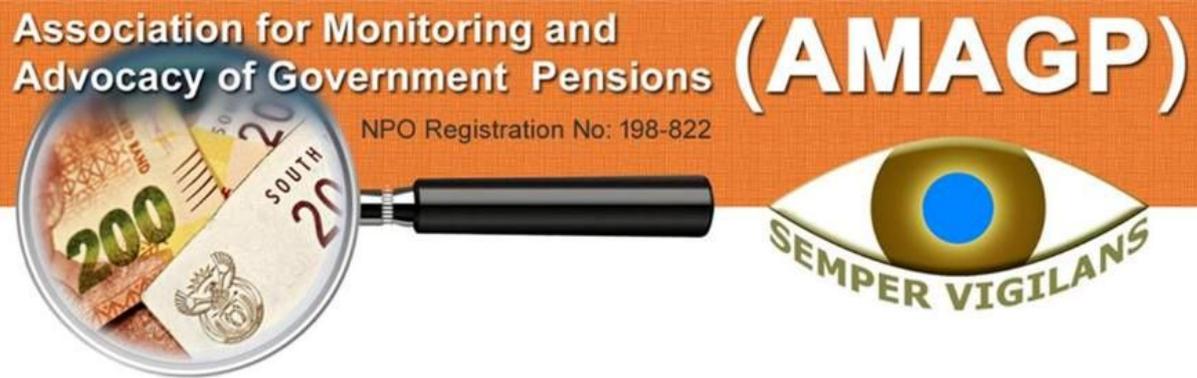


CHAIRMAN'S ANNUAL REPORT 2019

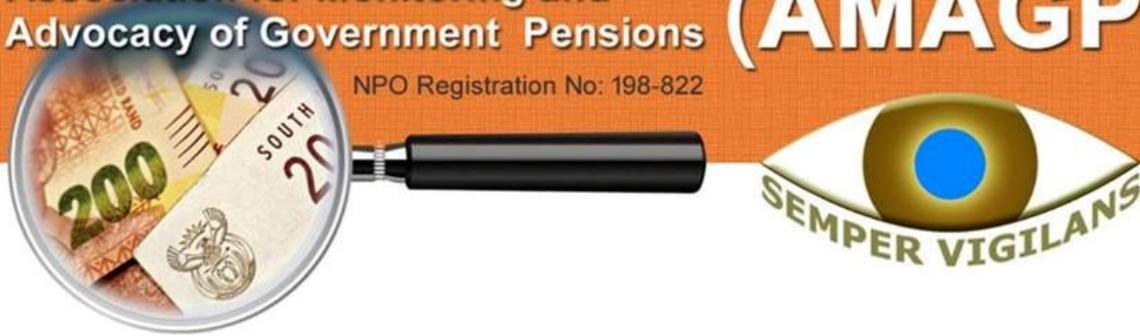
The AMAGP was active in living its aim to help that the GEPF is managed in such a manner that the Fund ensures that each pensioner receives his/her rightful pension and that the fund is invested to sustainability. If the Board of Trustees of the GEPF executes their fiduciary duties diligently and with the main aim to protect the interest of the pensioner as priority, then AMAGP's reason for existence can be questioned. However, the reality has proven that our existence is crucial. The fund is managed with many agenda's and beliefs, like Mr Sithole's statement that we are mere beneficiaries. We the pensioners are in fact the owners of the fund and the GEPF Board of Trustees (BOT) is by legislation responsible to manage it diligently.

The PIC is 100% a state organisation and is responsible to invest with the aim to support Government's objectives and even political imperatives, which are not always in line with the interest of the GEPF pensioner as priority. This is exactly why it is critical that the mandate given to the PIC must be clear and needs to be managed diligently, with the focus on monitoring and evaluation. It also has to be stressed that the fund needs to be distributed to at least three Investment Houses with a clear and trustworthy record. In the present financial crisis where South Africa's economic growth is far too low to counter even for the population growth and joblessness is even increasing, it is obvious that the Fund is seen as a solution to rescue an economy in distress. The situation is exacerbated in South Africa where the tax basis is under severe pressure and many SOE's are in financial distress. In many circles, statements are made that corruption is institutionalised and that no real action has been taken especially against influential persons. The latest proposed solution recommended is that all pension funds must invest in certain prescribed initiatives. This situation makes many pensioners uncomfortable and they have the right and responsibility to protect their own.



AMAGP Management has strategized within the mandate given to fulfil our purpose and to grow the organisation. A small group of men has spent relentless time and effort to execute what they believe to be the right thing in the interest of the organisation. A detail SWOT analyses clearly pointed out our strengths and weaknesses and it became clear that we had to exploit our opportunities, which we indeed did. The AMAGP principles and values are held in high esteem. Although organisations are acknowledged and respected, the focus is to hold organisations responsible and accountable for their actions in respect to their mandates. It was also clear that Formal organisations like the GEPF and PIC misused confidentiality not to communicate important or uncomfortable issues. Thus the challenge was to get correct and factual information. AMAGP is forced to use information which is mostly secondary of nature. However some of our researchers, like Albert van Driel and Christo van Dyk, did an enormous task to compile a loss register, and to write detailed reports about the GEPF Annual Report and Actuary Report which are respected in many circles, inside and outside of our organisation.

AMAGP has made substantial progress and certain aspects are highlighted. After unsatisfactory responses by the GEPF and the PIC a letter was sent to the Minister of Finance which stressed the issues of known and probable losses, with certain recommendations. Even when this was followed up no formal response was received. However, seeing that one of the recommendations was a formal inquiry into the work of the GEPF and the Board of Trustees (BoT), it is believed that this has contributed to the decision regarding the investigations of the Commissions. The letter to the Min of Finances was followed up by a letter to the Public Protector to make clear the challenges and issues experienced with the GEPF and PIC. The Public Protector undertook to support AMAGP with this. Unfortunately this is still in progress. However it is positive that AMAGP is recognised and the willingness exists to support the organisation. This was followed up with an input to the Zondo Commission and



the Mpati Commission. Evidence was already given to the Mpati Commission and the reports of Christo van Dyk about the Annual Report and the Actuarial Report were acknowledged. Evidence to the Zondo Commission is still to come, although a written report was also delivered. The acknowledgement of AMAGP evidence supported the AMAGP and its recognition by the public.

In the media, our press releases and information Bulletins are more and more acknowledged and respected. Adamus Stemmet, Christo van Dyk and Daan Kemp, thank you for this creative and continuous work. This has contributed much to our visibility and recognition even by politicians and other organisations. It created an awareness with the pensioners, which makes the GEPF organisation uncomfortable. AMAGP cooperates with various role-players such as Parliament, political parties, influential people and organisations, the media and others, to place pressure on the BoT to act effectively, efficiently, economically and transparently in the interests of the pension fund members and public in terms of the misuse of tax. Good relations are maintained with certain political and labour union organisations. AMAGP also liaised with organisations like the F W De Klerk Stigting, Helen Suzman Foundation, IRR, OUTA and others. It is clear that AMAGP is mainly focused on the GEPF pensioner's interest with no hidden agendas.

A lot of hard work was done to recruit members to support this very important task. Due to much effort especially by As Kleynhans in recruiting and in creating a web page and Face Book and the active management thereof, the membership has grown to 1500 members. The Facebook numbers varies around 7000 members. Although the membership is still limited, for a relative young organisation it is significant and I believe that with the present awareness the numbers will grow even more. It is disappointing that so many people are still in a comfort zone. It will also be beneficial if AMAGP can recruit more members of colour.

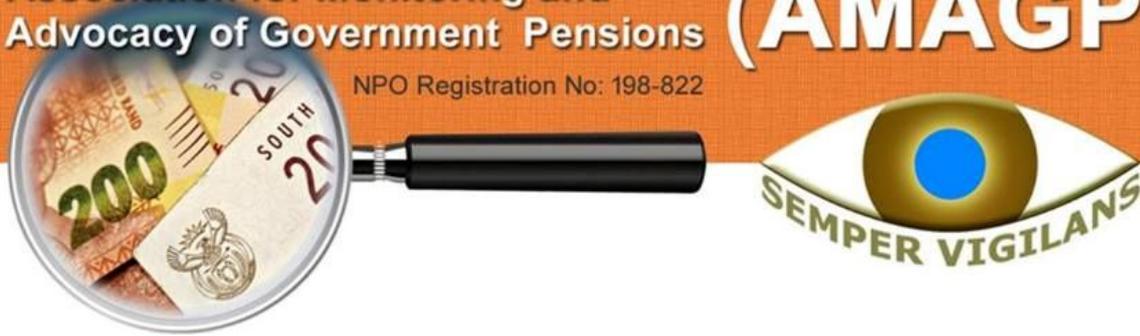


In terms of the workload and the fact that all work is done voluntarily, it becomes important that more volunteers should help with the administration. The workload is ever increasing and it becomes very difficult for the present members to give attention to all aspects. Hennie Roux has put in a concerted effort to recruit more members to get actively involved in the administration but it is a challenging task.

The AMAGP bank account is in place and the books been audited. The financial statements will be discussed shortly. A challenge is still to get the Tax exemption certificate from SARS for donations to a non-profit organisation. Believe me much effort has been put in and the situation is followed up frequently. The secretary and treasury task were previously both done by Errol Massey-Hicks. Errol I will like to thank you for a great job done. Jan Augustyn, thank you for your willingness to help with this task and for the work done. The present financial situation of AMAGP is one of the biggest challenges of the organisation as it leaves no room for paying anyone for any job including litigation which is sometimes considered to be critical.

However AMAGP is still faced with specific challenges. AMAGP needs to focus on the following:

- 1) The GEPF and Board of Trustees need to be held responsible and accountable for the sound management and fiduciary duties of the GEPF Funds.
- 2) The meeting with the Public Protector, GEPF and PIC need to be finalised.
- 3) The PIC is not seen as the only investor, but that the investments are distributed to at least three Investment Houses with clear and reliable track records.
- 4) The mandate for investments is communicated to members and makes increased provision for international investments.



- 5) The GEPP to hold formal Annual Yearly Meetings in the main metropolises to allow members to get a full understanding and to ask questions for clarity.
- 6) The SARS Certificate is achieved for Non-profit organisations to allow for donations and tax redemption.
- 7) The financial position of the AMAGP is improved. The lack of funds has a direct impact on the execution of certain activities like the appointment of any permanent staff and possible litigation.
- 8) More members to get actively involved in the administration. Workload on certain members is really a challenge and they need support.
- 9) Expand liaison and media coverage
- 10) Increase and improve the scope of parliamentary and ministerial contact

I want to thank everyone in the National Executive Committee and the Official Liaison persons for all the effort, time and perseverance to make this organisation a success. Thank you also to the professional members, especially from the audit and legal side for comprehensive inputs and guidance which are critical for the organisation to do the right thing. I also like to thank everyone involved in research and support.

As Chairman it was an honour to work with the Management team. The energy, creativeness and especially the positive attitude by you gave me inspiration and motivation. Thank you for the privilege to have this opportunity.