



REPUBLIC OF SOUTH AFRICA
GOVERNMENT EMPLOYEES PENSION FUND

Media release

Pretoria – The Board of Trustees of the Government Employees Pension Fund (GEPF) has approved a pension increase of 9.0% with effect from 1 April 2009 for member pensioners.

The increase will be applied on sliding scale starting at 9.0% for pensioners who retired on or before 1 April 2008 while those who retired after 1 April 2008 will receive 0.75% for each month since date of retirement to 31 March 2009, which is a proportionate share of 9.0%. In respect of those pensioners whose annuities have fallen below the amount paid at retirement adjusted for full inflation to date, the annual increase will vary from 9% to a maximum of 10.5% to compensate for the impact of inflation.

GEPF is the 7th largest pension fund in the world, with 1.1 million contributing members, 303 977 pensioners and more than R700 billion of assets under its management. Section 25 of the Government Employees Pension Law and Rule 23 provides the authorisation by the Board of Trustees for an increase in annuities on a regular basis, within the financial constraints of the Fund and acting on the advice of the Fund's actuaries.

According to Martin Kuscus, Chairperson of the GEPF Board of Trustees, "the current global environment has made it difficult for the Fund to afford an increase of 100% of average CPI. However it is good reserves that were set aside during the good times that had made it possible for the Fund to afford 9.0%, which is

equivalent to 75% of average CPI. This level of increase is in line with the commitment expressed in Rules of the Fund.”

Issued by the Government Employees Pension Fund

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End.