2019 to 22.7% in December 2020. This is a mixed bag of direct and indirect infrastructure i.e. some investments are via private equity and some are directly on the Fund's balance sheet. Going forward

we will still consider infrastructure investments as part of the Fund's strategic asset allocation. However, we remain cautiously mindful of regulation 28 limits to unlisted assets, which requires compliance at all times. Currently we are not planning on making changes in asset allocation to these investment projects.

The TSRF is the key driving forces behind the establishment of the Transformation Action Forum (TAF) aimed at accelerating meaningful transformation across the investment industry, and to contribute direct and indirect real and diversified sustainable growth. Subsequent to a successful launch attended by industry stakeholders, TAF has seen a massive uptake with key stakeholders joining the forum as members affirming their support for the cause. An AGM has been scheduled for Q1 of 2021 to adopt the constitution and formalise the Board Structure to ensure the work of the forum can commence.

Member communication remains a top priority of the Fund. The Fund encourages all members to visit the Fund's website, Facebook and Twitter pages. Newsletters, flyers and videos are sent directly to members via their mobile devices to keep them informed.

The Board of Trustees of the Transport Sector Retirement Fund remains committed to always act in the best interests of Fund members and their next-of-kin.



JOE LETSWALO

CHARTERED PRINCIPAL EXECUTIVE OFFICER



"We believe that the strong governance of the Fund is a result of the board of trustees, who themselves are members of the Fund, understanding, meeting and exceeding member expectations."



ECONOMIC AND INVESTMENT OUTLOOK

2020 ECONOMIC OVERVIEW

The year 2020 will be remembered as one of the most severe years in the history of financial markets but it will also be remembered for making one of the fastest comebacks in history. Investment markets around the World and in South Africa faced massive pressure and experienced sharp declines due to the Covid-19 pandemic, that caused widespread economic shutdowns.

The rate at which the pandemic escalated and the severity of the lockdown regulations caused major setbacks to the South African economy. This was devastating for the country, as it was already facing massive challenges of its own, i.e., high government debt, increased load shedding, high levels of unemployment to name a few.

Despite all the setbacks, by end of December 2020 markets recovered to levels last seen before the start of the pandemic. This was due to announcements of three vaccines that were effective against the virus, which drove most of the market indicators to positive territory. Most of the equity markets returned close to double digits including some of the biggest losers of 2020 gaining the most in November 2020, coupled by fuel from the post-US election rally.

Despite the positive sentiment the pandemic continued to wreak havoc globally as the US and Europe hit a second wave of infections much worse than the initial wave in March and April 2020, forcing further hard lock-downs. The vaccine roll-outs did however start in certain countries but the roll-outs proved to be slow.

In December 2020, it was ironic that, even as Covid-19 infections spread alarmingly in many countries, causing tighter lockdowns and many more deaths, financial markets celebrated the rollout of vaccines

in many of the larger economies by broadly pushing equity markets to record highs - a stark dichotomy of sentiment.

Going into the new year markets saw more reason for optimism due to unprecedented fiscal and monetary interventions in developed economies and the several effective vaccines that made progress around the world.

“Total assets under management increased from R3 billion in 2013 to R7.8 billion in December 2020; totalling a 156% growth in assets over a seven-year period”

REGULATORY DEVELOPMENTS

T-DAY

The Taxation Laws Amendment Act, 2013 contained the following changes with an effective date of 1 March 2016–

1. 27.5% tax deduction up to a maximum of R350 000 per annum for all retirement fund contributions;
2. The increase to the de minimis annuitisation threshold from R75 000 to R247 500;
3. The fringe benefit taxation of employer contributions to pension and provident funds;
4. **The tax-free concession for pension to provident fund transfers;**
5. **Making provident funds subject to the pension fund annuitisation regime, subject to the protection of vested rights.**

Items 1 to 3 were implemented effective 1 March 2016, but **items 4 and 5 were postponed several times; the last postponement happened via the Taxation Laws Amendment Act, 2018 which set the effective date at 1 March 2021.**

WHAT CHANGED?

From 1 March 2021 provident funds now work like pension funds, i.e. at retirement only one-third can be taken as a cash lump sum and two-thirds must be used to buy a pension for life. To protect members' vested rights all members will from 1 March 2021 have two "pots" of money in a Fund. A vested "pot" and a non-vested "pot".

WHAT IS THE DIFFERENCE BETWEEN A VESTED "POT" AND A NON-VESTED "POT"?

The vested "pot" of money is the member's current fund savings as at 1 March 2021 plus growth on the money until the member retires. At retirement this pot can be taken as a cash lump sum.

The non-vested "pot" of money is all the new contributions from 1 March 2021 up until the member retires plus growth. At retirement the member can only take one-third of this money as a cash lump sum and two-thirds must be used to buy a pension (compulsory/guaranteed/life annuity).

If the **non-vested "pot"** is less than R247 500 (the de minimis) this may be taken as a cash lump sum.

This means that provident fund members will keep their right to withdraw their accumulated retirement savings as at 1 March 2021, plus the growth on them, as a lump sum cash benefit, even if they transfer to another retirement fund after 1 March 2021.

WHAT ABOUT MEMBERS WHO WERE 55 YEARS OR OLDER ON 1 MARCH 2021?

If these members stay in the TSRF until their retirement, they will be allowed to take their total accumulated retirement savings as a cash lump sum at retirement. This means that they only have a "vested pot".

If these members transfer to any other retirement fund after 1 March 2021, they will have two "pots" at retirement:

The vested "pot", which will be an amount that they can take as a lump sum cash benefit at retirement, consisting of their accumulated retirement savings in the TSRF on the effective date of the transfer to the new fund, plus the growth earned on the transferred amount in the new fund until retirement.

The non-vested "pot", which will be an amount that they must use to buy an annuity at retirement, consisting of their contributions made to the new fund plus the growth on these contributions, at retirement. If the value of the non-vested "pot" is less than R247 500 at retirement this may be taken as a cash lump sum.



ANNUITISATION CHANGES FOR TSRF MEMBERS



1 MARCH 2021



MEMBERS YOUNGER THAN 55

You will have two “pots” of retirement savings when you retire:

- The vested “pot”**, which will be your accumulated retirement savings at 1 March 2021, plus the growth on this money until your retirement. You will have the right to take the full value of this “pot” as a lump sum cash benefit at retirement.
- The non-vested “pot”**, which will consist of your contributions made to the provident fund and/or any other retirement fund **after** 1 March 2021, plus the growth on this amount until your retirement. You cannot take the full value of this “pot” as a lump sum cash benefit and need to use two-thirds of this money to buy an income for retirement (annuity) when you retire. Only one-third can be taken as a cash lump sum on retirement.

This will mean that you will have two separate records indicating your two “pots” of accumulated retirement savings. One as at 1 March 2021 and one after 1 March 2021.

MEMBERS 55 AND OLDER

If you stay in the TSRF provident fund until your retirement, you will be allowed to take your total accumulated retirement savings as a cash lump sum at retirement. This means that should you remain in the TSRF until retirement, you will have only one “pot” and your entire benefit will be in the vested “pot”.

Should you transfer to any other retirement fund after 1 March 2021, you will have two “pots” at retirement:

- The vested “pot”**, which will be an amount that you can take as a lump sum cash benefit at retirement, consisting of your accumulated retirement savings in the TSRF on the effective date of the transfer to the new fund, plus the growth earned on the transferred amount in the new fund until retirement.
- The non-vested “pot”**, which will be an amount that you must use to buy an annuity at retirement, consisting of your contributions made to the new fund plus the growth on these contributions, at retirement.

REGULATION 28

Retirement funds are required to invest in a range of instruments and asset classes to reduce risk, i.e. equities, bonds, cash. Regulation 28 of the Pension Funds Act regulates the limits across instruments and asset classes to protect members and is therefore a safekeeping mechanism against risky investments.

Regulation 28 helps with diversification through its limits in terms of geographical areas, asset classes and instruments but can also be a constraint on institutional investors in optimising their portfolios, i.e. by limiting exposure to global assets to 30% (excluding the additional Africa allocation).

The primary goal is to protect the members’ retirement provision from the effects of poorly diversified investment portfolios which is achieved by limiting the maximum exposure to instruments or asset classes perceived to be riskier, ensuring that no unnecessary risks are taken with retirement money.

MAIN DRAFT AMENDMENTS INFRASTRUCTURE

The current regulation does not define 'Infrastructure' as a specific category, and exposure can be obtained across a number of asset classes like equities, bonds and private equity.

The proposed amendment is to introduce a more precise definition of Infrastructure with various limits and aggregate limits across instruments and asset classes (bonds, equities, immovable property, private equity and other) already permitted through Regulation 28. This will also enable better data and measurement.

The proposed overall investment limit in infrastructure across all asset categories is 45% in respect of domestic exposure and an additional limit of 10% in respect of the rest of Africa, with a 25% aggregate limit per issuer or entity.

SPLIT OF HEDGE FUNDS, PRIVATE EQUITY AND ANY OTHER ASSETS

Hedge funds, private equity and any other assets not listed in the schedule has been split into Hedge funds, Private equity and any other assets not listed in the schedule on stand-alone asset classes. This will allow for specific limits to each of these asset classes. Whereas the Private equity limits have been changed, the limits of Hedge funds and any other assets not listed in the schedule remain the same:

- **Hedge funds:** 2.5% per Hedge fund, 5% per Fund of Hedge funds with an aggregate limit of 10% to Hedge funds
- **Other assets:** 2.5%

The total limit of 15% towards Hedge funds, Private equity and any other assets not listed in the schedule has as a result of the split also been removed.

PRIVATE EQUITY

The table below sets out the proposed changes of the Private equity limits:

PROPOSED CHANGES OF THE PRIVATE EQUITY LIMITS

	CURRENT	PROPOSED
Aggregate limit	10%	15%
Private equity funds	2.5%	5%
Funds of private funds	5%	10%
Infrastructure Private equity funds	Via normal limit - 2.5%	5%
Infrastructure Funds of private equity funds	Via normal limit - 5%	7.5%

Overall there has been a relaxation of the Private equity limits, with the limits doubling and the aggregate limit increasing by 5%.

In addition, where the current limits on Hedge funds, Private equity and any other assets not listed in the schedule is limited to 15%, the resultant split will mean that funds will be allowed to invest a total of up to 27.5% towards Hedge funds, Private equity and any other assets not listed in the schedule.

SUMMARY

The TSRF has always been a proponent of alternative investments and we welcome the proposed amendments as this will allow retirement funds to invest more into these types of investments. If retirement funds do allocate more to these types of assets, *this should have a positive effect on the economy and social benefits*, both of which are currently extremely needed.

Although the proposed amendments focusses on infrastructure, our view is that Government should also have taken the opportunity to re-look all limits given that it was last reviewed in 2011, especially in terms of some of the limits which are in the Fund's view, currently a constraint on institutional investors, i.e. by limiting exposure to global assets to 30% (excluding the additional Africa allocation). By only allowing 30% to be invested offshore, limits institutional investors to global industries, technology and innovations that are not available locally and reduces overall diversification as well as potential for better returns.

Nonetheless, the Fund feels that the proposed amendments are a step in the right direction that should stimulate the economy and provide better social benefits should retirement funds allocate more to these types of assets. It is also important to note that Government hasn't proposed prescribed assets in these amendments and funds still don't have to invest in these types of assets but have the option to do so.

The Fund's Alternative Allocations are as follows:



THE FUND'S **ALTERNATIVE ALLOCATIONS**

	Current Fund Allocation TSRF	Proposed New Regulation 28 Limits
Total Infrastructure	22.70%	45% locally and 10% in Africa
Total Private Equity	2.89%	15.00%
Total Hedge Funds	0.00%	10.00%



FUND **STAKEHOLDERS**

THE **FUND'S STAKEHOLDERS** INCLUDE:



2157 **EMPLOYERS**



70 000 **MEMBERS**



BENEFICIARIES AND **FORMER MEMBERS**



TRADE **UNIONS**



BOARD OF **TRUSTEES**



TRUCK STOP AND TRUCK STOP **EMPLOYEES**



SERVICE **PROVIDERS**



THE BROADER **TRANSPORT INDUSTRY**



THE **REGULATOR**

*"Taking our members
with us as we journey
into a better future"*

PRIMARY STAKEHOLDERS: **MEMBERS**

Stakeholder	Reason for engagement	Channel
Members	<ul style="list-style-type: none"> To inform and educate members about their retirement saving, benefits and rights under the Fund. To inform members of Fund developments. 	Newsletters, brochures, website, posters, sms, roadshows, social media, surveys, walk-in-centres, call centre.

SECONDARY STAKEHOLDERS: PARTNERS, REGULATORY/INDUSTRY STAKEHOLDERS

First tier: our partners

Stakeholder	Reason for engagement	Frequency of engagement	Responsible person
Staff	<ul style="list-style-type: none"> To provide staff with strategic direction and keep them informed about the Fund activities. To ensure that TSRF is an inspiring environment to work in. To understand and respond to the needs and concerns of employees. 	Ongoing and daily	Principal Officer
Employers	<ul style="list-style-type: none"> To provide relevant and timeous information relating to benefits, new regulations, Fund developments/ strategy. To maintain strong relationships. 	Ongoing	Principal Officer
Board of trustees	The Board of the Fund's main responsibility is to provide strategic direction to the Fund in the interest of all our members. We engage with the Board on a regular basis through Board meetings and sub-committees of the Board.	Quarterly	Principal Officer
Sponsors and Trade unions	<ul style="list-style-type: none"> To inform them of Fund strategy, investments, Fund developments. To maintain strong relationships. 	Quarterly - and ongoing as required	Chairperson of the Board; Principal Officer
Service providers	Our service providers are carefully selected based on their ability to help us achieve our operational objectives. We hold regular meetings with our service providers in order to keep the flow of information constant throughout our contract period.	As deemed necessary	Principal Officer

Second tier: Regulatory or industry stakeholders

Stakeholder	Reason for engagement	Frequency of engagement	Responsible person
Regulators	We abide by the recommendations that have been set out by the Financial Sector Conduct Authority and the regulations of the Pension Funds Act, 24 of 1956. We engage with the regulator through various channels.	Twice annually as well as when required	Principal Officer; Chairperson of the Board and/or two Trustees
Industry bodies	The TSRF is a member of the major industry bodies within South Africa, Batseta Council of Retirement Funds and the IRFA.	Quarterly meetings	Principal Officer
Media	<ul style="list-style-type: none"> To protect and manage the TSRF reputation. To communicate with relevant stakeholders and the broader public. 	In response to business-related media queries	Chairperson of the Board; Principal Officer

FUND PERFORMANCE

MEMBERSHIP

	ACTIVE MEMBERS
Numbers at the beginning of period	270 653
New Members	32 569
Capital Disability	(42)
Deaths	(28)
Retirements	(288)
Divorce – non- member spouse	(21)
Resignations	(18 136)
Retrenchments	(2 234)
Transfers out	(131)
Adjustments*	44 474
Numbers at end of period	237 868
Number at end of period (Local)	232 642
Number at end of period (Foreign)	5 226

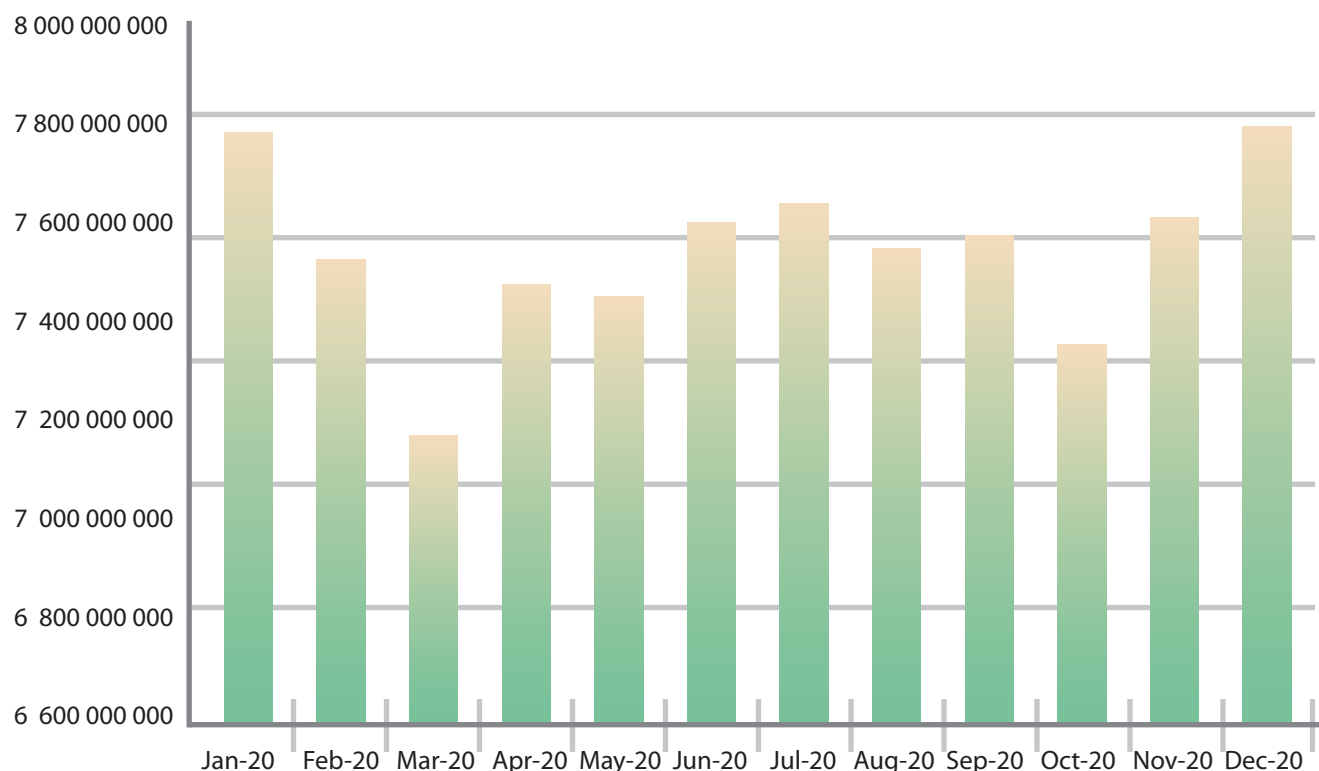
* The adjustment relates to members who exited in prior years but have since received additional contribution due to the continuous backdated contribution allocation of the Fund.

“BBBEE managers handle 75% of the funds under management with 65% level 1 compliance rating”

FUND PERFORMANCE

GROWING AND PROTECTING ASSETS

GROWTH OF ASSETS UNDER MANAGEMENT (AUM)



Source: Novare Actuaries & Consultants

The Board of Trustees is confident that the Fund has managed to successfully generate good returns on behalf of its members. In doing so, ***the Fund has aligned itself to asset managers who share its vision for the creation of sustainable futures through investment strategies which are carefully responsive to current and future operating environments.***

“The Board of Trustees of the Transport Sector Retirement Fund remains committed to always act in the best interests of their members and their next of kin.”

ACTUARIAL VALUATION

The financial statements summarise the transactions and net assets of the Fund, but do not take account of liabilities to pay pensions and other benefits in the future. In accordance with the Rules of the Fund (which do not take such liabilities into account), the TSRF's finances are examined and reported by the actuary at intervals not exceeding three years.

As at 28 February 2017 an actuarial valuation was performed and the Fund's Actuary confirmed that the Fund was in a sound financial position. In terms of the Pension Fund Act no 24, 1956, the next statutory valuation will be performed as at 29 February 2020 and will be due for submission by 28 February 2021.

HOUSING LOANS

The Rules of the Fund make provision for granting of housing loans or guarantees to its members.

The Fund has granted housing loans in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act. Each guarantee is secured by the fund credit of the respective member. ***The loan is limited to 60% of the respective member's fund credit after taking into account the effects of taxation (i.e. PAYE).***

LIFE STAGE INVESTMENT

The life stage model is composed of three stages, i.e. Growth life stage for up to 54 years of age; Conservative life stage from 55 to 63 years of age, and; Cash life stage from 64+ years of age. This model aims to aggressively grow the capital of younger members while protecting the capital of members approaching normal or early retirement. It does so by having the younger members invested in more aggressive growth-oriented investment portfolios, while older members nearing retirement, invest in more defensive capital-protecting portfolios.

INSURANCE

The Fund had its new Rules approved by FSCA effective 03 August 2017. In line with this approval the Fund is now self-insured. Initially, Bophelo Life Insurance was appointed to administer all risk benefits on behalf of for the Fund. Their risk administration services were, however, terminated effective 28 February 2018. Subsequently, SALT Employee Benefits was appointed to administer the Fund's self-insurance arrangement with effect 01 March 2018.

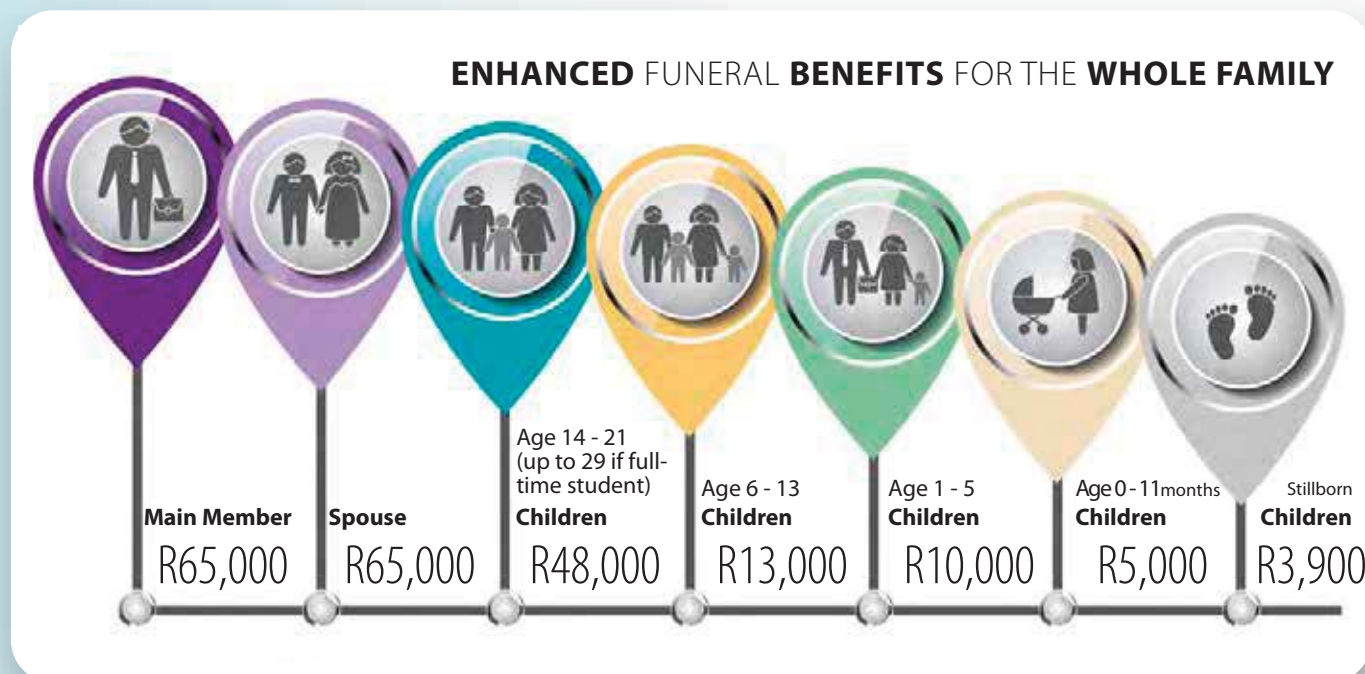


ENHANCED BENEFITS

THE DISABILITY BENEFIT: Increased from 2x to 3x Annual Wages / Salary (effective 03 August 2017)





THE DEATH BENEFIT: Increased from 2x to 3x Annual Wages / Salary (effective 03 August 2017)

FUNERAL BENEFIT: *Funeral benefits for members and their immediate family members with effect from 01 March 2020 are as follows:*



Repatriation of mortal remains: Where a member, spouse or child passes away in a location that is more than 50 kilometres away from the deceased's primary residence, the costs of the repatriation of the deceased body to the primary residence, will be covered. Repatriation cover is also extended to other SADC Countries. This benefit is offered as a value-added service to members and therefore self-incurred costs are not reimbursed.

Repatriation Benefits

-  The benefit is free to members of the Fund; all costs are covered by the insurer
-  Telephonic assistance is provided in terms of the arrangement a funeral or cremation, should the event occur outside the normal place of residence
-  Transfer of ashes to the normal place of residence after cremation is included
-  Assistance is provided with obtaining the death certificate should the death have occurred in unnatural or unusual circumstances

Subsequent Events

The Deputy Principal Officer, Tebogo Kgosi left the employ of the Fund on 1 May 2021 to pursue other opportunities.

"As an umbrella fund, the TSRF, now offers greater stability and security to its members no matter by whom they are employed within the broader industry."

STAKEHOLDER ENGAGEMENT, EDUCATION AND COMMUNICATION

- **Average** age 39
- **Unionised** and know their **rights**
- **Matric**
- **Male**
- **Truck driver**/mobile and **not office** bound
- **Access** to **internet** via cell **phone**
- **Able to** calculate Fund **credit** and **high interest** in **Fund**
- **Sophisticated, skilled** and **passionate**



As a result of **pro-active member education** and **engagement**, the Fund can report that research conducted shows:



- **90%** have **access** to the **internet** on their **phones**
- **75%** want **info** sent to cell **phones**
- **61%** **read** the **Fund newsletter** on their **phones**
- **68%** **view Fund videos** on their **phones**
- **68%** say **videos** enhances **understanding**
- **80%** say **newsletters** enhances **understanding**
- **73%** understand their **benefit statement**
- **80%** visit **website** regularly
- **75%** rated **Front Office** service as **Good**
- **73%** rated **Call Centre** service as **Good**
- **86%** say **Fund communications** are **easy to understand**
- **85%** say **Fund communication** is **useful** and **interesting**

STAKEHOLDER ENGAGEMENT, EDUCATION AND COMMUNICATION

Member communication and education has always been a top priority for the Board. The Fund has over the years (from 2012) developed a sound communication strategy with rigorous research done annually to measure service delivery, satisfaction and understandability of communication messages as well as member needs and preferences. ***The strategy is a living document that is adapted and updated as the needs and expectations of members' change.***

An integrated communication approach is followed utilising a variety of platforms, including print media, newsletters, digital and mobile technologies (sms's and scribble videos), web-based and social media platforms, as well mainstream media organisations.

One of our major challenges for the Fund in respect of stakeholder engagement is that by far the majority of the Fund's members are truck drivers, who by the nature of their jobs, are very mobile within the industry.

Therefore, traditional channels of communication are not always as effective in the highly mobile transport industry, and an "out of the box" approach is required to be adopted in order to keep our members informed. This challenge was mainly overcome by obtaining the cell phone contact details of all Fund members via the Section 13A process. This now allows the Fund to communicate with members wherever they are by uploading all the Fund's communication and/or notifications to TSRF's website and certain social media platforms; and then disseminating the information (via embedded links) to members on their mobile devices.

During 2019, the TSRF and its administrator, Salt Employee Benefits joined forces to develop and implement an On-line Benefit Counselling Tool. This is an innovative and accessible solution designed with the member in mind. The solution is fully compliant

with the new default regulations and assists members to navigate the many decisions and choices they have to make when they exit the Fund. ***Ultimately, it empowers members to make better informed financial decisions.*** With the financial challenges posed by the National Lockdown (March/April 2020), a special registration sms was disseminated to all members (on 7 April 2020), encouraging them to register and use this Tool. Within 20 minutes of this notification being released via sms, more than 4000 members attempted to register for this service.

In 2020 the Fund's benefit statements were also made available to member via this Tool (reducing their reliance on the employer to distribute printed statements).

"The strategy is a living document that is adapted and updated as the needs and expectations of members' change."



The TSRF is the key driving force behind the (TAF) aimed at accelerating transformation across the investment industry

TRANSFORMATION, ESG AND SRI

In recent years the ***Transport Sector Retirement Fund has been lauded*** amongst industry peers for following a transformative approach – ***as pension fund industry mavericks who are changing the retirement industry landscape in South Africa for the better.***

The Fund's transformative approach is based on three key principles:

- ✓ broad-based economic empowerment
- ✓ transforming society, and
- ✓ transforming members' daily lives

In this regard, the Board of Trustees is committed to:

- ✓ Socio-economic consciousness
- ✓ Finding the right balance in terms of its investment approach
- ✓ Moving it members, and indeed the country, forward
- ✓ Creating better future for all

In order for its transformation approach to be successful and sustainable, the Board is committed to:

- ✓ Uphold best business practices and good governance principles
- ✓ Be cooperative
- ✓ Be resourceful and innovative
- ✓ Take carefully calculated risks

To give effect to the commitments of the Board, the Fund has placed a target that 70% of the Fund's assets should be managed by black-owned investment firms. ***To date 75% of the Fund's assets are invested with black owned managers.*** This approach extends across the board to ***acquiring other services as well, from stock brokers, to auditing and catering services.***

Various initiatives had to be adopted ***to ensure the sustainability of the Fund's transformation approach.*** For example, the playing fields for appointed asset managers were not necessarily conducive to maintaining success levels, especially with regards to competition with more well-resourced and established "traditional" asset managers.

Furthermore, it was important that asset managers understood that the Fund's success is also their success. Following a meeting with all asset managers at the end of 2018, ***the Fund's appointed asset managers unanimously pledged to uphold best governance procedures and to cooperate to advance fund's transformation agenda.***

The TSRF is the key driving force behind the establishment of the Transformation Action Forum (TAF) aimed at accelerating meaningful transformation across the investment industry, and to contribute direct and indirect real and diversified sustainable growth.

Subsequent to a successful launch attended by industry stakeholders, TAF has seen a massive uptake with key stakeholders joining the forum as members affirming their support for the cause. An AGM has been scheduled for Q1 of 2021 to adopt the constitution and formalise the Board Structure to ensure the work of the forum can commence.

The TSRF's transformation objectives are clearly noticeable in its approach to responsible (impact) investment, where **the Fund's investments assist in infrastructure development** whilst it's also directly **serving the occupational needs** of the majority of its **workforce-members e.g. the Truck Stop Fund**.

As much as the Fund's investment approach encapsulates all the usual listed asset classes, the **Board of Trustees also focuses its attention on various alternative – and social impact investment options**.

The TSRF's approach to investment is considered to be progressive and dynamic, **consciously addressing environmental-, social and governance (ESG)** matters and actively pursuing to address these.

In this approach, it is important that the Fund's asset managers are reputable and consistent in providing the probability of returns. The Board of Trustees expects of its asset managers to at all times be conscious of the environment in which they (and thus, the Fund) operates, and to give their **committed consideration to transformation, including diversity and inclusivity, ESG principles and good governance**.

This investment strategy which grows and protects the assets of its members throughout their life stages affords the Fund's members not only with monetary benefits, but also gives them dignity. As a case in point, the **Truck Stop Fund**, and particularly the development of the **Highway Junction Truck Stop at Harrismith**, does not only provide members good returns (of more than 25% over past 12 months), but it also plays a key role in job creation in the region.

The Highway Junction Truck Stop is now one of the largest work providers in Harrismith (employing 200 local residents). TSRF's members are also benefitting daily by having access to a safe space where they can rest and recover; where they can access healthcare facilities; do banking, obtain good quality meals; and more.

The TSRF has proven its approach and the impact that flows from it, successfully unlocking different income revenue streams, and offering viable and competitive returns.

In the experience of the Board of Trustees, its impact investment strategy extends to encompass broader returns such as the revival of economies, job creation and improved gross domestic products (GDP), whilst also assisting to address social ills from service delivery, to healthcare and education.

It is the experience of the Fund that investments with a social impact and job creation objectives, currently outperform investments on the JSE. Therefore, this asset class is certainly the right fit for the Transport Sector Retirement Fund.



CORPORATE SOCIAL RESPONSIBILITY PROJECTS

TRUCK STOPS

The TSRF with its 70 000 members from 3000 employers is keenly aware that the majority of its members (70%) earn their bread and butter whilst transporting goods and people on our country's roads.

As much as the Fund's aim is to preserve the livelihoods of our members and their families (through their retirement funds and death- and disability cover), we are also committed to help ensure their comfort and safety while they are still actively employed.

Truck crashes cost the transport industry up to R 18-billion annually and have a devastating effect on individuals, their families, transport operators, aligned industries and indeed the whole country.

As a retirement fund, we continually look for ways to improve members' lives. In this endeavour, the TSRF has developed a responsible investment strategy to build more truck stops to enhance the safety and standard of overnight parking facilities for truck drivers; and to create transport hubs along major routes where transporters can easily access quality restaurants-, primary healthcare-, refuelling and auxiliary services.

There are an insufficient number of truck stops, and no established truck stop brand in South Africa; and often the existing truck stops do not provide adequate rest and security facilities. TSRF's truck stop investment strategy aligns with the CSIR's research findings and recommendations, including more and better rest areas; facilities for regular safety checks; improved integration of road safety and fleet management systems; and improved regulation. **The TSRF, considers truck stops to be this missing link in the country's road transport and safety strategy.**

The Transport Sector Retirement Fund aims to develop a national truck stop brand which will create a strong, recognisable identity as an endorsement of standards and



regulations that support the transport and logistics industry. The first truck stop upgraded and further developed by the TSRF is the Harrismith Highway Junction Truck Stop on the N3 corridor. This expansion was done in a joint venture with the Highway Group. **The Highway Junction is now the first multi-brand facility of its kind in South Africa and undoubtedly one of the biggest and busiest truck stops on the continent, with more than a 1000 trucks parking at this facility every night. The Highway Junction Truck Stop is not only Africa's largest truck stop, but also its busiest** with almost 70% of truck drivers passing through the N3 corridor making it their preferred stopover, in excess of 1 500 vehicles pass through this facility daily.

The Fund has the advantage of being the first mover and believe truck stops will support the creation of efficient transport hubs. **The TSRF, through its Truck Stop Fund, has already earmarked sites in Cape Town, East London, Colesberg and Musina for development.** The new truck stop sites are expected to be completed during 2020/2021.

FUND PARTNERS WITH ARRIVE ALIVE TO PROMOTE ROAD SAFETY

The Fund's partnership with the **Arrive Alive** Media Platforms assists it to cross share knowledge and information in the transport sector, and **to create a greater awareness of the challenges faced by transporters, and the steps taken to address these challenges to ultimately limit the risks and exposure our members face on a daily basis.**

The close cooperation between Arrive Alive and the TSRF enhances road safety for all the valued members of the Fund. We believe that an informed road user is a safer road user and information portals can contribute to the safer sharing of roads by all road users, irrespective of their modes of transport.

Relevant news updates and more information are made available on www.arrivealive.co.za; as well as on the following blogs: www.roadsafety.co.za; www.accidents.co.za; www.truckandfreight.co.za; www.insurancechat.co.za; and on **Facebook:** @ArriveAlive.co.za www.facebook.com/ArriveAlive.co.za and **Twitter:** @ArriveAlive [https://twitter.com/ arrivealive](https://twitter.com/arrivealive).

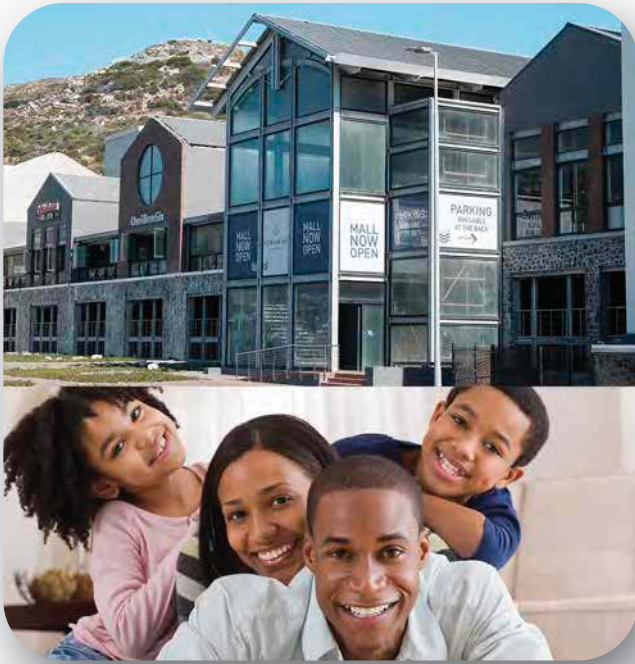
INVESTMENT IN INFRASTRUCTURE DEVELOPMENT

At the TSRF, the Board of Trustees are always looking for ways to grow its members' retirement assets to ultimately provide them with the best return on their investments and long-term financial security. Apart from creating sustainable futures through the Fund's investment strategies and policies, the Fund is also committed to facilitate transformation in South Africa.

In this regard the Fund's assets of R 7.8billion is carefully invested to reach its investment targets whilst at the same time empowering its members. In this endeavour, **infrastructure development** is an important asset class, one which the Fund believes not only provides direct benefits to the Fund's members, but which also assists to drive economic development, job creation and, in turn, transformation.

This investment strategy ties in with the country's National Infrastructure Plan which focuses on broad development projects which include amongst others spatial- and transport development initiatives.

Some of the TSRF's infrastructure projects include the development of good quality truck stops along certain of our country's major transport networks. In recognition of the fact that by far the majority of TSRF's members are truck drivers, the Fund resolved to invest in the trucking sector.



“The Fund aims to develop a national truck stop brand which will create a strong, recognisable identity as an endorsement of standards and regulations that support the transport and logistics industry.”

The Fund’s aim is to create safe and efficient transport hubs along the major routes. The TSRF holds a 50% share in the Highway Junction Truck Stop near Harrismith on the N3 Corridor. Within this joint venture with the Deysel Group, the facilities at Highway Junction were upgraded and expanded to create the first multi-brand facility of its kind on the continent.

The Highway Junction project is proving so successful that the **TSRF has decided to expand the concept to four earmarked sites** near **Cape Town, East London, Colesberg and Musina**. Civil works have already commenced at the Cape Town and East London sites.

Some of the Fund’s other infrastructure development partnerships include **the recently opened Philippi JunXion Mall outside Cape Town**, and **two new mixed-use property developments – one near Sebokeng in the Vaal Triangle and the other in Simon’s Town in the Western Cape**.

The mixed-use developments create urban villages which assist to accelerate the delivery of housing and key lifestyle services such as clinics, schools, business offices, shopping centres, parks, gymnasiums and more – **these spatial development projects play a major role in poverty alleviation and ensuring property can be accessed by all as an asset for wealth creation and empowerment**.

the Fund believes that its infrastructure development projects are **setting the tone for boosting economic growth and maximising investment returns**. Within our diversified investment portfolio, the Transport Sector Retirement Fund’s infrastructure development projects are already offering good returns.



FUND GOVERNANCE

The **Transport Sector Retirement Fund** conforms to the governance principles contained in the Code of Corporate Practices as reflected in the King IV Report on Corporate Governance for South Africa and confirms that in all material respects the Fund has complied with the Code's principles for the period under review.

The Fund is committed to the highest levels of corporate governance, compliance and transparency and has four sub-committees to support its role in managing and monitoring the affairs of the Fund. These include: Administration; Legal and Risk; Audit and Investment; and Death Benefit Disposal committees.

The **Chairperson** is responsible for **leading** the Board of Trustees and its **effectiveness**. The **Principal Officer** is responsible for the **execution of strategy** and the **day-to-day business of the Fund**.

The Board of Trustees has a fiduciary duty to act in good faith, with due diligence and care, to avoid conflicts of interests and act with impartiality in respect of all its members, being ultimately accountable and responsible for the performance and affairs of the Fund. The Board provides strategic guidance, direction and leadership, ensures good corporate governance and ethics, determines policy, agrees on performance criteria and delegates the detailed planning and implementation of policy and decisions to management.

The Board of Trustees is also responsible for managing a successful and productive relationship with the various trade union stakeholders.

The Board of Trustees operates in accordance with a Charter which sets out its **mission, role, duties and responsibilities, and in particular the following:**



Trustees' fiduciary responsibilities



Leadership of the Board



Induction of new Trustees



Evaluation of Trustees



Matters reserved for the Board



Unrestricted access to the Fund's records

The Board and management continually review and enhance the systems of control and governance to ensure that the business of the Fund is managed ethically, within prudent risk parameters, and in line with internationally accepted standards of best practice.

The Board of Trustees from time to time, monitors and deliberates on changes to the legislative and statutory environment, new business policies and matters of compliance. This ensures that the Board is kept apprised of new developments, and monitors and supports governance and sound business practices on behalf of the Fund.

A number of governance policies are enforced within the Fund. These comprise, but are not confined to, the declaration of business interests, the declaration of gifts, gratuities and hospitality, confidentiality, anti-competitive behaviour, authority limits and proactive risk and compliance management.

The Board of Trustees convenes at least once a quarter and monitors management's compliance with policy and its achievements against predetermined objectives. Additional meetings may be called when issues arise that need to be resolved between scheduled meetings.

Seven meetings of the Board of Trustees (including three special meetings) were held during the period under review.

A structured approach is followed for delegation, reporting and accountability, which includes reliance on various Board of Trustees Committees.



“The Chairperson is responsible for leading the Board of Trustees and its effectiveness. The Principal Officer is responsible for the execution of strategy and the day-to-day business of the Fund.”

The Chairman guides and monitors the input and contribution of the Trustees. The Trustees have unrestricted access to Fund information.

Performance evaluations of the Board of Trustees and its committees are done on an annual basis.

The Principal Officer is appraised by the Chairman of the Board of Trustees in consultation with the Trustees, whilst the Board of Trustees assess the performance of the Chairman.

Trustee and committee member training are considered vital to enable excellence in the execution of the Board’s fiduciary duties and responsibilities.

TSRF Trustees and Committee members attended a number of training sessions, conferences and seminars during the year under review.



CHANGES TO THE RULES OF THE FUND

Rule Amendment no.	Motivation and description of rule amendment	Date of Board of Fund's resolution	Effective date	Date registered by FSCA
4	Amendment to make provision for early retirement and grant the Fund authority to appoint Board members where participating unions fail to submit details of appointed Board members	18 March 2019	01 February 2019	07 August 2019
5	To make provision for Employees who earn less than the minimum wage to be excluded from joining the Fund, termination of a Participating Employer's participation in the Fund by the Board members. Risk Reserve Account provision for additional deductions in lieu of additional benefits, at the Board's discretion, for the benefit of members.	09 October 2019	01 September 2019	22 January 2020

MANAGING **LEGAL** AND **REGULATORY** MATTERS

TRUSTEE DEVELOPMENT

The knowledge-base of the Board of Trustees is regularly refreshed and expanded through formalised programmes focusing on a myriad of relevant topics from investment to governance (King IV), Twin Peaks, Default Regulations and more.

The Board is keenly aware that the Fund does not operate in a vacuum and in order to maintain and even improve its success record, all its role players need have an in-depth understanding of regulatory frameworks, as well as the socio-economic and political frameworks within which it operates and which impacts on the business of the TSRF, the decisions of the Board and the futures of members.





RISK MANAGEMENT

In line with the King Committee codes of Good Corporate Governance, the Fund's Board has accepted the responsibility for risk management within the Fund. Risks are regularly recorded, assessed and updated with a view to proactively manage and mitigating those risks the Fund are exposed to.

The Board of Trustees have implemented, and review from time to time, the following policies:

- ***Investment policy documents;***
- ***Code of Conduct for Trustees;***
- ***Risk management framework;***
- ***Communication policy;***
- ***Trustee expense policy; and***
- ***Procurement policy.***

“The TSRF places an emphasis on the integration of environmental, social and governance [ESG] factors in measuring the sustainability, ethical impact and future financial performance of an investment.”



RISK CULTURE

Our Risk Management and Assurance ensures the following:

- Our Risk Management is informed by **proactive and integrated** approach.
- Material risks are **appropriately identified** and managed.
- Internal controls are both designed and **operating effectively**.
- Resources are acquired economically, used **effectively and adequately** protected.
- Significant financial, **operational and managerial information is accurate**, reliable and timely.
- Significant **legislative and regulatory issues** impacting the Fund are recognised and appropriately addressed.
- Fraud and **business conduct matters** are identified or brought to the attention of management.
- The requirements set out in **policies, standards and authorities** are met.

The Fund's Audit & Risk sub-committee oversee a fully independent annual internal audit. The findings of the annual internal audit are managed by the sub-committee and from here flows the Fund Risk Matrix. During the year under review the following actions contributed to our risk management success:

- **Risk Matrix, Risk Log, ICT Internal Audit report, Claims and Payments Process Internal Audit Report**
- **Internal Audit Close Out Report**
- **Continuous monitoring of service providers via regular Zoom meetings**
- **Rule Amendments to allow for relief for Financially distressed Employers**

FUND INVESTMENT, INFRASTRUCTURE AND COMMUNICATION OVERVIEW

Thank you to Hollard Highway Heroes for the beautiful trucking photos, used in this Report, taken by real truckers (many of whom are members of the Fund). Stock images are Freepik and Pexels sourced

COMMITTEES

The Transport Sector Retirement Fund conforms to The Fund is managed through a sub-committee structure reporting to the full board. The following sub-committees are in place:

ADMINISTRATION

The Committee also assists the Board with the development of the guidelines and administrative procedures for the payment of benefits. The Committee is delegated with the authority to deal with the administration aspects of payment of benefits including unclaimed benefits and death benefit claims requiring discretion for purposes of making a recommendation to the Board. This Committee is also responsible to stakeholder engagement and the development of an effective communication and marketing strategy.

LEGAL AND RISK

The Committee assists the Board in promoting the effective governance of the Fund, establishing and maintaining effective control environment over all operations, value the reliability and integrity of information, evaluate compliance with policies, plans, laws, rules of the Fund and regulations, effective management of risk and to ensure compliance with Corporate Governance.

AUDIT AND INVESTMENT

The Audit and Investment Committee is tasked with developing and regularly reviewing the Fund's Investment Policy Statement, recommending the appointment or termination of asset managers to the Board, ensure that proper contractual agreements are in place for asset managers and monitoring the managers on the achievement of their mandates, monitoring the appointed asset managers on their adherence to their mandate and their principles of their mandate and any policies on proxy voting, shareholder activism and ESG guidelines. The committee also bears the responsibility of monitoring

the Fund's performance and perform regular Asset Liability matching exercises.

The key achievements for the sub-committee were the formulation of the transformation policy together with the ESG policy. Further, in the year under review and the rebalancing of the portfolio in order to take advantage of the returns earned by various asset classes.

The Committee is also responsible for the evaluation of the independence, objectivity and effectiveness of the Internal and External Auditors, as well as the review of accounting and audit concerns identified by the Internal and External Audit.

DEATH BENEFIT DISPOSAL

The Committee is responsible for the distribution of death benefits in terms of section 37C of the Pensions Fund Act.



FINANCIAL STATEMENTS

APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements of The Transport Sector Retirement Fund are the responsibility of the Board of Trustees of the Fund. The Board of the Fund fulfils this responsibility by ensuring the implementation and maintenance of accounting systems and practices adequately supported by internal financial controls. ***These controls, which are implemented and executed by the Fund and/or its benefit administrators, provide reasonable assurance that:***



The Fund's assets are safeguarded

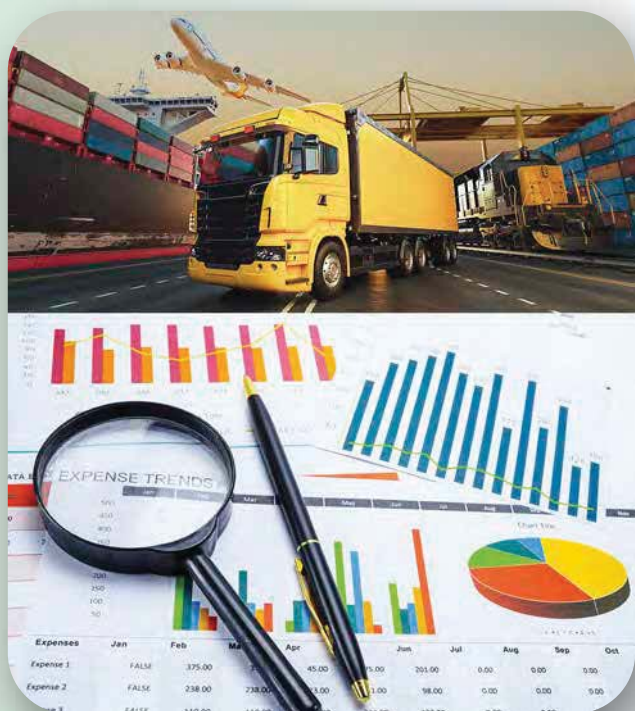


Transactions are properly authorised and executed



Financial records are reliable

The **annual financial statements**, set out on page 53, have been prepared for regulatory purposes in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the rules of the Fund and the Pension Fund Act.



"The Board of Trustees considers all representations to the independent auditors to be valid and appropriate."

These financial statements have been reported on by the **independent auditors, Deloitte and Touche**, who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Trustees considers all representations to the independent auditors (in the management representation letter during the audit) to be valid and appropriate. **The report of the independent auditors is presented on pages 09 to 12. These financial statements:**



Were approved by the Board of Trustees of the Fund on 25 November 2020



Are to the best of the Board member's knowledge and belief confirmed to be complete and correct



Fairly represent the net assets of the Fund as at 29 February 2020, as well as the results of its activities for the period under review



Are signed on behalf of the Board of Trustees of the Fund

STATEMENT OF NET ASSETS AND FUNDS

For the period ended 29 February 2020

	Notes	2020 R	2019 R
ASSETS			
Non-current assets		7 419 665 568	7 035 100 951
Property Plant and Equipment	1	303 562	377 992
Investments	2	7 419 362 006	7 034 722 959
Current assets		442 900 352	506 286 914
Accounts receivable	4	61 490 976	183 082 648
Contributions receivable	10	208 815 542	150 337 889
Transfers receivable			42 025
Cash at bank		172 593 834	172 824 352
Total assets		7 862 565 920	7 541 387 865
FUNDS AND LIABILITIES			
Members' Fund & Surplus Accounts		6 177 548 212	5 881 758 274
Members' individual accounts		6 163 787 144	5 841 476 827
Amounts to be allocated		13 761 068	40 281 447
Reserve accounts	15	1 320 739 966	1 392 145 061
Total funds and reserves		7 498 288 178	7 273 903 335
Non Current liabilities			
Unclaimed Benefits		116 808 441	
Current liabilities		247 469 301	267 484 530
Benefits payable	6	231 308 110	246 088 720
Transfers payable	5	5 101 748	13 005 776
Accounts payable	7	11 059 443	8 390 034
Total funds and liabilities		7 862 565 920	7 541 387 865

STATEMENTS OF CHANGES IN NET ASSETS AND FUNDS

STATEMENTS OF CHANGES IN NET ASSETS AND FUNDS

(For the period ended 29 February 2020)

Notes		Members' Individual Accounts and Amounts to allocated/ accumulated Funds	Total Reserves R	Total Current Period R	Total Previous period R
Contributions received and accrued	10	1 166 320 076	156 097 117	1 322 417 184	1 270 052 137
Reinsurance proceeds		198 824 501	-288 686 396	-89 861 895	
Net investment income	11	192 901 674	59 066 916	251 968 590	324 889 146
Less: Administration expenses	12	79 023 983	5 406 859	84 430 842	82 726 095
Net income before transfers and benefits		1 479 022 259	-78 929 222	1 400 093 037	1 512 215 188
Transfers from other funds	5	7 558 954	-	7 558 954	3 019 233
Transfers to other funds	6	18 920 933	-	18 920 933	47 052 668
Benefits	7	1 164 346 215	-	1 154 346 215	6 700 437 001
Net income after transfers and benefits		303 314 065	-78 929 222	224 384 843	573 466 334
Funds and reserves		5 874 234 147	1 178 306 951	6 273 903 335	6 700 437 001
Balance at beginning of period		5 881 758 274	1 399 669 188	7 273 903 335	6 700 437 001
Transfer between reserves	15	-7 524 127	7 524 127	-	-
Balance at the end of period		6 177 548 212	1 320 739 956	7 498 288 178	7 273 903 335

IMPORTANT INFORMATION

EXTERNAL SERVICE PROVIDERS

To assist the Trustees with the management and control of the Fund, the following appointments were in place for the year under review:

ADMINISTRATORS

Front Office -

Sanlam Employee Benefits



Back Office -

SALT Employee Benefits



AUDITORS

Deloitte & Touche



ACTUARY

Garth M Barnard

(Moruba Consultants and Actuaries)



INVESTMENT ADVISOR

Novare Actuaries and Consultants

Rand Merchant Bank



RISK INSURER

Guardrisk Life Limited



"The Fund has aligned itself to asset managers who share its vision for the creation of sustainable futures"

ASSET MANAGERS

The Transport Sector Retirement Fund remains steadfast in its commitment to the ongoing transformation of the South African society. It aims to help build an inclusive economy by supporting service providers through the investment process; thereby making a significant contribution to the economic empowerment of targeted black South Africans. The Fund actively encourages and supports black talent to manage and invest money. For the Fund, BBBEE is not simply a tick box compliance matter, but rather a key business imperative to facilitate growth and to redress existing inequalities in our society.

In its policy, the TSRF clearly states its intention to have no less than 60% of the Fund's domestic assets managed by black owned and controlled investment management companies as defined in the Financial Services Charter and the Broad Based Black Economic Empowerment Codes of Good Practice.

Asset managers are appointed by the Fund to exercise their discretion in investing the assets of the Fund. It is, however, expected of appointed asset managers to invest the Fund's assets with the same care, skill, prudence and due diligence under prevailing circumstances as would be incumbent upon an experienced, professional asset manager acting in a similar capacity, fully familiar with such matters, who are investing like assets with like aims.

"The Fund actively encourages and supports black South African talent to manage and invest money."



NOMINATION OF BENEFICIARIES

One of the most challenging tasks facing the Board of Trustees is to ensure that lump sum benefits paid on the death of a member are equitably allocated to all known dependants of that member. Although the nomination form is not binding on the Trustees, it does serve as an important guide in the event of the death of a member.

The Trustees therefore urge all members of the Fund to ensure that their Nomination of Beneficiary forms are completed, and thereafter updated on a regular basis, to reflect an accurate record of the status of each member's dependants and/or nominees.

This form is distributed along with the annual benefit statements or can be obtained from the members' nearest Sanlam Walk-in Centre or from the Fund's website: www.transportsectorfund.co.za Completed forms will be kept on file by the member's employer and copies can be submitted to the Fund's administrator.

*“Retirement savings,
for the average worker,
are the single largest source of
income post retirement”*

PRESERVATION OF BENEFITS

When a member withdraws from the Fund and considers what to do with fund his/her benefit, the TSRF encourages members to always make the preservation of their retirement savings their first consideration.

Preservation occurs when money saved for retirement through provident funds remain in those funds until the person retires, or is rolled over into another similar retirement savings vehicle without incurring taxes or penalties when a person changes job.

Retirement savings, for the average worker, are the single largest source of income post retirement. However, rates of preservation are very low. **Cashing out accumulated retirement savings prematurely erodes financial security in old age, undermines the alleviation of poverty and increases reliance on others.**

As from 01 March 2019, members who resign become paid-up members of the Fund. Their money remains invested in the Fund unless they inform the Fund that they choose to withdraw their retirement investment.

Members also have the option to preserve Fund benefits in the retirement funding system by placing the benefit in a retirement annuity; transferring it to a new employer's fund; or to a preservation fund.

FINANCIAL ADVICE

For the majority of people their retirement fund money is their largest, and sometimes their only, form of savings. Being a member of the retirement fund does not necessarily guarantee sufficient income during retirement. To achieve this, members are encouraged to start planning towards financial security as early as possible during their working lives.

Numerous financial planners will be able to provide sound retirement planning advice. It is important that the financial advisor takes into account individual requirements and circumstances, and that all facts are disclosed regarding the options available to a member exiting a retirement fund.

TSRF encourages its members to ensure that they only enlist the services of financial advisors that are accredited in terms of the Financial Advisory and Intermediary Services Act (FAIS), and that the advisor concerned provides written confirmation to this effect. A list of accredited financial advisors can be obtained from: www.fpi.co.za Or on the FSCA website www.fsca.co.za



COMPLAINTS AND DISPUTES

Members who are dissatisfied with the way in which their retirement fund benefits are managed are able to lodge a formal complaint to the Fund by writing to the Principal Officer of the TSRF. The Principal Officer may address the complaint immediately or may need to institute an investigation to ascertain the causes that led to the complaint. Where necessary, the Principal Officer will refer the complaint to the Board of Trustees for consideration.

If the Fund's response deems to be unsatisfactory, or the Fund fails to address the complaint, the member has the right to refer the case to the Pension Funds Adjudicator. There is no charge to lodge a complaint with the Adjudicator's Office.



Postal: **P O Box 651826, Menlyn, 0063**



E-mail address: enquiries@pfa.org.za



Tel: **012 346 1738/ 012 748 4000**



Fax: **086 693 7472**

*"The Fund
differentiates itself
from many other
funds
by its single-minded
drive to benefit
members."*

Mr Joe Letswalo, Chartered Principal Executive Officer



“Member communication remains a top priority of the Fund. The Fund encourages all members to visit the Fund’s website, Facebook and Twitter pages. Newsletters, flyers and videos are sent directly to members via their mobile devices to keep them informed.”

Mr Joe Letswalo, Chartered Principal Executive Officer

QUESTIONS, COMMENTS AND SUGGESTIONS

The Transport Sector Retirement Fund’s **Rules, Annual Financial Statements** and the **Actuarial Valuation** are **available for inspection** at the registered address of the Fund.

Any queries, comments or suggestions relating to the information contained in this report, or with regard to member benefits, investments or general Fund activities should be addressed to:



Telephone: **011 544 8300**



E-mail: members@rflipfund-sanlam.co.za



Web address: www.transportsectorfund.co.za

