



Government Employees Pension Fund

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GEPF statement on the developments at the Government Pensions Administration Agency (GPAA)

The Government Employees Pension Fund (GEPF) has noted the recent developments at its administrator the Government Pensions Administration Agency (GPAA). Amongst these developments are the suspension of the Chief Executive Officer (CEO) by the Minister of Finance, allegations of financial mismanagement and procurement irregularities in relation to the GPAA's planned office move. These allegations have since received widespread media coverage.

In exercising its oversight responsibilities, the GEPF Board, through its Audit, Finance and Risk Committee (AFR-C), communicated its concerns to the Minister of Finance. Concerns raised were regarding the overall budget for the GPAA which were triggered largely by planned costs associated with the planned office move amongst other things that needed to be substantiated before the Board could consider approving a budget for these costs.

The GEPF welcomes any formal investigation into these matters and urges the GPAA to cooperate fully with the relevant authorities. We strongly uphold the principles of transparency and accountability, and we believe that an independent and in-depth investigation by the Ministry of *Finance* will be instrumental in establishing the facts. In that regard, the GEPF welcomes the appointment of Mr. Stadi Mngomezulu as the Acting CEO of the GPAA.

We wish to assure our members and pensioners that their benefits remain secure and have not and will not be affected by these developments. The GEPF remains steadfast in its commitment to integrity and sound governance. We take these allegations seriously and will take all necessary steps to protect the reputation of the Fund and the trust placed in us by our members and pensioners. To this end, the GEPF will support the acting CEO of GPAA to continue delivering services to members, pensioners and beneficiaries including the improvement in service levels.

BOARD OF TRUSTEES

Mr. F Baleni (Chairperson) | Mr. E Kekana (Vice Chairperson) | Ms. T Khoza | Ms. K Makhupola | Mr. N Marotholi | Mr. T Matsose | Ms. L Mokgabudi | Mr. Z Msindo | Mr. S Nkambule | Mr. M Nkosi | Ms. B Nkunjana | Mr. B Ntlou | Lieutenant-General L Nkhuaa | Mr. G Rafferty | Mr. P Snyman | Mr. C Van Dyk |

We remain confident that the facts will be clarified in due course and reaffirm our unwavering dedication to ensuring the financial security and dignity of those we serve.

About the GPAA:

The Government Pensions Administration Agency (GPAA) is a government agency, established in terms of Section 7A (4) of the Public Service Act (1994) with effect from 1 April 2010. The GPAA administers benefits on behalf of the GEPF and National Treasury. The relationship between the GPAA and the GEPF is managed through an administration agreement and a service-level agreement (SLA). About 93% of the work done by the GPAA is for the GEPF and 7% is for National Treasury.

Oversight and monitoring of benefits administration by the GEPF:

The GEPF Benefits and Administration Committee oversees and monitors the GPAA's performance. The Executive Committees of the GEPF and the GPAA meet quarterly to assess GPAA's performance in terms of the Service Level Agreement (SLA) agreed upon and to discuss other strategic matters, whenever necessary.

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