PetroSA Retirement Fund

www.petrosaretirementfund.co.za

N E W S L E T T E R

ISSUE NUMBER: 3/2026

August 2026

ALL ABOUT YOUR FUND AND WHAT IT DOES FOR YOU

Dear members

Welcome to the 3rd edition of 2026 of our Pension Fund Newsletter. As we continue our journey towards building a secure and sustainable retirement future for our members, we are pleased to share another edition of our newsletter.

In this edition, we highlight key updates and provide useful information to help you better understand your pension benefits and make informed decisions about your retirement. We encourage all members to take an active interest in their retirement savings and to make use of the resources and support available through the Fund.

We hope you find this edition informative and valuable. Thank you for your continued confidence and participation in the Fund.

Board of Trustees

August 2026

INSIDE THIS ISSUE

INVESTMENT NEWS

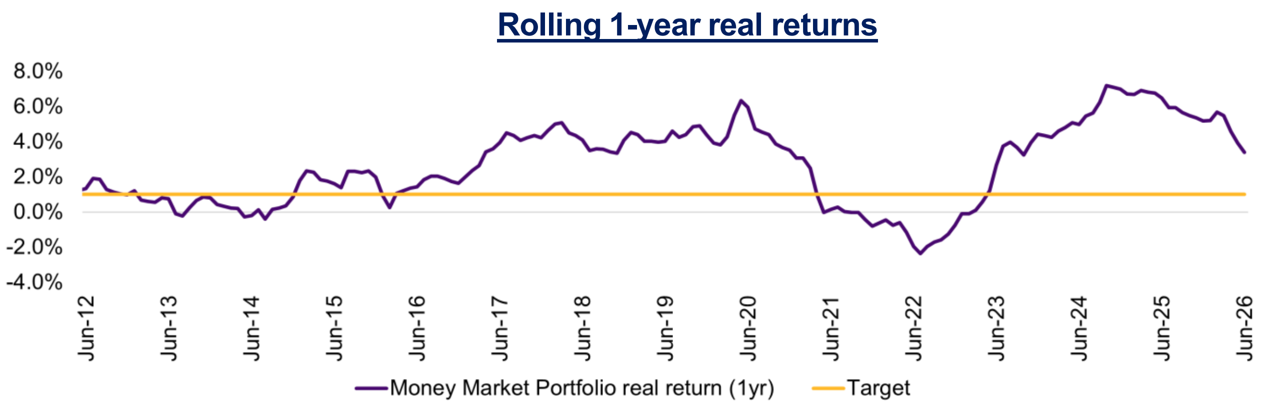
Below are the annualized investment returns for all the portfolios over different measurement periods, until 30 June 2026. Please note that the returns are shown after deducting investment manager fees and related costs and charges:

Portfolio	3 months	1 year	3 years p.a.	5 years p.a.	7 years p.a.	10 years p.a.	15 years p.a.	20 years p.a.
Market-linked Portfolio	3.7%	12.4%	13.8%	12.0%	11.7%	10.2%	12.1%	11.8%
Stable Portfolio	3.4%	9.4%	11.6%	10.4%	9.8%	8.7%	8.6%	9.0%
Money Market Portfolio	2.0%	8.4%	9.3%	8.3%	7.8%	8.1%	7.6%	8.1%
Shari'ah Portfolio	3.7%	19.3%	12.5%	11.0%	10.4%	8.4%	n/a	n/a
CPI (Inflation)	2.6%	5.0%	4.4%	5.2%	4.7%	4.7%	5.0%	5.5%

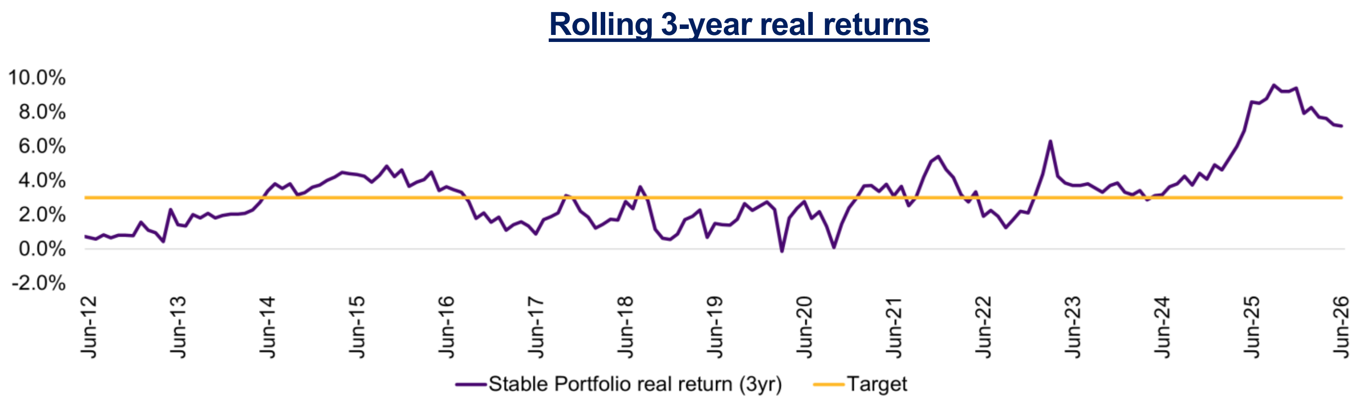
MONITORING OF LONGER-TERM PERFORMANCE OF THE PORTFOLIOS

To give you an indication of how the Market-linked, Stable and Money Market portfolios compare to each other at 30 June 2026, the charts below show the returns above inflation of each portfolio relative to its investment objective over their respective rolling periods in years to the end of June 2026.

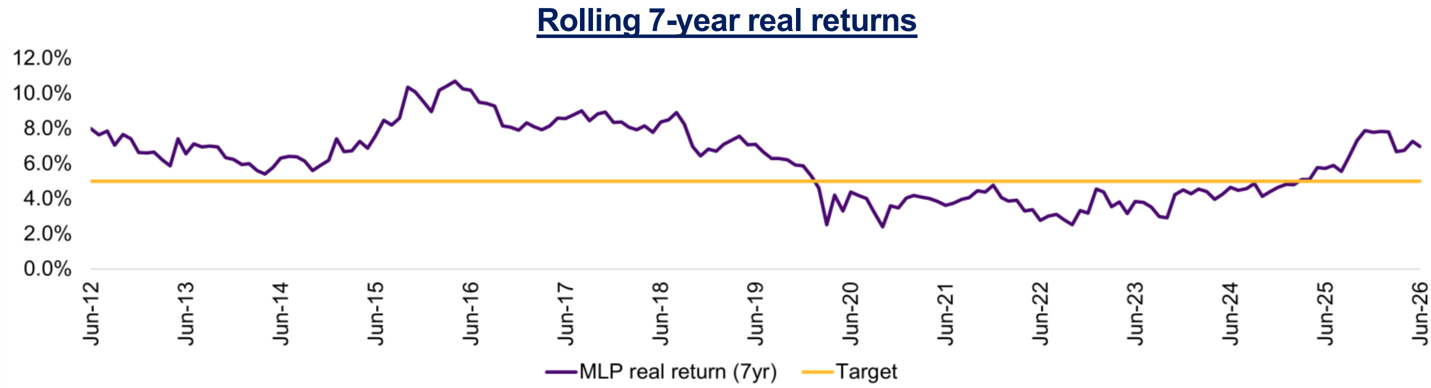
The **Money Market portfolio** has delivered some 3.4% per annum above inflation for the last year, which is above its investment objective of 1% per annum above inflation over a rolling 1-year period. This is illustrated below:



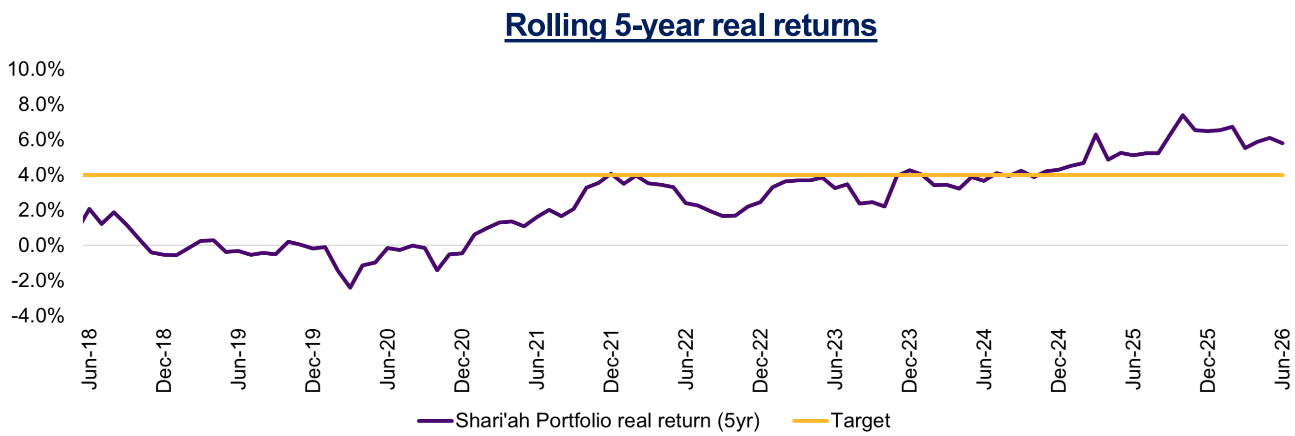
The **Stable portfolio** has delivered some 7.2% per annum above inflation for the last three years, which is well above its investment objective of 3% per annum above inflation over a rolling 3-year period. This is illustrated below:



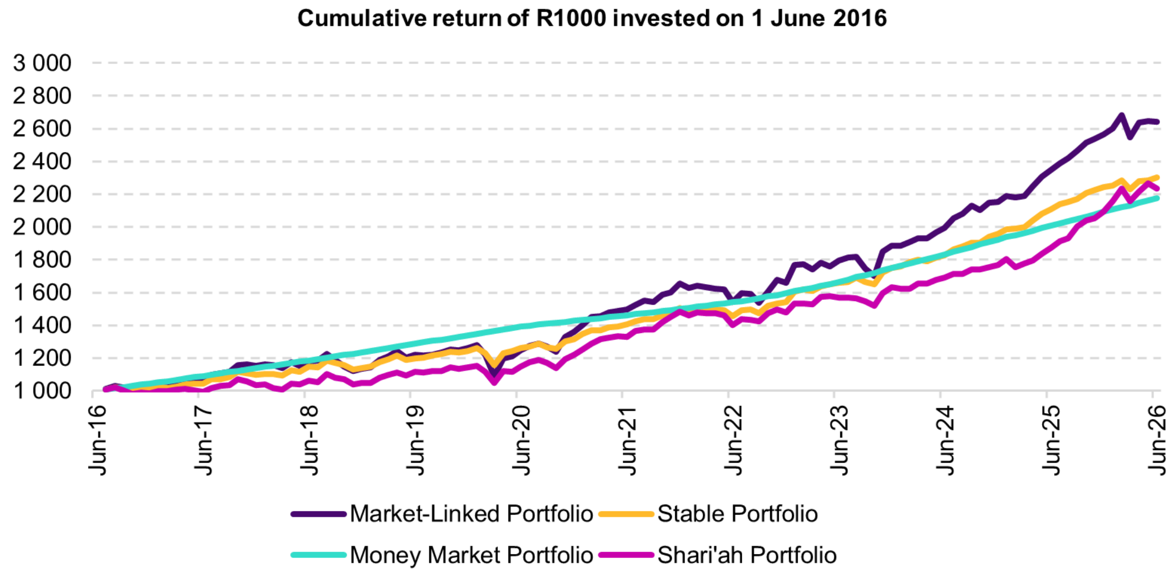
The **Market-linked portfolio** (which is the portfolio for the wealth-building stage of the life stage model) has delivered some 7.0% per annum above inflation over the last seven years, which is above its long-term investment objective of 5% per annum above inflation over a rolling 7-year period. This is illustrated below.



The **Shari'ah portfolio** has delivered some 5.8% per annum above inflation for the last five years, which is above its investment objective of 4% per annum above inflation over a rolling 5-year period. This is illustrated below:



CUMULATIVE COMPARISON OVER 10 YEARS TO 30 JUNE 2026



MARKET COMMENTARY

The defining event of the second quarter of 2026 was the mid-June ceasefire agreement between the United States and Iran and the subsequent reopening of the Strait of Hormuz. The Brent crude oil price, which had surged in the first quarter, fell some 20% in both May and June as war-related supply concerns eased, although it remained about +18% higher than at the start of the year by the end of June.

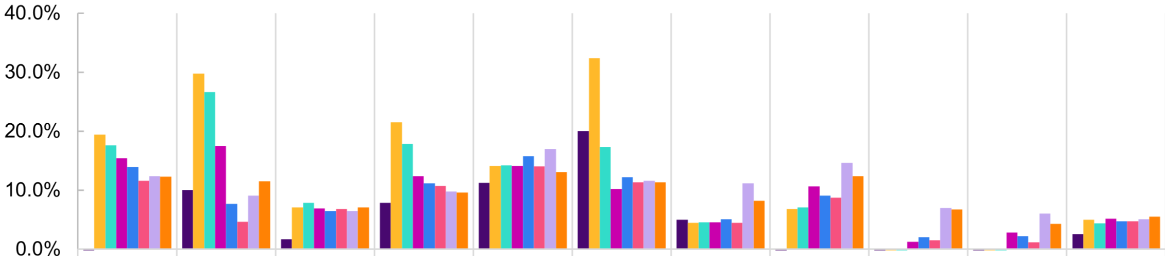
Global equity markets rebounded powerfully as risk appetite recovered in the second quarter. The MSCI All Country World Index (ACWI) returned +11.2% over the quarter, with the bulk of the gain delivered in April (+8.4%). May added a further +2.3% before markets ended the quarter on a softer note with a modest return in June (+0.2%).

Emerging market equities were the standout, returning +20.0% over the quarter, supported by a sharp rerating of Asian semiconductor and technology counters. Both SK Hynix and Taiwan Semiconductor Manufacturing Company (TSMC) reported huge jumps in quarterly profits and Nvidia and SK Hynix formalised a multi-year partnership to develop next-generation artificial intelligence (“AI”) memory chips

SA equities, however, moved counter to the global trend with the Capped All Share Index (CAPI) reflecting only a mild recovery in April following the deep March draw-down, a broadly sideways change in May and a material loss in June. The CAPI declined -2.4% over the quarter, with the weakness overwhelmingly concentrated in the Resources sector (-18.7%) as the gold price (-9.9% in June) and platinum price (-16.6% in June) fell sharply and the Mining Index dropped -18.0% in that month alone. The domestically oriented sectors told a very different story with some rebound in retailers and banks in June. The Financials sector returned +8.0% over the quarter with SA listed property shining as the best performing local asset class at 10.0%.

Resources were by far the worst performing SA equity sector over the quarter (-18.7%), a sharp reversal after an exceptional run leading up to the end of February 2026 (the sector remains up +42.3% over 12 months). The June decline in the gold and platinum prices weighed heavily on the precious metals’ miners.

A description of the different indices appears below:



	SA Equity (CAPI)	SA Property (SAPY)	SA Cash (STEFI Comp)	SA Bonds (ALBI)	Global Equity (DM) (ZAR)	Global EM Equity (ZAR)	Global Listed Property (ZAR)	Global Listed Infra (ZAR)	Barclays Global Agg	ZAR/ USD	Inflation (CPI)
3 months	-2.4%	10.0%	1.7%	7.9%	11.2%	20.0%	5.0%	-1.0%	-2.4%	-3.2%	2.6%
1 year	19.4%	29.7%	7.1%	21.5%	14.1%	32.4%	4.5%	6.8%	-7.2%	-7.8%	5.0%
3 years	17.5%	26.6%	7.9%	17.8%	14.2%	17.3%	4.5%	7.1%	-1.4%	-4.6%	4.4%
5 years	15.4%	17.5%	6.9%	12.4%	14.1%	10.2%	4.5%	10.7%	1.2%	2.8%	5.2%
7 years	13.9%	7.7%	6.5%	11.1%	15.7%	12.2%	5.1%	9.0%	2.0%	2.2%	4.7%
10 years	11.5%	4.6%	6.8%	10.8%	14.1%	11.3%	4.5%	8.7%	1.5%	1.1%	4.7%
15 years	12.4%	9.1%	6.5%	9.8%	16.9%	11.6%	11.1%	14.6%	7.0%	6.1%	5.0%
20 years	12.3%	11.5%	7.0%	9.6%	13.0%	11.3%	8.2%	12.4%	6.7%	4.2%	5.5%

CAPI:	SA equities as measured by the All Share Index (each share capped at 10%)
SAPY:	SA listed properties as measured by the SA Property Index
SteFI:	SA short-term fixed interest investments (Cash)
ALBI:	SA All Bond Index (Nominal Bonds)
Global Equity (DM):	MSCI ACWI ND USD (Developed Markets)
Global Equity (EM):	MSCI EM ND USD (Emerging Markets)
Global Listed Property:	FTSE NAREIT Dev Net USD
Global Listed Infrastructure:	FTSE GLI (50/50) Net USD
Global Bonds:	Barclays Global Bond Aggregate USD
ZAR/USD:	Rand investment in US Dollars (positive numbers show a “Weakening” rand)
CPI:	South African inflation rate

MEMBER FEEDBACK SESSIONS

Member feedback and education sessions were held virtually for members of the PetroSA Retirement Fund at the end of July/ Beginning August 2026, with the objective of enhancing members' understanding of their retirement benefits and encouraging informed retirement planning. These presentations were very well attended and received.

The sessions covered the following key areas in detail:

- **Importance of Higher Contributions:** Members were educated on the importance of making higher retirement fund contributions to improve their accumulated retirement savings and increase the likelihood of achieving a reasonable and sustainable pension at retirement. The impact of contribution levels, investment returns and the period over which contributions are made was discussed.
- **Benefits Provided by the Fund:** An overview of the benefits available through the PetroSA Retirement Fund was provided, enabling members to better understand the value and protection offered by their retirement fund membership.
- **Investment Portfolios:** Members were taken through the Fund's available investment portfolios, including the purpose and characteristics of the different investment options. The discussions highlighted the importance of understanding investment risk, expected returns and selecting an investment strategy aligned with individual retirement objectives.
- **Life Stage Model:** The Life Stage Model was explained, including how the investment strategy is designed to adjust as members approach retirement. Members were encouraged to understand how the model supports the management of investment risk over the course of their working lives.
- **Other Retirement Fund Updates:** Members were also provided with relevant updates relating to the Retirement Fund, ensuring that they remained informed about developments affecting their retirement savings and benefits.

If anyone is interested in watching these sessions, video recordings were made and are available from Dorathy Cedras – see her contact details on the last page.

THE IMPORTANCE OF FOLLOWING A LONG-TERM INVESTMENT STRATEGY

At the member feedback session, the importance of following a long-term investment strategy was discussed and explained in detail.

There are many factors that affect investment returns such as economic conditions, investor behaviour, political developments and unexpected global events. These factors make it very difficult for anyone to make predictions and accurately predict what will happen next.

Long-term investment success is not about predicting short-term movements but about following a well-constructed long-term strategy that can withstand a range of outcomes.

Members need to stay focused on the long term. Over time, markets experience both good and bad periods, which are normal and expected. Moving money in and out of investments based on short-term events can often do more harm than good.

Well-diversified portfolios such as what the Fund has, helps keep your retirement savings on track. This is achieved as follows;

- Diversifying investments across different asset classes,
- Maintaining a long-term approach during market ups and downs,
- Understanding that negative returns can happen from time to time,
- Avoiding emotional decision-making.

IT IS NOT THE TIMING OF THE MARKET THAT MATTERS – IT IS THE TIME IN THE MARKET!

MEMBER EDUCATION WORKSHOPS - LEARN, GROW AND FLOURISH!

PRE-RETIREMENT WORKSHOPS

ARE YOU READY TO RETIRE SUCCESSFULLY?

Planning for retirement is one of the most important financial journeys any member can take. Yet many people delay preparing because retirement can feel complex, distant, or overwhelming. That's why our Retirement Fund regularly hosts retirement workshops — to help members make informed decisions and feel confident about their future.

Why Retirement Planning Matters

Retirement is not just about stopping work. It is about ensuring you have enough income to maintain your lifestyle, support your loved ones, and enjoy financial peace of mind in later years.

What Our Retirement Workshops Offer

Our workshops cover a comprehensive range of topics, including the Fund's options, pre-retirement planning, This is an opportunity for you to be guided by us through the process of creating a comprehensive retirement arrangement that considers all aspects of your life. This workshop is designed for individuals aged 50 and above, but it is also suitable for anyone who wants to learn more about retirement planning.

Members also have the opportunity to ask questions directly to the presenter in a supportive environment.

The Benefits of Attending

Members who attend retirement workshops are often better prepared to make sound financial decisions. The workshops help turn complicated concepts into practical steps that members can apply immediately. These benefits include:

- Greater confidence in retirement planning
- Improved understanding of fund benefits
- Increased financial awareness
- Better long-term decision-making

Most importantly, the workshops encourage members to take active ownership of their financial future.

Our Workshops

During the course of the year, we run two sets of retirement planning workshops. The Fund held 3 virtual pre-retirement workshops during May 2026. We experienced a particularly good turnout of members. We will be holding 3 further workshops towards the end of this year. We will communicate closer to the time once the dates and times of these sessions have been finalised.

Choosing the right pension is not an easy decision to make. So, it is for the reasons mentioned above that we encourage you to attend these retirement planning sessions in future – even if you have previously attended - you will receive in-depth education on all the options available to you. This in turn will pave the way for an easier decision-making process.

CELLULAR PHONE NUMBERS AND PRIVATE E-MAILS

It can sometimes be difficult to contact our members, particularly after they have exited the Fund. To help us keep our records up to date and maintain effective communication, we kindly request that all members provide Human Capital with their current cellular phone numbers and private email addresses (if available).

Please send this information to **Dorathy Cedras** in Human Capital at your earliest convenience.

We thank you for your cooperation.

ANNEXURE 1: GENERAL INFORMATION

The information contained below are standard items that will appear in every newsletter going forward.

- About the PetroSA Retirement Fund
- Contributions and Fund benefits
- Investments
- Other general information

ABOUT THE PETROSA RETIREMENT FUND

- Established on 1 February 1996.
- Membership of the Fund is compulsory for all employees

MISSION AND VALUES

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

GOVERNANCE

The Fund is separate from the Employer and is managed by the Board of Trustees. The Board of Trustees = 4 individuals elected by members of the Fund + 4 individuals appointed by the Employer

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

Your Board of Trustees

Member Elected Trustees	Member Elected Alternates	Employer Appointed Trustees	Employer Appointed Alternates
Mr LE Moser (Chairperson)	Mr R Constance	Ms S Ngoetjana	**-**
Mr JP Rhode	Vacant	Mr J Lichaba	**Mr PW Marriday**
Dr W Kruger	Mr L Tofu	Ms A de Lange	**Mr E Mabaso**
Mr H Rauch	Mr I Loff	Ms GN Gumede	**Ms T Mandleleni**
-	**Ms D Cedras**		

Principal Officer: Ms Belinda Burger.

COMMUNICATION

More information is provided via the following:

- Fund Website for all Fund information: www.petrosaretirementfund.co.za Newsletters will be issued quarterly
- Presentations and workshops are held regularly. Please attend these to learn more! Benefit statements showing your benefits will be issued annually towards the end of March
- Projection statements showing the expected pension that your retirement savings is likely to provide will be issued annually with your benefit statements towards the end of March
- Alexander Forbes Online facility where you can check your own information on a real time basis and access various tools and calculators: www.alexanderforbes.co.za
- Fund Rules can be obtained from the Principal Officer (details below) or from the Fund website.

QUESTIONS OR QUERIES- PLEASE CONTACT:

AlexForbes: **zzPetroSA.Admin@alexforbes.com**

The Principal Officer: Belinda Burger*
Telephone: 0832673963
E-Mail: belindaburger1406@outlook.com

*Ms Burger is an independent Principal Officer

PENSION FUNDS ADJUDICATOR:

Call Centre: 086 066 2837
Telephone: (012) 748 4000; (012) 346 1738 E-Mail: enquiries@pfa.org.za

CHANGE IN ADDRESS OR PERSONAL DETAILS

Please notify the Human Capital department in writing:
Dorathy Cedras (044) 601 2540 dorathy.cedras@petrosa.co.za

COSTS

Administration and Fund costs (applicable from 1 June 2026)

- Active members – Costs are funded from a deduction from the contribution rate – 0.60% of pensionable salary. (This includes an allowance for administration costs of R 76,81 pmpm (per member per month) plus VAT)
- Deferred members – Administration costs of R 57.91 pmpm plus VAT deducted from deferred pension account
- Deferred pensioners – Administration costs of R 57.91 pmpm plus VAT deducted from member individual account Living annuitants – Initial fee = R 1 331.72 plus VAT. Administration costs of R135,30 pmpm plus VAT deducted from living annuity balance.

Switching costs (cost of changing investment decision) – first switch in the year is free. Thereafter R 527.55 plus VAT is deducted from your account per switch.

Portfolio fees and charges

The table on the next page shows the estimated portfolio fees and charges (inclusive of VAT) for the 12-months ended 31 March 2025. The 2024 figures are shown in brackets and italics for comparison. Note that the portfolio investment returns quoted in member communication are net of the fees and charges estimated below.

Portfolio	Investment manager fees (Base Fee)	Investment manager fees (Performance Fee)	Other investment-related fees and charges[1]	Transaction costs	Total Fees and Charges
Market-linked	**0.36%** *(0.41%)*	**0.04%** *(0.05%)*	**0.07%** *(0.19%)*	**0.11%** *(0.11%)*	**0.57%**[2] *(0.77%)*
Stable	**0.54%** *(0.54%)*	**0.19%** *(0.08%)*	**0.13%** *(0.13%)*	**0.05%** *(0.04%)*	**0.90%**[3] *(0.79%)*
Money Market	**0.09%** *(0.09%)*	**0.00%** *(0.00%)*	**0.02%** *(0.02%)*	**0.00%** *(0.00%)*	**0.11%** *(0.11%)*
Shari'ah	**0.71%** *(0.73%)*	**0.00%** *(0.00%)*	**0.11%** *(0.07%)*	**0.09%** *(0.12%)*	**0.91%** *(0.92%)*

[1] Includes Sygnia investment administration fee of 0.06% for multi-manager portfolios (Market-linked and Stable portfolios) and 0.02% for single-manager portfolios (Money Market and Shari'ah portfolios).

[2] The Fund incurred transition-related costs in 2024 when Satrix was appointed to transition and manage an equity mandate, resulting in a higher '*Other investment-related charges* for that year. A performance fee was also paid for the Coronation Houseview Equity and Coronation Active Bond portfolios during September 2024.

The Fund transitioned from Allan Gray's Domestic Equity Portfolio standard performance fee to a trust performance fee structure in October 2023, offering refunds to clients during underperformance. Due to underperformance for the 12-month period to 31 March 2025, there was an automatic refund issued to the Fund resulting in a *negative* performance fee which contributed to a decrease in the total fee charge. [3] Performance fees were paid for the Allan Gray Global Stable portfolio for the Orbis Fund.

The Fund has performance fee arrangements in place with Allan Gray Domestic Equity, Coronation Houseview Equity, Coronation Active Bonds and Ninety One Flexible Bond on the Sygnia Life platform (Market-linked Portfolio) and Allan Gray Global Stable (Stable Portfolio), and collectively these managers make up 36% of the Market-linked Portfolio and 33% of the Stable Portfolio based on asset values as at 31 March 2025. The total fees and charges for the Market-linked Portfolio and Stable Portfolio will vary from time to time, depending on how these managers perform compared to their performance fee benchmarks.

GENERAL INFORMATION ON INVESTMENTS

INVESTMENTS The Fund offers you **MEMBER INVESTMENT CHOICE.** You need to decide which portfolios you want the contributions to be invested in from a range of portfolios (combinations are also permitted) as highlighted in the table below. You can change the investment choice at any time (costs of changing are shown on page 8).

Actual Asset allocation (as at 30 June 2026):

Portfolio	SA Equities	SA Bonds	Money Market	SA Property	SA Infra Debt	Offshore	Other
Market-linked Portfolio	35.5%	17.5%			3.1%	43.9%	
Stable Portfolio	16.6%	36.8%	11.8%	1.5%		31.6%	1.7%
Money Market Portfolio			100.0%				
Shari'ah Portfolio	35.3%		32.7%			27.5%	4.5%

The "Other" asset class includes commodities.

Target return and comment:

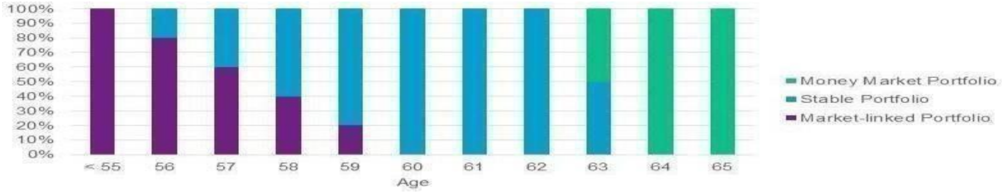
Market Linked Portfolio: Target return CPI + 5% per annum over a rolling 7-year period. Highest potential return; highest volatility; highest chance of negative returns over short periods. Most appropriate for long-term investing (>10 years). Strategic asset allocation determined by the Board.

Stable Portfolio: Target return of CPI + 3% per annum over a rolling 3-year period. Lower volatility than the Market Linked portfolio. Strategic asset allocation determined by the managers.

Money Market Portfolio: Target Return of CPI + 1% per annum over a rolling 1-year period. Least appropriate for long-term investing Most chance of capital preservation.

Shari'ah Portfolio: Target returns of CPI + 4% per annum over a rolling 5-year period
Adheres to Shari'ah principles of the ban of interest and the ban on investment in certain sectors – e.g., conventional financial, alcohol and tobacco; non- halaal food production; some entertainment (e.g., casinos) and arms manufacturing. Strategic asset allocation determined by the manager.

If you do not make this choice or want the Trustees to choose the investment portfolio for you, your contributions will be invested according to the **LIFE STAGE MODEL** (which is the default for in-service members). The Life Stage Model transitions you from the most aggressive portfolio (the Market Linked) to the least aggressive portfolio (the Money Market) in the 10 years prior to retirement as follows:



If you like this model, you can also choose to be invested in it by selecting this option on the option form. If you make no investment choice when you become a deferred member, you will remain invested in the portfolio in which you were invested in prior to becoming deferred – if this is the Life Stage model you will continue to be transitioned as usual. If you make no investment choice on becoming a living annuitant, you will be invested in the Stable portfolio.

OTHER GENERAL INFORMATION

COMPLETION OF CLAIM FORMS ON LEAVING THE FUND

Claim forms that are not completed correctly will result in unnecessary delays. It is therefore important that you read the claim form thoroughly, fill in all relevant information and then submit to Dorathy Cedras in the Human Capital department.

If the completion of claim forms is not adhered to, the benefit will remain in the Fund and will be invested in the underlying portfolio for another month. We ask you to please insert your contact details on these forms e.g., cell number and e-mail address, so that Alexander Forbes can contact you if necessary.

EXITS FROM THE FUND

A. DEATH

The importance of completing beneficiary nomination forms

By completing the forms (and keeping them updated), you will be advising the Fund to act according to your wishes in the event of your death (subject to Section 37C above). This information will also help to speed up the pay-out process in the event of your death. Forms are available from the PetroSA Human Capital department and the Principal Officer. We encourage all members to complete the beneficiary nomination forms on AFConnect.

B. RESIGNATION

How to speed up the benefit payment when leaving the Fund

When you leave the Fund, an income tax number is required in order to pay out or transfer your benefit. All members of the Fund who are not registered as taxpayers and thus do not have a personal income tax number must register and obtain a personal income tax number. It is important to do so in order to avoid unnecessary delays when a benefit needs to be paid out.