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LA RETIREMENT FUND
Formerly known as the Cape Joint Pension Fund
Securing your retirement

LA Retirement Fund
42nd Annual General Meeting

Legal and Technical Review

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22 May 2026

FAIS acknowledgement and advice disclaimer: Any guidance, opinions or proposals expressed by the presenter(s) are for information purposes only and are not intended to be advice as contemplated in the FAIS Act, 37 of 2002.

Agenda

1. Governance related activities
2. Rule amendments
3. Fund related trends and developments

Governance related activities

Governance Summary

In line with **good governance principles**, the Board undertakes an **annual performance evaluation** that forms the basis of the Fund's strategy for the following year.

Policies and protocols are reviewed as per the approved governance framework and year-plan.

Service providers are **evaluated** against their service level agreements. Service providers are also requested to provide feedback to the Fund regarding **empowerment status**, level of **fidelity cover** (including cyber cover) and **disaster recovery** and **business continuity** plans. A new aspect that has been added, is **compliance with** the **Joint Standard on Cybersecurity and Cyber Resilience**.

A review of the **annuity strategy** is done annually**.**

Rule amendments

Rule Amendment(s) during review period

For the 12 months ended 30 June 2025 the following rule amendments were registered:

Amendment no. 11 (registered 5 August 2024)

Effective date: 1 September 2024

To introduce the enabling rules for the Revenue Laws Amendment Act, 2024, and the Pension Funds Amendment Act by providing for two-pot system

Rule Amendment(s) during review period

Amendment no. 12 (registered 30 August 2024)

Effective date: 1 September 2024

Correction made to the opening sentence of paragraph 12 in rule amendment no.11.

Amendment no. 13 (registered 26 February 2025)

Effective date: 1 February 2025

To allow for the Pensioner Account No. 2 to be credited with an allocation from the Solvency Reserve.

Fund related trends and developments

Risk benefit claims experience stabilising

Last year it was reported that claims experience seemed to be stabilising following Covid-19.

Claims experience has continued to **stabilise** during the year ended 30 June 2025.

Risk premiums are tested on an annual basis via the risk rebroke that is performed.

A Member Newsflash with the 1 July 2026 rate review results will be distributed on 28 May 2026

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Review of Fund annuity strategy

The annuity strategy of the Fund has been **reviewed** and **enhanced** by the Board.

The pooled annuity account (also called the **PAC**) has been **added**, which gives members the option to purchase a life annuity in the Fund. A spouse can also be provided for.

IFLA members will receive **information** on the PAC together with their **2025 annual statements – they should be** on the look out for this.

A comprehensive **Q&A document** covering the IFLA and the PAC is available on the Fund’s **website**, as well as a video that discusses salient aspects of the two In-Fund annuity products.

The immediate future

1. Joint Standard (JS) on cyber security and cyber resilience

The JS came into effect on 1 June 2025. Retirement funds must comply with the JS, as they are seen as financial institutions in terms of the JS. The Fund has put in place the necessary policy, strategy and framework, including an incident management plan and monitoring of agreements and readiness of service providers.

2. Conduct of Financial Institutions Bill

The Bill has been introduced in the National Assembly and is currently under review by the Office of the Chief State Law Adviser for certification. Once this process is complete, the Bill will be introduced in Parliament through the publication of the Bill itself. The scope of COFI is broad, touching various facets of the financial industry. At its core, its primary goal is to enhance customer outcomes by formalising the Treating Customers Fairly (TCF) principles within the regulatory framework. In so doing, COFI hopes to guide behaviour and outcomes for clients, fostering a financial environment centred on prioritising customer wellbeing and satisfaction.

Thank you

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