DURBAN PENSION FUND

PRIVATE & CONFIDENTIAL

CIRCULAR TO PENSIONERS

22 June 2026

Dear Pensioner

PENSION INCREASE AND BONUS PAYMENTS

a) ANNUAL PENSION INCREASE:

The Fund's Pension Increase Policy targets an annual increase of 100% of inflation, based on the year-on-year change in CPI to the end of March. That figure to the end of March 2026 was 3.1%.

i) The financial position of the Fund is such that the full increase of 3.1% (being 100% of the CPI figure reflected above) is affordable and that increase (3.1%) has accordingly been approved by the Trustees.

ii) In addition, arising from the financial position of the Fund as at 31 December 2025, the Trustees have resolved to grant a further discretionary increase of 4.9%. The total pension increase granted with effect from 1 July 2026 is accordingly **8.0%** (3.1% + 4.9%) and will be payable with effect from that date. The pension increase also applies to the deferred pensioners and those redundant pensioners whose pension is being funded by the Employer until normal retirement age.

A proportional increase in pensions will be paid to pensioners who retired during the 12-month period 1 July 2025 to 30 June 2026.

b) BONUS PAYMENT IN JULY 2026:

The Trustees have again resolved that a bonus payment equal to a 14th cheque be paid with the July 2026 pension to all Fund pensioners, including those redundant pensioners whose pension is being funded by the Employer until normal retirement age.

c) ADDITIONAL ONCE-OFF SPECIAL BONUS PAYMENTS

The Trustees are also delighted to advise that this year, they have been able to grant two additional once-off special bonus payments (each equal to one month's pension payment) that will be payable in the months of August 2026 and September 2026. The Trustees have further agreed to grant another two once-off special bonus payments in 2027, payable in February 2027 and May 2027, however these payments are subject to there being no significant deterioration in the Fund's financial position between now and those dates. These additional amounts are payable to all Fund pensioners, including those redundant pensioners whose pension is being funded by the Employer until normal retirement age.

NOTES:

1. Please note that the bonus payments referred to in b & c above are totally dependent on the Fund's investment returns and therefore there is no guarantee that future discretionary bonuses will be payable.

2. Pensioners in receipt of the eThekwini Municipality's Non-contributory pensions are only eligible for inflationary (CPI) increases of 3.1% as stated in point (a i) above.

Yours faithfully

For and behalf of Durban Pension Fund
Pension Payment Division – AFAS
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DURBAN PENSION FUND

OKUYIMFIHLO

22 kuNhlangulana 2026

Mholi Wempesheni Othandekayo

ISAZISO ESABAHOLI BEMPESHENI:
UKUNYUKA KWEMALI YEMPESHENI YONYAKA KANYE NEBHONASI EKHETHEKILE ETHOLWA KANYE:

a) UKUNYUKA KWEMALI YEMPESHENI YONYAKA:

Umthetho yesiKhwama sempesheni yokunyusa impesheni ihlose ukunikeza ukunyuka okulingana no-100% wokwenyuka kwezindleko zokuphila (CPI), kubalwa ushintsho kusukela ngonyaka kuya ngonyaka kuze kube sekupheleni kukaNdasa. Lelo nani kuze kube sekupheleni kukaNdasa 2026 lalingu-3.1%

i) Isimo sezezimali zesiKhwama sivumela ukuthi ukunyuka okuphelele okungu-3.1% (okungu-100% we-CPI eshiwo ngenhla) kukhokhwe, futhi abaPhathiswa sebekuvumile lokhu kukhuphuka kwempeshini okungu-3.1%.

ii) Ngaphezu kwalokho, ngenxa yesimo sezezimali zesiKhwama kusukela mhla zingama-31 kuZibandlela 2025, abaPhathiswa banqume ukunikeza ukunyuka okwengeziwe okungu-4.9% ngokuzithandela. Ngakho-ke, ukunyuka okuphelele kwempeshini okuqala ukusebenza kusukela mhla lu-1 kuNtulikazi 2026 kungu-8.0% (3.1% + 4.9%), futhi kuzokhokhwa kusukela ngalolo suku. Lokhu kunyuka kuzosebenza nasekubamukeli bempeshini abahlehlisiwe kanye nalabo abaphucwe umsebenzi abaxhaswa uMqashi kuze kube bafinyelela eminyakeni ejwayelekile yokuthatha umhlalaphansi.

Kuzokhokhwa ukunyuka okulinganiselwe kubaholi bempesheni abathathe umhlalaphansi phakathi kwesikhathi sezinyanga eziyi-12 kusukela mhla lu-1 kuNtulikazi 2025 kuya mhla zingama-30 kuNhlangulana 2026.

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b) IBHONASI EZO-KHOKHWA NGO-NTULIKAZI 2026:

AbaPhathiswa baphinde banquma ukuthi kukhokhwe ibhonasi elingana nesheke le-14 kanye nempesheni kaNtulikazi 2026 kubo bonke abamukeli bempesheni yesiKhwama, kubandakanya nalabo abaphucwe umsebenzi abaxhaswa uMqashi kuze kube bafinyelela eminyakeni ejwayelekile yokuthatha umhlalaphansi**.**

c) AMABHONASI ANGEZIWE AKHOKHWA KANYE KUPHELA

AbaPhathiswa bayakuthokozela ukwazisa ukuthi kulo nyaka bakwazile ukunikeza amabhonasi amabili angeziwe akhokhwa kanye kuphela, alingana nenkokhelo yenyanga eyodwa ngayinye, azokhokhwa ezinyangeni zikaNcwaba 2026 nangoMandulo 2026.
Ngaphezu kwalokho, abaPhathiswa bavumile ukunikeza amabhonasi angeziwe amabili ngo-2027, azokhokhwa ngoNhlolanja 2027 nangoNhlaba 2027. Nokho, lezi zinkokhelo zizoncika ekutheni isimo sezezimali zesiKhwama singabi sibi kakhulu phakathi kwamanje nezinsuku zokukhokhwa.
Lezi zinkokhelo zizokhokhelwa bonke abamukeli bempesheni yesiKhwama, kubandakanya nalabo abaphucwe umsebenzi abaxhaswa uMqashi kuze kube bafinyelela eminyakeni ejwayelekile yokuthatha umhlalaphansi.

AMANOTHI:

1. Sicela uqaphele ukuthi amabhonasi ashiwo ku-(b) no-(c) ngenhla ancike ngokuphelele ekusebenzeni kwezimali zokutshalwa kwezimali zesiKhwama, ngakho-ke akukho siqinisekiso sokuthi amabhonasi azayo azokhokhwa.
2. Abamukeli bempesheni abathola impesheni engenamnikelo yeTheku banelungelo lokuthola kuphela ukunyuka okuhambisana ne-CPI okungu-3.1% njengoba kushiwo ku-(a)(i) ngenhla.

Ozithobayo

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