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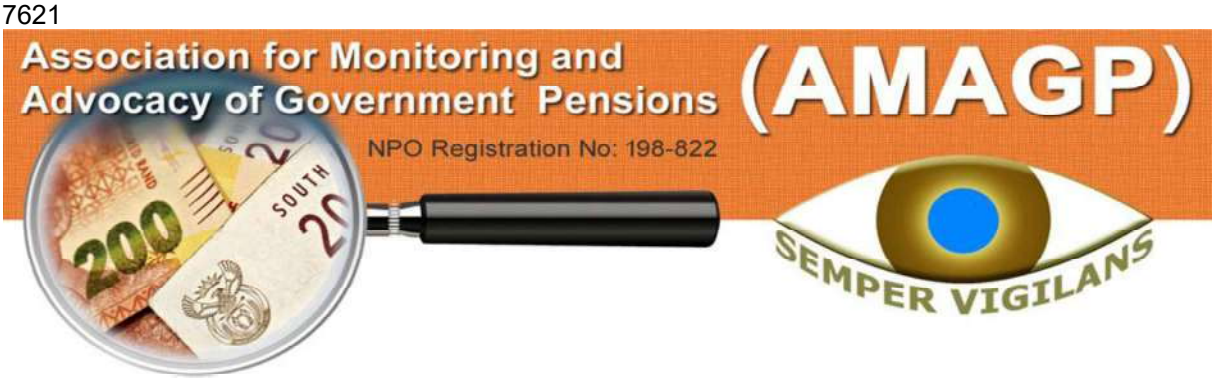

The Association for Monitoring and Advocacy of Government Pensions: A volunteer independent group of pensioners and civil servants concerned about the long-term viability of the GEPF and sustainability of its return on investments.

www.AMAGP.co.za

GEPF Watchdog - Waghond

GEPF Forum

GEPF your investment, your future

NEWSLETTER NO 4 of 2025

AMAGP – Association for Monitoring and Advocacy of Government Pensions
AR – annual report
BOT – Board of Trustees [of the GEPF]
FSCA – Financial Sector Conduct Authority [previously the FSB]
GEPF - Government Employees' Pension Fund
PIC – Public Investment Corporation
ROI – return on investment
SCOF – Standing Committee on Finance
SCOPA - Standing Committee on Public Accounts
SLAPP - Strategic litigation against public participation
SOE – state owned entity

The Government Employees Pension Fund (GEPF) is Africa's largest pension fund. We have more than 1.267 million active members, in excess of 524 030 pensioners and beneficiaries, and assets worth more than R1.61 trillion. GEPF is a defined benefit pension fund that was established in May 1996 when various public sector funds were consolidated. Our core business, which is governed by the Government Employees Pension Law (or GEP Law), as amended, is to manage and administer pensions and other benefits for government employees in South Africa. https://www.GEPF.gov.za/ dd 9 March 2025.

WE ARE THE OWNERS OF THE GEPF and we have the right to expect the GEPF BOT and the PIC to manage and invest OUR money in a responsible and profitable way, to the advantages of members and pensioners. Note the misbalance: the single pensioner on the BOT representing all 450 000 pensioners and the 15 representatives from the multitude of trade unions and government departments representing the 1,2 million contributing members.

The AMAGP does not want any GEPF member to leave the Fund, because it still is the best pension fund in the RSA. BUT, we as members and owners of the Fund have the duty to protect and safeguard it against abuse.

The Editor's Word

A special single topic newsletter. Most of this newsletter are the questions submitted to the GEPF and PIC representatives at a recent meeting of the PSA in the Western Province. Don't be alarmed, the newsletter is the usual length.

Now for news from the media

A short message about the PSA meeting in WP. Followed by a statement from Solidariteit. Followed by the GEPF and PIC lists of questions.
You will see the questions aren't duplicated but some might be similar where the unknown is the same, they are specifically applicable to the GEPF or PIC.
And that's it for this newsletter.

NEWSNUUSNEWS

Synopsis

By Mark Venter

On 27 Feb 25 the Western Province PSA held its AGM. Members of the GEPF, PIC and AMAGP were invited to attend. AMAGP was also invited to ask questions of the GEPF and PIC representatives.

The GEPF list was rather long, and so was submitted in paper form with the request that the answers be provided by 30 April. The gist of the questions was as follows:

- When will the GEPF website be updated with the updated version of the GEP Law?
- Why does the website indicate that the GEPF website is unsafe?
- Why are there delays in processing deceased persons pension benefits?
- When will the GEPF member guide be updated?
- What is the impact of the 2-Pot System on the Fund?
- What are the plans to improve the sustainability of the Fund?
- What are the operational costs of the GEPF?
- Why does the ROI of GEPF investments seem less than other pension funds?
- What are the ROI benefits of investing in government entities and SOE?
- What are the legal references allowing for the investment in developmental projects?
- Why does the GEPF allow the PIC investment in low/non-benefit returns?
- How does the GEPF select an auditor each year?
- What are the contact details of the individuals that GEPF members can direct their issues to given that the call centre does not work?
- When will the GEPF announce an ad-hoc increase to bring pensions in line with the increases of employed civil servants?

To the PIC the AMAGP representatives asked the following questions:

- When will the PIC website be updated?
- What is the name and contact details for GEPF members wishing to liaise with a PIC member?
- What are the operational costs of the PIC?
- What is the ROI of PIC investments?
- How does the PIC prevent insider trading?
- What is the PIC doing to fulfil all of the recommendations of the Mpati Commission?
- Provide details of the investigation into AYO Technologies.
- Provide details of the investments into government and SOE for the next 5 years. How is this investment justified?

A more complete version of these questions will be included on the website by Monday under Members' Interests.

Comment

The two lists are included below, please read both to see what the core aspects are. The questions are the ones you should be paying attention to in the daily assault on our Fund through the 'news' and social media.
It is to be noted that both lists were signed by five representatives of the GEPF, and written receipt of the lists was acknowledged by the GEPF and PIC representatives.

Samevatting

Aftreegeld nié vir regering se begrotingstekort - Solidariteit

Solidariteit
Maroela Media
3 Maart 2025

Solidariteit het Maandag gewaarsku dat enige poging om gelde van die Staatsdienspensioenfonds (GEPF) vir die regering se begrotingstekort te gebruik, met regsaksie beantwoord sal word. Dit kom ná 'n radikale voorstel van die vakbond Cosatu dat bydraes vir die staatsdienspensioenfonds ingespan kan word om die regering se R60 miljard-tekort te verhaal sodat die begroting kan klop.

Marius Croucamp, Adjunkhoofsekretaris vir Strategie by Solidariteit, het dié voorstel as uiters gevaarlik bestempel, en sê dit moet summier in die kiem gesmoor word. "Aftreegeld behoort slegs aan pensioenarisse en die werkers wat bydraes aan die GEPF vir hul aftrede maak. Die GEPF behoort nie aan die ANC nie, ook nie aan Cosatu of enige iemand anders nie. Die GEPF mag fondse nét in belang van sy lede aanwend."

Die jaarlikse begrotingsrede is verlede week tot 12 Maart uitgestel nadat partye in die regering van nasionale eenheid (RNE) nie ooreen kon kom oor hoe die tekort hanteer moet word nie. Die ANC het 'n BTW-verhoging van twee persentasiepunte op eie houtjie probeer deurdruk, maar het teenkanting van sy koalisievennote gekry.

Croucamp sê dit is onaanvaarbaar dat die regering oorweeg om gewone werkers se aftreegeld as 'n maklike uitweg vir sy finansiële probleme te gebruik "Dit is hierdie onbevoegdheid en oneerlikheid wat tot 'n groot mate die begrotingstekort veroorsaak het, en dit is verkeerd om lede van die pensioenfonds daarvoor te penaliseer." Intussen stroom klagtes van bekommerde GEPF-lede reeds by Solidariteit in.

Volgens Croucamp is mense tereg angstig oor die veiligheid van hul aftreegeld. "Hierdie geld is vir mense se aftrede bedoel. Dit is nie 'n staatslening om die regering se finansiële probleme op te los nie."

Onlangse navorsing deur die Solidariteit Navorsingsinstituut (SNI) toon ook dat GEPF-lede hewig teen enige planne gekant is om hul pensioengeld vir staatsgebruik aan te wend. "GEPF-lede het geensins 'n mandaat gegee wat voorstelle soos dié van Cosatu regverdig nie. Dit sal roekeloos, onoordeelkundig en onregverdig wees om 'n presedent te skep waar aftreebydraes gebruik word om pa te staan vir die regering se wanbestuur, swak beleide en korrupsie," sê Croucamp.

Hy het verder benadruk dat Solidariteit gereed is om regstappe te doen indien daar enige verdere planne gemaak word om GEPF-geld of -bydraes te misbruik. "Solidariteit se regspan staan gereed om op te tree indien daar gepoog word om pensioengeld vir enigiets anders as die direkte belang van GEPF-lede te gebruik. Ons sal nie toelaat dat die regering sy wanbestuur met werkers se aftreegeld probeer regmaak nie."

Kommentaar

Veblydence steun vir ons pensioene van Solidariteit.

Synopsis

GEPF - CONCERNS

Contents

1. BACKGROUND

The offer to allow time for questions to the invited speakers at the AGM of the Group Branch Pensioners: Western Cape Committee of the PSA on 27 February 2025, refers. We wish to optimise this opportunity, taking note of the following:

*The **Government Employees Pension Fund (GEPF)** in South Africa, established by the Government Employees Pension Law (Act 21 of 1996), is indeed a **public entity**. However, it is not listed under Schedule 2 of the Public Finance Management Act (PFMA). Instead, it falls under Schedule 3, which includes other public entities. Actually, even though the GEPF is listed under Schedule 3 of the Public Finance Management Act (PFMA) as an "other public entity," it still needs to comply with certain aspects of the PFMA. Schedule 3 entities are required to comply with specific sections of the PFMA, such as those related to financial reporting, internal controls, and audit requirements.*

To make optimal opportunity and reach out to the entities these speakers represent, some concerns/questions/requests (CQR) have been listed below.

It would be unfair to the representing speaker to be able to answer/deliver on each of these CQRs at the meeting within the allotted time frames. The topics may also elicit time consuming discussions, and the speakers may well be unaware of all the detail, thus, requiring some possible extensive "education" on the topic at hand.

The members of the GEPF have a vested interest in the fund and how the assets of the fund are being invested and managed for their long-term benefit. Thus, the sustainability of the fund and the returns on investments are critical to the members' interests.

Due to the absence of annual meetings with members and a general lack of transparency - no regular meetings with our representative trustee, this time to ask questions, is a crucial opportunity for members.

Thus, the CQRs are listed below in the spirit of honest and transparent concerns about the activities of the GEPF and PIC in their respective roles in supplying the best pension dispensation for the pensioners and government workers they represent.

2. CONCERNS/QUESTIONS/REQUESTS

2.1 LAW

Members, pensioners and employees (government servants), need to have full access to the latest laws and rules to make informed decisions, plan ahead and guide their families on their pension dispensation. It appears that the Government Employees Pension Law, 1996 posted on the GEPF website is not complete with all amendments. We're aware of the Act No. 09 of 2023: Financial Matters Amendment Act, 2023 which is not included in the current act.

a. Where can members find the full versions of the laws and rules, as amended, which regulates the GEPF, *on the GEPF website*?

b. Kindly provide complete copies of the laws and rules, **as amended**, which the GEPF ought to/are using.

c. Kindly update the website in full and notify us when finalised.

2.2 SERVICE TO GEPF MEMBERS

a. Upon trying to access the GEPF website, Bitdefender (antivirus software) warns as follows:

"Suspicious page blocked for your protection https://www.gepf.gov.za/
Your connection to this web page is not safe due to an unmatching security certificate.
This means that the certificate was issued for a different web address than the one it is being used for, and you run the risk of exposing your data by accessing this page."

Users entering the website are thus at their risk... knowingly or not. Kindly indicate when the website certificate has been updated/corrected to prevent this message.

b. It appears that the GEPF and GPAA portals and e-mail services to members are not a priority for the BOT of the GEPF as it appears to be outdated. Kindly explain the reasoning behind the lack of service to members of the GEPF.

c. Some exceptionally long delays in processing of deceased pension benefits (spousal pensions and funeral benefits) appears to be unresolved. This affects the surviving family members seriously and

urgent assistance is required to prioritise the finalisation of these claims. Kindly indicate working contact details for such specific URGENT enquiries.

d. The availability of pension slips for members is a problem. Kindly advise where and how this can be obtained via a fully functional web login or application.

e. The GEPF member guide is outdated on the GEPF website. When can we expect a fully updated version and how will this be communicated to GEPF members - both employees and pensioners?

2.3 TWO-POT SYSTEM IMPACT

a. What is impact of 2-Pot system on pension calculations and how does it affect "replacement value"?

Replacement ratio refers to the percentage of an individual's annual employment income vs retirement income. E.g., when you take your last employment salary (100%) compared to your pension (70-75%).

2.4 GEPF SUSTAINABILITY

It appears that the long-term sustainability of the fund is increasingly under pressure. Return on investment figures, the pressure of new pensioners and the apparent increased cost "social investments" keeps increasing the challenging landscape. Even in 2025, a rather insultingly low increase has been announced. This puts increased pressure on pensioners and the sustainability of the fund.

Can the BOT of the GEPF kindly indicate in detail how they are planning to reduce and mitigate these risks for the current and new pensioners?

2.5 OPERATIONAL COSTS

a. Kindly provide a detailed summary of the employee numbers and operational costs of the GEPF for the last five financial years 2021 to 2025.

2.6 RETURN ON INVESTMENTS

Investment performance of the PIC managed funds appears to be sub-par with many other pension funds. Kindly provide copy of the actual evaluation the BOT used to monitor this performance during the past 5 years.

The two pot system for pension benefits is a new unknown for most members. Many have extracted monies for the GEPF - apparently up to >R10bn.

a. How will this affect the future stability of the pension fund as well as return on investments?

A press release on this would surely be welcome communication with especially pensioners.

2.7 FUNDING OR INVESTING IN GOVERNMENT AND SOES

It is of serious concern when pension funds are used to "invest"/fund government projects/entities on any level (national, provincial or municipal) and SOE entities. The return on investment, especially if not market related, is a first concern. A second concern is where pensions funds are invested in SOE or government, especially municipalities, which are technically insolvent and/or unable to pay their creditors.

a. Kindly provide an analysis over the last five years of such investments detailing the individual entities, amounts invested, payback terms and returns on investments.

b. Kindly provide detail on the entities which are in arrears with payments detailing the interest and / or capital owing.

c. Kindly provide detail on the strategies being followed to solve these challenges.

d. On what legal basis are these arrear payments being addressed in order to secure the full collection of capital and interest being recovered. A detail analysis per entity would be appreciated.

2.8 SOCIAL COST

In 2023 the "Developmental-Investments-Policy-Statement-Final_-1 - WEF 20231001" was apparently approved by the BOT of the GEPF.

a. Kindly indicate and share the calculations for the estimate cost of this policy, which the

GEPF pensioners and contributors is expected to pay.

b. Kindly also provide the calculation for the actual cost paid by the GEPF since implementation to date.

c. In 2023 the "Developmental-Investments-Policy-Statement-Final_-1 - WEF 20231001" was apparently approved by the BoTs of the GEPF. Kindly provide full reference to law which provides the legal basis/standing for these investments.

2.9 SUSTAINABILITY

The GEPF annual reports 2022-23 (page 87) and 2023-34 (page 99) indicates that, according to the actuary, the GEPF lost between 18% and 28% of its sustainability between the 15-year period: 2006 and 2021. A declining sustainability over a long period of time is a serious red light about poor management over an extended period of time by management and threatens the existence of the GEPF (a new actuarial report is drafted for 2024 but is not as yet available).

a. Your comments please.

b. A concerned pensioner remarked that the long-term contingency reserves of the GEPF is falling to below 1%. Please share your views on this and how these reserves will be managed to a sustainable and responsible levels in the next three years.

2.10 UNLISTED INVESTMENTS

Kindly explain why GEPF BOT allow PIC investments in low/non-benefit returns for GEPF members as prescribed by the GEP Law and or Rules; also widely acknowledged by GEPF in communications to members?

a. Kindly indicate to what extent, rand value and percentages during the past 5years, how the investment performance is affected due to the Sibaya Fund's unlisted investments, which appears to be a material strain on the return of investments of the GEPF funds.

b. Please provide the details of any alleged criminal conduct reported to the SAPS Station and Case numbers of any reporting of alleged criminal conduct in terms *Section 34 of the Prevention and Combating of Corrupt Activities Act of 2004 (Act 12 of 2004)* applicable on the reporting "as referred to in Section 34 (4) (h) of the said Act"), where any alleged

2.11 CONFLICT OF INTEREST

It appears that the GEPF and its auditor - Deloitte for the past 11 years - share offices in the same building owned by the PIC. Some might infer that this makes for a very cosy relationship and could lead to a conflict of interest.

a. How does the GEPF decide - yearly - on which audit firm to use and does the GEPF plan to change this audit relationship to obtain a fresh look at its financials in the interest of improved transparency and efficiency?

2.12 GENERAL QUESTIONS

a. It appears that GEPF also manages an "investment portfolio" in its own right. If so, how is it managed, reviewed, audited, lists of transactions, etc.?

b. How often is reconciliation of pension transfers, employer and employee contributions, undertaken and who is responsible for this?

c. The state and media regularly warn of "ghost workers". How does the GEPF mitigate this risk?

d. What have the results been where such risks transferred into losses?

e. What was the scale/size of the losses, in which financial years and what steps were taken to recover same losses?

f. We regularly read about invitations to claim unclaimed benefits. What is the extent thereof: numbers, categories, rand value?

2.13 ACTUARIAL INTEREST FACTORS

Per https://www.gepf.co.za/wp-content/uploads/2019/08/Actuarial-factors-content.pdf the following is reported in this 2019 document:

"When was the actuarial factors last updated? *The Actuarial Interest Factors were last changed on 1 April 2015.*

• ***Why is there a need to change actuarial interest factors every 2 years?***

The GEPF reviews the Actuarial Interest Factors as part of the Actuarial Valuation to make sure that they remain appropriate for the membership of the GEPF in changing conditions. Regularly changing the Actuarial Interest Factors is important to ensure that members who leave the Fund receive an appropriate benefit based on the benefits they have built up in the Fund and to ensure that the Fund does not make a profit, or a loss based on the actual benefits that are paid to the exiting members."

a. Kindly indicate if this is the current situation and why 2 yearly valuations are not done.

b. Or is it a matter of an outdated website?

c. If an outdated website, when will this be updated?

d. Kindly report on which other parts of the GEPF website is outdated and when it will be updated.

e. Kindly provide a **complete copy** of the latest **Actuarial Valuation for the GEPF**.

2.14 ANALYSIS

Some pensioners are trying to understand the dynamics of the GEPF and its obligations to members. In doing so we would like to get access to sanitised info on the age groups of pensioners and some other info. In the interest of co-operation, we wish to liaise with a specific contact person.

a. Can you kindly provide the name and contact details of a suitable contact with which we could liaise?

2.15 FURTHER QUESTIONS

GEPF members may well have more request/suggestions in future.

a. Kindly provide contact detail of the person we can direct it to.

2.16 PENSION INCREASE

The ultra low announced increase at 2,9% for the 2026 year refers. It is abundantly clear that the current November based increase is not efficient nor sufficient for pensioners – especially in view of 5,5% increases for government employees. It is suspected that the November CPI calculation may well be erroneous in its calculation or even purposely understated.

It is unthinkable that employed government servants can receive a higher general increase at 5,5%, than pensioners in retirement, whilst battling the same disastrous economic impact of real average inflation rates.

How does the BOT of the GEPF plan to assist pensioners with possible additional adjustment in the 2025-26 financial year?

The Government Employees Pension Law, 1996[1] states the following at section 25:

1 As found on the official GEPF website at Fund-Governance-Charter-Section-5-201804.pdf, accessed 20250225. It is unclear where to find the "as amended" copy of the act on the website.

"25 Increase of certain annuities and payment of allowances and bonuses
(1) Notwithstanding anything to the contrary in any law contained but subject to the provisions of this section, the Board shall within the financial constraints of the Fund, and acting on the advice of the actuary, regularly
(a) authorize the increase of any annuity payable under this Law in order to ensure that the value of annuities is maintained by means of fair adjustments; and
(b) authorize the payment of any allowance or bonus to any person who is in receipt of an annuity referred to in paragraph (a), in accordance with such rates or scales, in such circumstances, on such conditions and with effect from such date, which may be a date in the past, as the Board may determine, in terms of its pension increase policy.

[Subs. (1) substituted by s. 5 of Act 21 of 2004 (wef 11 November 2004).]

(2) Different rates, scales, circumstances and conditions may be determined in terms

of subsection (1) in respect of different classes or

(a) authorize the increase of any annuity payable under this Law in order to ensure that the value of annuities is maintained by means of fair adjustments; and

(b) authorize the payment of any allowance or bonus to any person who is in receipt of an annuity referred to in paragraph (a), in accordance with such rates or scales, in such circumstances, on such conditions and with effect from such date, which may be a date in the past, as the Board may determine, in terms of its pension increase policy.

[*Subs. (1) substituted by s. 5 of Act 21 of 2004 (wef 11 November 2004).]*

(2) Different rates, scales, circumstances and conditions may be determined in terms of subsection (1) in respect of different classes or categories of members, pensioners and beneficiaries.

(3) Any increase of any annuity and any allowance or bonus payable under subsection (1) shall be funded by the Fund.

(4) (a) Notwithstanding the provisions of subsections (1), (2) and (3), the Minister may supplement any benefit payable to a member or pensioner, or grant increases additional to such increases contemplated in subsection (1) (a) in order to protect such benefit from the effects of inflation: Provided that such supplements or increases shall only be effected after consultation with the Board.

(b) If an annuity is supplemented or an increase of an annuity is granted as contemplated in paragraph (4) (a), the employer shall immediately compensate the Fund in full in respect of the liability as calculated by the actuary referred to in section 17 (3) incurred by the Fund as a result of the granting of such supplement or increase."

Thus, it is understood that the law does allow for such additional adjustments.

a. Kindly provide the history on all ad-hoc adjustments during the previous 20 years.

b. Kindly indicate which inflation calculations are used to base the pension increase on.

c. When will the GEPF announce an ad-hoc increase to bring pensions in line with the increases of employed government servants.

d. The use of the November CPI as basis for pension increases is rather confusing. Kindly indicate in detail what the legal basis for this is.

e. Why does the Minister of Finance have to approve the annual pension increase? Is this not the responsibility of the GEPF BOT?

2.16.1 URGENT REQUEST

The BOT the GEPF is herewith requested to consider the dire circumstances of its pensioner members with immediate effect and apply their minds to grant a revised adjustment to the pensions of its members with effect from 1st April 2025. It would be advisable to increase the announced adjustment to at least 5,5%, equal to which government employees will be getting.

If, as advised by actuarial valuations, the adjustment required to bring pensions in line with inflation is higher than the requested 5,5% adjustment above, we urge the GEPF to consider a special adjustment favourably.

a. Kindly provide detailed, factual based, feedback on this matter as soon as possible.

3. FEEDBACK

Feedback to all signatories below by the following dates, please:

a. A complete copy of the latest **Actuarial Valuation for the GEPF by 15 March 2025**.

b. The balance of replies would be appreciated in writing, to reach the signatories below by **30 April 2025** or earlier. Partial answers, at earlier dates, would be appreciated.

4. CONCLUSION

Thank you for taking receipt of this document. We trust that this will enhance both our understanding of the pension and investment landscape, improve communication between us assist, the GEPF, GPAA and PIC to provide

the best possible service in the interest of all government workers and pensioners.

We anticipate and wish to build a closer working relationship with the GEPF. The plight of hundreds of thousands of pensioners is in the hands of the GEPF administration.

Currently it seems that the GEPF can do so much better.

Concerned pensioners wish to assist and support.

Let us do better, together, in the interest of all South Africans.

Comment

It all seems to be very reasonable and to the point. Let us believe the GEPF will provide clear answers to the questions.

Synopsis

PIC CONCERNS

Contents

1. BACKGROUND

The offer to allow for time for questions to the invited speakers at the AGM of the Group Branch Pensioners: Western Cape Committee of the PSA, refers. We wish to optimise this opportunity, taking note of the following:

*The **Public Investment Corporation (PIC)** in South Africa is listed as a **national public entity** and falls under Schedule 2 of the **Public Finance Management Act (PFMA).** The PIC is an asset management firm wholly owned by the government of the Republic of South Africa, represented by the Minister of Finance and must therefore comply with the provisions of the Public Finance Management Act of 1999 (Act 1 of 1999) and sections 50 to 55 of the said Act are applicable to the concerns raised herein under points 2.4 to 2.11. Similarly are the Duty to report corrupt transactions in terms of Section 34 of the Prevention and Combating of Corrupt Activities Act of 2004 (Act 12 of 2004) applicable on the reporting by "any public officer in the Senior Management Services of a public body (refer to Section 34 (4) (c) of the said Act") applicable on points 2.6 to 2.11, raised herein.*

In order to make optimal opportunity and reach out to the entities these speakers represent, some concerns/questions/requests (CQR) have been listed below.

It would be unfair to the representing speaker to be able to answer/deliver on each of these CQRs at the meeting within the allotted time frames. The topics may also elicit time consuming discussions, and the speakers may well be unaware of all the detail – thus, requiring some possible extensive "education" on the topic at hand.

The members of the GEPF have a vested interest in the fund and how the assets of the fund are being invested and managed for their long-term benefit. Thus, the sustainability of the fund and the returns on investments are critical to the members' interests.

Due to the absence of annual meetings with members and a general lack of transparency no regular meetings with our representative Trustee - this time to ask questions, is crucial opportunity for members.

Thus, the CQR are listed below in the spirit of honest and transparent concerns about the activities of the GEPF and PIC in their respective roles in supplying the best pension dispensation for the pensioners and government workers they represent.

2. CONCERNS/QUESTIONS/REQUESTS

2.1 PIC WEBSITE

The PIC website appears to be outdated in many areas.

a. Kindly indicate when it will be updated and where outdated areas can be reported to.

b. Can you please publish a fully updated copy of the **Public Investment Corporation Act, 2004**, as amended, on your website? Kindly notify us when this has been done.

2.2 SEARCHABILITY

The text searchability[1] of some documents on the PIC website - including the AFS and Annual Report and reporting on the listed and unlisted investments for the year ended 31 March 2024, is impossible. This is due to faulty formatting of pdf documents. It has been saved as images instead of text. It prevents proper finding of terms and navigation in the documents.

1The state of being searchable. (countable, computing) The extent to which, or ease with which something may be searched.

a. Kindly ensure that all PDF documents on the website and communication is fully text searchable. This is a basic requirement for transparency and analysis. Your soonest attendance to this would really be appreciated.

2.3 ANALYSIS

Some pensioners are trying to understand the dynamics of the PIC and its obligations to the GEPF and relevant laws. In doing so we would like to get access to more info – mostly sanitised - on investments, demographic distribution, etcetera. In the interest of co-operation, we wish to liaise with a specific contact person.

a. Can you kindly provide the name and contact details of a suitable contact with which we could liaise.

2.4 OPERATIONAL COSTS

a. Kindly provide a detailed summary of the employee numbers and operational costs of the PIC for the financial years 2021 to 2025.

2.5 RETURN ON INVESTMENTS

a. Kindly provide a write-off and write down report on all investments for the past 5 years by the PIC. This ought to be published as a report in progress, being updated yearly.

b. Kindly publish detailed reports on the www.pic.gov.za on ALL underperforming investments - detailing the historical yearly performance, action steps which the PIC has taken and what will be done in the financial year 2025-2026 to rectify the position/recover losses/uninvest.

Reports ought to be updated continuously to provide a historical record of all activities. These reports are required to enable GEPF members to understand how prudent these investments are managed and how effectively the PIC is acting in the interest of the pension fund members whose funds they are managing. It would also be in the reputational interest of the PIC to attend to this soonest as members are losing trust in the PIC.

2.6 CONFLICT OF INTEREST

PIC staff work with huge investments and may well be tempted to utilise information for their own or familial benefit.

a. How does the PIC ensure that employees and directors do not misuse inside information for own/familial use?

2.7 TRANSGRESSIONS

The Mpati commission report indicated numerous serious transgressions.

a. Kindly provide a complete status report on work done on the entities and individuals which were identified in respect of these transgressions. Suggested data fields for such report: Entity/Individual/Trust name, CIPC/ID/Trust #, brief transgression description, Agency working on it, date referred to agency, contact person at agency, indication of progress status, rand value of recovered monies, successful prosecutions detail, etc.

b. Please provide the details of any alleged criminal conduct reported to the SAPS Station and Case numbers of any reporting of alleged criminal conduct in terms *Section*

34 of the Prevention and Combating of Corrupt Activities Act of 2004 (Act 12 of 2004) applicable on the reporting by "any public officer in the Senior Management Services of a public body (refer to Section 34 (4) (c) of the said Act",) where the Mpati Commission alleged any criminal conduct.

2.8 AYO TECHNOLOGY SOLUTIONS

a. Kindly provide a reconciliation of the investment in Ayo Technology Solutions since its inception to date, indicating the transactions (detailed), reasoning behind it, realized profits made/losses incurred, shareholdings, shareholding cost and values per financial year end, unrealized profits/losses and ongoing PIC strategy regarding the shareholding and recovery of realized and unrealized losses.

b. Kindly provide detail on all post financial year end incidents impacting the movements in shareholding and values thereof.

c. Kindly also provide copies of filed motions and judgements regarding any legal action taken in respect of this investment.

d. Any other relevant info would also be appreciated. We wish to understand the past, present and future of this investment.

e. Please provide the details of any alleged criminal conduct reported to the SAPS Station and Case numbers of any reporting of alleged criminal conduct in terms *Section 34 of the Prevention and Combating of Corrupt Activities Act of 2004 (Act 12 of 2004) applicable on the reporting by "any public officer in the Senior Management Services of a public body (refer to Section 34 (4) (c) of the said Act"),* where the Mpati Commission alleged any criminal conduct and/or where any alleged criminal conduct referred to in section 34 (1) of the said Act became known from any source.

2.9 GOVERNMENT INVESTMENTS

It appears/is suspected that there are possible investments in SOE and government at large. Some GEPF members are seriously concerned about the risk and reward of such investments as government is battling to service its debt due to various bailouts and financial pressures for assistance. This during an extremely sluggish economy...

a. Kindly indicate the nature of these investments, amounts "invested" in government and SOE (separately), what type of return on investment is received.

b. Kindly provide detailed figures for the past five years.

c. Kindly indicate in detail, what additional investments in SOE and government is planned for the next financial year and how this is justified.

2.10 ENABLE CAPITAL RECEIVABLES FINANCE (EFRC)

Criminal charges against EFRC refers.

a. Kindly provide a summary of the timeline of events that led to these charges being laid.

b. Were any actions taken or is any similar actions planned, against any PIC staff, former staff, or contracted investment entities?

c. What changes in procedures will be made to prevent a repeat of similar incidents?

d. What measures do the PIC use to prevent future repeats of these type of investments to prevent similar losses and costly after the fact investigations and court action.

e. Which PIC procedures - on hindsight - were lacking in respect of this investment?

2.11 UNLISTED INVESTMENTS

The **"ISIBAYA DETAILED INVESTMENT SCHEDULE AS AT 31 MARCH 2017"**[2] refers. Due to very limited information on the current website, the following import requests are made:

2 https://www.pic.gov.za/DocPresentations/SCOF-Unlisted-Investment-Schedule-as-at-31-March2017.pdf

a. Kindly provide yearly schedules for the subsequent financial years (2018 - 2025) and publish it on your website in the interest of transparency.

b. Kindly provide reference to law to support legal basis/standing for these investments.

C. Please provide the details of any alleged criminal conduct reported to the SAPS Station and Case numbers of any reporting of alleged criminal conduct in terms *Section 34 of the Prevention and Combating of Corrupt Activities Act of 2004 (Act 12 of 2004) applicable on the reporting by "any public officer in the Senior Management Services of a public body (refer to Section 34 (4) (c) of the said Act"),* where any alleged criminal conduct as referred to in section 34 (1) of the said Act became known from any source.

2.12 FURTHER QUESTIONS

GEPF members may well have more request/suggestions in future.

a. Kindly provide contact details of the person we can direct it to.

3. FEEDBACK

Feedback to all signatories below by the following dates, please:

a. Written replies and electronic documents by **30 April 2025**, or earlier.

b. Partial answers, at earlier dates, would be appreciated.

4. CONCLUSIONS

Thank you for taking receipt of this document. We trust that this will enhance our understanding of the pension and investment landscape, improve communication between us, assist the GEPF, GPAA and PIC to provide the best possible service in the interest of all government workers and pensioners.

We anticipate and wish to build a closer working relationship with the PIC. The plight of hundreds of thousands of pensioners is in the hands of the PIC administration.

Currently it seems that the PIC can do so much better.

Concerned pensioners wish to assist and support.

Let us do better, together, in the interest of all South Africans.

Comment

It all seems to be very reasonable and to the point. Let us believe the PIC will provide clear answers to the questions.

THE GEPF WATCHDOG / WAGHOND FACEBOOK PAGE

Welcome to our page!!

The GEPF Watchdog/Waghond Facebook page is the social media platform of the non-profit organisation "The Association for the Monitoring and Advocacy of Government Pensions" (AMAGP). The AMAGP has only one agenda point – safeguarding the GEPF against looting and mismanagement.

We are the owners of the GEPF, and we have the right to expect the GEPF Board of Trustees, and the PIC, to manage and invest OUR money in a responsible and profitable way. To the advantages of members and pensioners!

Most of our GEPF members are content with the fact that pensioners still get their monthly pension and perhaps a non-inflation related increase sometimes. They are convinced by GEPF newsletters and ambitious GEPF AR that our Fund is in a superb condition. The AMAGP newsletters, annual reports and press releases tell a different story.

Member totals: Government Employees Pension Info (Fb) has about 78 000 members, GEPF WATCHDOG (Fb) about 52 000 members and AMAGP 8 000 members. The total is about 138 000. This isn't even close to being enough to convince the 'government' to pay attention when AMAGP releases media statements. The continued growth in AMAGP numbers confirms the ever increasing concern pension fund members and pensioners have about the future of their pensions.

As a member of the GEPF (working or retired), this Facebook page will keep you updated about any developments affecting the health of **YOUR** Pension Fund. It also provides you with

the opportunity to participate in the debate and raise issues of concern.

Please read the articles that are posted on the wall, BUT also under "**files and FEATURED**". You can get further information on our website – there is no reason to be in the dark regarding our/your Pension Fund, and what you must do as a member.

This page will only have any value for you if you join the AMAGP. Note there are no membership fees, but **we urgently need your financial support for legal actions and other projects**. You don't have to do any work for the AMAGP if you do not wish to do so – BUT your membership will add one more voice to AMAGP convince the government our pensions remain ours, not theirs to misuse.

VRYWARING

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