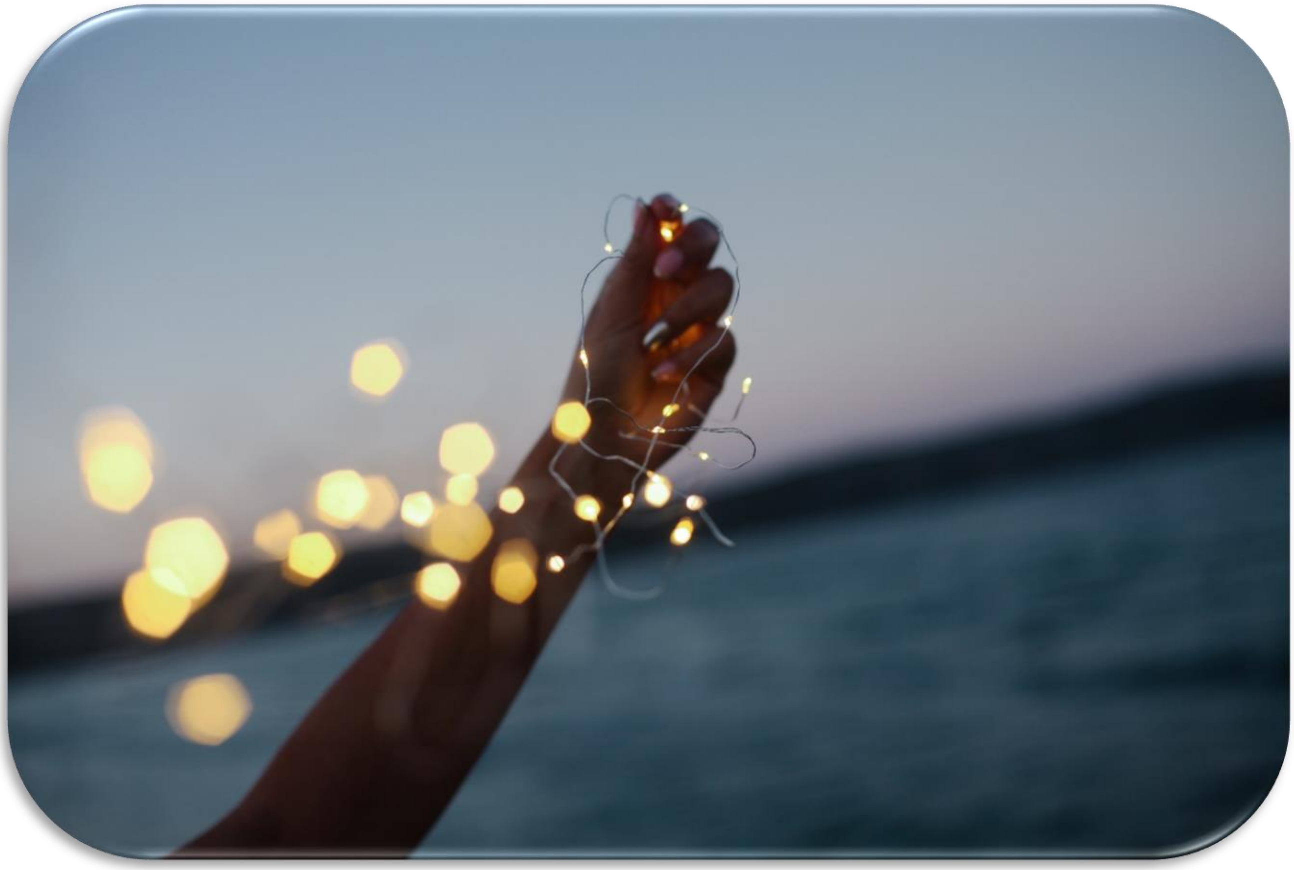
ELECTRICAL CONTRACTING INDUSTRY
NATIONAL PENSION FUND

FSCA REGISTRATION NUMBER 12/8/38249

Member Newsletter

Quarter 1 2026



Dear Members,

Message from the Funds' Chairperson – Mr Mark Mfikoe

I am pleased to present our newsletter for quarter 1 of 2026. I hope it finds you well and in good spirits, filled with optimism and a firm resolve to make 2026 truly exceptional.

The world is in turmoil, and there is conflict between countries. There is war involving Russia and Ukraine, Pakistan and Afghanistan and most recently, the attack on Iran by the USA/Israeli Coalition and Iran's response to that aggression. This has destabilised the investment environment, the milieu in which we invest your money. It is a tough environment to grow your money. The fortunate thing is that we invest this money fully aware of the geopolitical environment in which we operate. We are also conscious of the fact that we do not know in precise terms how all this will turn out. We pray for a ceasefire. This might be way into the future, as the Ukraine-Russia conflict would have taught us.

You are members of a fund that is just a year old. It has grown at a rate we never anticipated. This is a positive development because the more of us there is, the cheaper it is to run the fun at an individual level. The more we save on costs, the more we can enhance contributions to retirement.

Very soon, we will be the biggest fund in the industry. Inside this edition, you'll find highlights from another busy and productive quarter, along with important reminders about the benefits available to your dependents and an update on recent developments in the retirement industry.

As always, you remain our top priority. We are committed to helping you achieve the best possible retirement outcome and supporting you every step of the way.

Thank you for your continued trust and support.

Kind regards

Mr Mark Mfikoe
Chairperson of the ECI National Pension Fund

ELECTRICAL CONTRACTING INDUSTRY NATIONAL PENSION FUND – UPDATE

The Electrical Contractors Association (ECA) and the South Africa Equity Workers Union (SAEWA) have resolved to establish **The Electrical Contracting Industry National Pension Fund**. The Fund aims to ensure that all employees in the Electrical Industry enjoy the same benefits under the **Electrical Contracting Industry National Pension Fund** countrywide.

The Fund was registered by the Financial Services Conduct Authority (FSCA), and ALL new employees in the electrical industry were admitted as members to the Fund with effect from 1 March 2025

The Electrical Contracting Industry National Pension Fund continues to grow and develop positively. We are pleased to confirm that the Fund is fully operational, with a membership of **4 206 as at 31 December 2025.**

The Board remains committed to transparency and to managing the Fund responsibly in the best interests of members, with a strong focus on improving retirement outcomes.

Please do not hesitate to reach out to your designated agents below for any queries:
- NBCEI (Local National Bargaining Council for the Electrical Industry Office)
  Phone: 011 339 2312
- SAEWA (South Africa Equity Workers Union)
  Phone: 086 077 2392
- ECA SA (Electrical Contractors Association)
  Phone: 089 744 4555

LEGAL UPDATES

NATIONAL BUDGET 2026

How does it affect you?

Tax changes

- No tax 'bracket creep' this year. Personal income tax brackets and medical tax credits will be fully adjusted for inflation.

The amended tax brackets and thresholds for individual taxpayers:

2025/26		2026/27	
Taxable income (R)	**Rates of tax**	**Taxable income (R)**	**Rates of tax**
R0 – R237,100	18% of each R1	R0 – R245,100	18% of each R1
R237,101 – R370,500	R42,678 + 26% of the amount above R237,100	R245,101 – R383,100	R44,118 + 26% of the amount above R245,100
R370,501 – R512,800	R77,362 + 31% of the amount above R370,500	R383,101 – R530,200	R79,998 + 31% of the amount above R383,100
R512,801 – R673,000	R121,475 + 36% of the amount above R512,800	R530,201 – R695,800	R125,599 + 36% of the amount above R530,200
R673,001 – R857,900	R179,147 + 39% of the amount above R673,000	R695,801 – R887,000	R185,215 + 39% of the amount above R695,800

R857,901 – R1,817,000	R251,258 + 41% of the amount above R857,900	R887,001 – R1,878,600	R259,783 + 41% of the amount above R887,000
R1,817,001 and above	R644,489 + 45% of the amount above R1,817,000	R1,878,601 and above	R666,339 + 45% of the amount above R1,878,600

Increasing the retirement fund contribution deduction limit

To encourage retirement savings, if one contributes to a retirement fund (approved pension/ provident/ retirement annuity fund), one can claim a tax deduction for contributions you make to these retirement funds. The allowable deduction one can have in any tax year (which runs from 1 March to the end of February) is limited to the lowest of these amounts:

1. This is the total amount you paid into all your retirement funds during the year, including your pension, provident fund, and any retirement annuity. For example, if you contribute to a pension fund at work and also pay into a retirement annuity, these amounts are added together.

2. 27.5% of the greater of:

- Your remuneration (basically your salary/wages for employees' tax/PAYE purposes, excluding any retirement lump sums or severance benefits), or
- Your taxable income (before deducting the retirement contributions themselves, donations, or foreign tax credits, and excluding retirement lump sums/severance benefits).

3. An overall annual cap of R350,000 (this is the hard ceiling applied across everything).

It is proposed in the Budget that the annual cap of R350,000 will rise to **R430,000** from 1 March 2026 (i.e. for the 2027 tax year onward). This is very welcome and was last increased in 2016. The 27.5% percentage remains unchanged.

Increasing the amount of retirement from a retirement fund

When you retire, the size of your savings determines whether you can take everything in cash or need to use it to provide a pension. It is proposed to increase this threshold from R247,500 to R360,000, effective 1 March 2026.

Add the whole amount in the retirement pot to two-thirds of the vested portion in the vested pot. If the Rand amount of these two amounts added together is less than R240,000, then the whole retirement benefit can be taken in cash.

Tax-free savings accounts (TFSA): an increase in the contribution limit

A key proposal to encourage higher personal savings and investment is an increase to the annual contribution limit for TFSA's (also referred to as tax-free investments).

By law, there is a limit on how much an investor can contribute to a TFSA. Currently, an investor can contribute up to R36,000 per tax year to a qualifying TFSA. This limit has been static since 2021. From 1 March 2026 (i.e. for the 2027 tax year onward), the annual contribution limit to a TFSA will increase from R36,000 to R46,000 per tax year (about a 28% increase).

The lifetime limit on contributions (across all an investor's TFSAs) remains at R500 000.

Increase in Tax-Free Savings Account (TFSA) Limits

From 1 March 2026, you'll be able to save more in a Tax-Free Savings Account (TFSA). The annual limit increases from **R36,000 to R46,000**.

This change allows members to invest more each year in a tax-free vehicle, where all growth and withdrawals are free from tax.

While it doesn't replace your retirement fund, it's a smart way to **boost your savings** and give you more flexibility when you retire.

LEGAL UPDATES

South Africa's retirement fund system is going through major changes:

- **Clearer tax treatment under the Two-Pot System** – confirming how withdrawals from the savings pot are taxed (at your normal income tax rate) and how retirement benefits are taxed at retirement. There is a definite focus on Member protection, and governance standards are higher

Trustees, administrators, and members need to stay informed and adapt quickly to avoid risk and take advantage of the improvements.

FUND PERFORMANCE as at FEBRUARY 2026

FUND NAME	Local Interest	Foreign Interest	Foreign tax paid on foreign interest	Local Dividends	Foreign Dividend (Dual-listed)	Foreign Dividends	Foreign Tax paid on foreign dividends	Income from REITS	Other Income	Market Value at 28 Feb 2026
Riscura High Equity Prescient Fund of Funds B3	0.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,552,344.34
Total	**0.45**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**28,552,344.34**

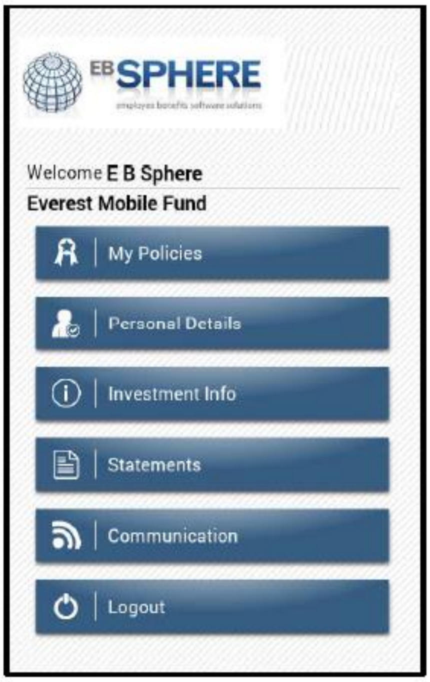
The Fund has delivered positive investment returns since inception, with a return of 30.243%, reflecting prudent financial management and providing a strong foundation for the long-term security of members' retirement benefits.

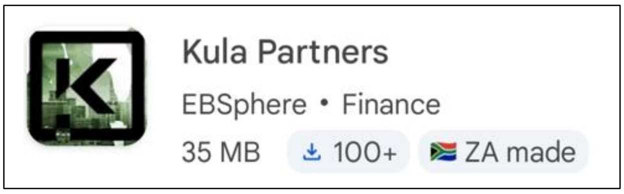
MEMBER PORTAL *giving you 24/7 access to your benefit information*

The online portal provides a seamless and secure way to access your data anytime, anywhere. By utilising this platform, you can efficiently manage your information, stay informed, and make well-informed decisions with confidence.

The Fund's administrator, Kula Partners, has a member portal and Smartphone Application available that will allow you to:

- View and Update Personal Details
- View Investment Details
- Access your Benefit Statement





You can access the online portal via the Kula Partners website:
My Retirement Fund Login – Kula Partners.

If you have a Smartphone, the mobile application can also be downloaded from Google Play or the Huawei App Store.

Once you have downloaded the App, you should contact your nearest NBCEI Office for access details. Alternatively, you can send an email to kula-queries@kulapartners.co.za for your enquiry to be routed to the correct department.

QUERIES

- If you have Queries, email the Funds at ecifund@nbcei.co.za OR via our Call Centre on 011 339 2312 OR via WhatsApp 068 210 6783, OR via Facebook/or via Facebook Messenger (search for @ECIRegionAandB).

- To ensure a speedy resolution to all your queries, please provide your email address, cellular phone, and **include your full name, surname, identity number and the name of your last/ current Employer**.

- Employers may also refer any queries to the ECA(SA), and workers may refer queries regarding the fund to SAEWA.