Z.A.P.F

PENSIONS QUARTERLY

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Digitalizing The Zimbabwe Pensions Sector

Investment Manager Performance Survey

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Director General's Remarks

According to the Zimbabwe Statistical Agency 2022 Population and Housing Census, life expectancy in the country has improved to 64.7 years following on the increases noted in the global life expectancy averages.

Females had a higher life expectancy (68.0 years) compared with males (61.2 years). The improvement show that people might have a longer life span after retirement, underscoring the need for post-employment planning to ensure that people have sufficient income to last for, and can continue with their current standards of living, even after retirement.

This puts a lot of responsibility on pension funds to come up with focused financial planning, which is however quite difficult to embrace in the current opaque and relatively paper-based financial services environment. According to the Insurance and Pensions Commission of Zimbabwe, the insurance and pensions sector has been slow to digitize and this affects service delivery to the elderly.

IPEC continued to emphasize the need for digital transformation within the pensions sector, which is the theme that Zimbabwe Association of Pensions Funds has adopted for the third quarter. This is a key area as the results from the FinScope survey show the elderly are lagging behind in financial access, more worryingly on savings as an article in this issue shows.

IPEC noted challenges in the payment of the 2019 loss in monetary value compensation payouts. As a result, the process was delayed. The industry is also facing the 2009 compensation payouts and this again will slow the process as data systems in most funds are in shambles. Data is central to the success of well-run Pension Schemes and their strategic plans and goals. Without good data, schemes waste time and money, increase risks of errors and often provide their members with a below par service.

Funds should invest in new automated systems, advanced member communications and/or legal and actuarial support for de-risking exercises, with data as a secondary focus. For most initiatives to be successful, the industry requires a much greater emphasis on data. Data underpins all areas of pension scheme management and ultimately drives the outcomes for members – without good quality data, pensions schemes will face challenges in meeting their regulatory duties and providing members the right benefits at the right time, the ultimate objective.

According to a McKinsey report, digital transformation enables data sharing across different business functions, seamlessly. This provides deeper insights that help in enhancing customer delight, improving efficiency, and cutting costs. The pensions industry can provide better service or develop products and services that cater to their specific needs.

Global Data's 2021 Financial Services Consumer Survey conveys that while more than half of retired investors globally do prefer traditional players to manage their investments, there is still a notable proportion that would favour digital players and the customer experience they bring to the table. So, pension funds should not be resting on their laurels assuming that only millennials are keen on new digital wealth management services. Despite not being digital natives, the older generation are not all that shy of technology either as the latest FinScope Consumer Survey 2022 shows. GlobalData's survey also showcases that no matter whether an investor is already retired, in full-time employment, or self-employed, a multi-channel communication experience is in demand.

Happy Reading!

Sandra Musevenzo
DG: ZAPF

Z.A.P.F

Digital financial literacy key focus area for pensions sector as savings decline to 32%

Financial exclusion has become a reality for Zimbabwe's pensioners as hardships and poverty increase due to inadequate or insufficient savings, on the back of increasing medical expenses.

The country's pensioners, (those who are 65 years and above) make up 12% of the population according to the 2022 FinScope Consumer Survey. However, the financial inclusion statistics of this demographic group remain quite low. This is for the obvious reasons. Macro-economic instability has all but decimated pension pay-outs while the poor savings culture in the country means that pensioners continue to struggle for a living.

According to FinScope, about 86% of the elderly are formally served largely driven by uptake of mobile money which increased to 47%, up from 26% in 2014. Uptake and usage of banking products declined over the review period to 8% in 2022 from 14% in 2014.

Savings among the elderly declined over the review period to 32% from 42% in 2014, largely driven by lack of or limited disposable income (60%) and lack of knowledge about the products (48%).

Insurance uptake and usage declined marginally over the same period to 31% with the majority citing affordability and lack of knowledge of the insurance products as the main barriers to uptake and usage of insurance and pensions' products.

The plight of the elderly has also been worsened by the fact that, as the shift towards digital financial services increasingly becomes the new norm, technological innovations, low financial and digital financial literacy compound the exclusion of this grouping. This has amplified calls for an aggressive digital literacy programme within the sector.

Digital financial literacy will be a key focus area in the recently launched National Financial Inclusion Strategy II (2022-2026), which is being championed by the Reserve Bank of Zimbabwe. Under NFIS II, the central bank said it would engage the Insurance and Pensions Commission of Zimbabwe and other related organisations to drive the collection of age-disaggregated

“THE UPTAKE OF INDIVIDUAL INSURANCE PRODUCTS REMAINS LOW AT 22% IN 2022 DECLINING FROM 26% IN 2014.”

data to facilitate the development of evidence-based financial inclusion policies for the elderly.

The NFIS II will facilitate the establishment of a robust central database where all the relevant providers of information including banks, microfinance institutions, players in both the insurance and pensions market, capital markets, and mobile network operators provide routine information on financial inclusion.

In addition, financial literacy programmes including digital financial literacy will be launched to provide the knowledge and skills that facilitate informed financial decisions.

The NFIS will also push for the development of tailored financial products that meet the needs of the pensioners and elderly, including supporting lifetime financial planning as well develop and implement innovative inclusive financial technologies to increase uptake and usage of financial products.

Key, however would be stakeholder engagement through a multi-sectoral approach – the engagements to include financial service providers, mobile network operators, respective ministries and interest groups.

Meanwhile, despite the improvement in the mobile penetration rate and the general access to formal financial products in Zimbabwe, the uptake of individual insurance products among the adult population remains quite low.

According to the results from the latest FinScope MSMEs and Consumer Survey (2022), the uptake of individual insurance products remains low at 22% in 2022 declining from 26% in 2014. The 22% is driven mainly by funeral insurance, which accounted for 72% of those insured. About 72% of the population does not have any form of insurance.

Uptake of formal insurance by MSMEs (which is largely personal insurance), remained low at 24%, up from 5% in 2012. Formal insurance was largely driven by funeral cover (76%) and medical cover (36%). Only 4% of MSMEs have business insurance cover.

The review of the insurance and pension industry's policy and regulatory framework is expected to result in the enhancement of the respective legal and regulatory frameworks which will facilitate the introduction of innovative micro-insurance products and services

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Digitalizing The Zimbabwe Pensions Sector

Why now?
Globally there has been a greater social transformation and a paradigm shift in the way people and companies do business which has gone beyond just telecommunication but now touches on media, banking, health, and the pensions sector. Perhaps just as important as transport links farmers and markets, new digital innovations have created a means of linking customers and business, disseminating information, collecting information, and accessing new markets. It is therefore integral for the pensions sector to embrace digital innovations.

Drastic change.
Old Mutual priorities have undergone a drastic change. While the industry is still faced with issues to do with loss of value, it is with this in mind that a good deal of time, thought and energy was invested in ways that could increase value addition to the customer. Through our digital implementation strategy, Old Mutual has digitalized several of its crucial processes. We believe that through innovation we can enhance our operational procedures to boost productivity and increase efficiency and, in the process, broaden our scope and quality of our services. Listening closely to our customers to ensure that we are always aware of their needs is essential for survival in the VUCA environment. This also ensures that we meet the rapidly changing customer demands and needs.

Data up a gear!
Put simply, Old Mutual is aware that data is the lifeblood of every pension fund and that insufficient data leads to administration challenges, inaccurate benefit payments and in some instances late payment of benefits. Accurate and clean data is essential for achieving well-managed Pension Schemes, we have therefore gone on a drive to collect personal member details to counter the challenges that have been faced in the past. Given the continual changes to pensions policy and service delivery, making sure the foundations are strong is now imperative.

Under the digitalization framework we have launched a series of projects aimed at increasing agility, improving efficiency, and eventually creating value for shareholders, consumers, and employees. We have developed an automated system that allows clients to submit data and payment information online. The data submitted is received and updated by a robot. This system requires minimal human intervention and has resulted in operational efficiency. We have also developed a robot that pays claims, and this has seen us significantly reducing the turnaround times on claim settlement.

Enabling "journey planning"
People anticipate that a moment will come when they will be able to retire as they grow over their lifespan. One of our major objectives is to provide pension fund members with consistent and trustworthy information from the time they become pension fund members to the time they retire. This enables our members to make the best financial decisions at any given time.

We are very pleased to advise that our pension fund members can now access/view their most recent Pension Benefit Statement anywhere and anytime using their mobile phones. The members can simply retrieve their statement using any of the following digital platforms:

Send a Hi to MyOldMutual
WhatsApp No. 0777 227 227
Send a USSD by dialling *227#.

The statements are received within minutes of a request, delivered to their email or via SMS. The Pension Fund members can also use this platform to update their personal information. Pension Fund members are periodically informed when the statements have been revised. Members who are not able to access their statements are directed to our Contact Centre for assistance. This journey has aided in maintaining accessibility and allowed us to interact with our members in a timely manner.

Much more to do!
Old Mutual will continue channelling resources into the development of robust digital solutions to increase customer satisfaction, meet customer expectations and improve efficiency amongst our other strategies.

DO GREAT THINGS EVERY DAY

Credit Rating Implications of Pension Fund Contribution Arrears

Our Pension Fund Industry is not Unoka

Malvin Chidzonga

If business entities such as Eskom, South African Airways and SABC, from south of the Limpopo river, can be downgraded to junk status by credit rating agencies for substandard or non-delivery of services and poor records of servicing debts, what about the sensitivity of credit ratings for companies operating in Zimbabwe? Can employers afford to continue to be indifferent or hide behind several excuses for their failure to pay or remit pension fund contributions, both in current and arrears' terms? Will such non-compliance not affect the credit ratings for such companies?

Non-compliance is the hallmark, tragedy and rarely the triumph of a regulated entity. Part of non-conformism, for the pensions' fraternity, is for employers or companies to flagrantly and wantonly disregard exhortations from IPEC on the need to timeously remit pension contributions. It is a well-known fact that many employers smugly put in their drawers, directives or circulars by the pensions and insurance regulator, guidelines which instruct employers to pay pension contributions in time.

Besides my love for numbers, I am enamoured by the literary works of the late legendary Nigerian author, Chinua Achebe. The book that comes to my mind and which can best capture or contextualise our current festering crisis in the pension industry, is his famous piece, "Things Fall Apart". There are many great wordsmiths who can wax lyrical about this great book. As is often the case, there is always a moral to learn from any didatic folktale.

Consider Unoka's indolent and gripping entry into the tale.

"Unoka was a lazy, improvident and was quite incapable of thinking about tomorrow. If any, money came his way, and it seldom did, he immediately bought gourds of palm-wine, called around his neighbours and made merry. He always said that whenever he saw a dead man's mouth, he saw the folly of not eating what one had in one's lifetime."
Every time I picture Unoka pityingly shaking his head at the sight of the mouth of a dead

> **AND NOW HE WAS GOING TO TAKE THE IDEMILI TITLE, THE THIRD HIGHEST IN THE LAND.**

man who did not eat all he had, I both laugh and shudder. Do we not see that in our own country? Living, spending and operating as if there is no tomorrow?

Back to the epic story.

"Unoka was very good on his flute, and his happiest moments were the two or three moons after the harvest, when the village musicians brought down their instruments, hung above the fireplace. Unoka would play with them, his face beaming with blessedness and peace. Sometimes, another villager would ask Unoka's band and their dancing egwugwu to come and stay with them and teach them their tunes."

So, we have a poor man enjoying a life of leisure. Does this sound familiar, through some companies and individuals? Companies and individuals who host lavish parties, hiding under the pretences of superiority and sophistication, yet deep down, they are facing financial challenges.

"Unoka was poor and his wife and children had barely enough to eat. People laughed at him because he was a loafer, and they swore never to lend him any more money because he never paid back. However, Unoka was such a man that he always succeeded in borrowing more, and pilling up his debts."

We all know companies and individuals like Unoka. Our pension system is suffering because of companies like Unoka.

The story continues.

"One day, a neighbour called Okoye came to see Unoka. Okoye was a musician. He played on the ongene. But he was not a failure like Unoka. He had alarge barn full of yams and he had three wives. And now he was going to take the Idemili title, the third highest in the land. It was a very expensive ceremony and Okeye was gathering all his resources together. That was in fact the reason why he had come to see Unoka. He cleared his throat and began:" Thank you for the kola. You may have heard of the title I intend to take shortly."

"Having spoken plainly so far, Okoye said the next half a dozen sentences in proverbs. Among the Ibo, the art of conversation is regarded very highly and proverbs are the

"THE TICK-BORNE INFECTION WHICH KILLS A LOT OF CATTLE IN OUR COUNTRY, AFFECTS SUCH COMPANIES FINANCIAL SITUATIONS EVERY MONTH."

palm oil which words are eaten. Okoye was a great talker and he spoke for a long time, skirting round the subject and then hitting it finally. In short, he was asking Unoka to return the two hundred cowries he had borrowed from him more than two years before."

"As soon as Unoka understood what his friend was driving at, he burst out laughing. He laughed loud and long and his voice rang out clear as the ogene, and tears stood in his eyes. His visitor was amazed, and sat speechless. At the end, Unoka was able to give an answer between fresh outbursts of mirth."

"Look at that wall", he said, pointing at the far wall of his hut, which was rubbed with red earth so that it shone. 'Look at those lines of chalk." And Okoye saw groups of short perpendicular lines drawn in chalk. There were five groups, and the smallest group had ten lines. Unoka had a sense of the dramatic and so he allowed a pause, in which he took a pinch of snuff and sneezed noisily, and then he continued.

"Each group there represents a debt to someone, and each stroke is one hundred cowries. You see, I owe that man a thousand cowries. But he has not come to wake me up in the morning for it. I shall pay you, but not today. Our elders say that the sun will shine on those who kneel under them. I shall pay my big debts first. And he took another pinch of snuff, as if that was paying the big debts first. Okoye rolled his goat skin and departed."

Are we not seeing the Unoka in some companies as they evade paying pension contributions whilst they splash on some luxuries or hide behind some silly reasons. Putting high priority on paying some debts on luxury items at the expense of workers, the golden geese that laynthe golden eggs for them. Is that how we can build our companies, rebuild our savings' culture and prepare for retirement for ourselves and those who work hard for our companies? For some companies, it is as if Theilerioisis , or January Disease, the tick-borne infection which kills a lot of cattle in our country, affects such companies financial situations every month.

> **THEIR RETIREMENT SAVINGS AS THEY BORROW AGAINST THEIR ACCUMULATED FUND CREDITS FOR HOUSING PURPOSES.**

Unbeknown to such defaulting companies, there are economic and credit rating agencies that routinely gather crucial data from the market. That data can affect credit ratings for such companies thereby causing negative effects in current and potential supplier, client, financier and investor relations.

Among a conflagration of crisis, we have restive pensioners with precipitously deteriorating living standards. This is a festering crisis and it can only get grimmer if we do not address pension contribution arrears as a matter of urgency. With risk management ranking high on the agendas of many financiers, investors, clients and suppliers, having your company's name being published by the regulator because of non-remittance of pension contributions is not an inconvenience that a lot of companies can absorb. Companies cannot get away with murder by not paying pension contributions. There are numerous solutions companies which are facing financial challenges can pursue with a view to rectify this unpleasant situation. Extricating such companies from the rut is possible, especially with the engagement of consultants at the company level, beyond just the pension fund. Corporate finance solutions for possible recapitalisation of such companies and management consultancy services are options to consider.

With irate workers currently picketing over the payment of outstanding pension contributions, will pension fund members manage to receive their rightful pensions in the event of the collapse of such companies? Will pension fund trustees be able to defend themselves from fiduciary liabilities? Will administrators and other service providers face reputational risks?

We owe it to ourselves and to posterity to shape our own financial reality and to carve our own desired path.

Malvin Chidzonga is the Chief Investment and Research Officer at Nivteil Capital

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Unpacking Real Estate Investment Trusts (REITs)

Originating in the USA with the enactment of the Real Estate Investment Trust Act in 1960, Real Estate Investment Trusts (REIT) authorized a real estate ownership structure with tax treatment similar to that of a trust, a tax-exempt pass-through entity with broad based ownership that distributes most of its earnings and capital gains to investors.

A REIT is a regulated investment vehicle that enables the issuer to pool investors' funds for the purpose of investing in real estate. In exchange, the investors receive units in the trust, and as beneficiaries of the trust, they earn a share in the profits or income from the real estate assets owned by the trust. REITs provide all types of investors (private individuals and institutions) the opportunity to invest in large scale, diversified portfolios of income producing real estate.

The structure of REITs in Zimbabwe is that of a trust. Thus, REITs are governed by the Collective Investment Scheme Act (24.19), the Income Tax Act (23:06) provides for tax exemption of REIT while the Securities and Exchange Act (24:25) provides additional regulations for registration and listing of these instruments. It is mandatory that at least 80% of the income received from the REIT, be distributed to the investors in every financial year.

REITs typically follow a certain theme. A REIT can either be an income REIT, that is, the REIT owns and manages income generating real estate for the benefit of its investors therefore providing both liquidity and a stable income stream. The distributions to investors are underpinned by commercial leases and income returns are generally predictable. Another theme of a REIT is a developmental REIT, in this type of REIT, the focus is on development or construction of projects for housing, commercial and other real estate assets. Alternatively, an issuer can create a mortgage REIT which invests in mortgages, mortgage-backed securities, and related assets and it generates revenue through interest income and exposes investors to credit risk.

REIT

Real Estate Investment Trust

> **THEIR RETIREMENT SAVINGS AS THEY BORROW AGAINST THEIR ACCUMULATED FUND CREDITS FOR HOUSING PURPOSES.**

The Zimbabwe Stock Exchange (ZSE) offers REITs as one of its products that can be listed and traded on the bourse. In a bid to promote this product, ZSE has been engaging pension funds and retail investors with several initiatives lined up. To date, two REITs have been registered with the Securities and Exchange Commission of Zimbabwe (SECZ) and the ZSE is anticipating its first listing before the end of 2022.

REITs have a number of advantages which include but not limited to:

- ***Diversification*** - REITs give investors indirect exposure to a wide variety of expertly managed properties;
- ***Regular Income Stream*** – Income REITs are supported by lease agreements which provide for regular dividends;
- ***Lower initial outlay*** – prices for REIT securities are much lower compared prices for the outright purchase of real estate;
- ***Taxes*** - REITs will be exempt from income tax;
- ***Liquidity*** - REIT units traded on an Exchange are more liquid compared to physical properties;
- ***Regulated Investment*** – REITs in Zimbabwe are subject to the Income Tax Act, the CIS Act and the SEC Act in addition to being listed on a regulated exchange; and
- ***Price Transparency*** – the price of REIT securities is determined by market forces (demand and supply) and is visible to the public.

There are also a number of risks associated with investing in REITs and these include:

- ***Market risk*** – the risk of losses on investments caused by adverse price movements;
- ***Credit risk*** - this risk typically affected mortgage-based REITs, it's the possibility of a loss resulting from a borrower's failure to repay a loan or meet contractual obligations; and
- ***Liquidity risk*** – this risk mainly affects developmental REITs and is referred to as the risk of marketability of an investment and whether it can be bought or sold quickly enough to meet obligations.

For more information on REITs, visit

www.zse.co.zw
info@zse.co.zw
+263 242 886 830 - 5

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NEW PENSION FUNDS ACT:

Towards a More Elaborate, More Modern, and More Prescriptive Regulatory Regime?

GANDY GANDIDZANWA & ITAI MUKADIRA

Reading a piece of legislation is no bedtime pastime at all. In fact, for most of us, it feels like a personal test on mental endurance. Yet, for the pension fund industry practitioners, the expectation is one of sound competency in interpreting both the primary and secondary pieces of legislation that govern the industry. Trustees are not spared either. Same applies too to both Principal Officers and other pension fund executives and managers.

On our part, while we always write to express our honest views on matters affecting the industry, we are never oblivious to the duty to do so objectively and constructively. Where we criticize, we seek to simultaneously proffer alternative views informed by latest thinking and insights. With that cleared, let's now unpack the new Act.

But not so quickly.

Perhaps a good starting point is to take a step back and start by reminding us all of what constitutes a good piece of legislation. At the risk of going academic and theoretical on a thought-piece that is crafted with a practical intent, simply put, the hallmarks of a good piece of legislation are unambiguity, fairness, enforceability, and stability. Altogether grounded on protecting fundamental rights and upholding the common good of society. We would add, it must certainly be forward-looking too. Some would argue further that, it must also be assuring, inspiring, and instils confidence in both those that it governs specifically, and the public in general. Of course, in our case, one would also hope it is crafted such that it is robust enough not to be way too vulnerable to future Statutory Instruments that would then have the effect of substituting some of its provisions.

Armed with the above, we guess we can now put the new Act to the test.

A Modern Act

For the avoidance of doubt, the full name of the new Act is the Pension and Provident Funds Act [24:32]. But just like with its predecessor, it will more likely be known as the Pension Funds Act, or simply the Pensions Act. We will call it the same here too to limit the jaw-breaking instances in the article to a minimal.

The Act starts on a high note. In its preamble it states, among its objectives as, "to provide for the additional functions of the Insurance and Pensions Commission". For a highly regulated industry such as the pension fund industry one would be excused to read that as, "to provide more powers to the regulator". This is especially so taking into account part of the background under which it was crafted – with the findings of the Justice Smith Commission of Enquiry still very fresh and instructive to its crafters.

Maybe this is also the place to mention, yes this early on, that the new Act is more than twice longer than the one it is repealing. At a staggering 56 pages, this contrasts sharply with the old one that only stood at 26 pages.

While a similar observation can be made on the extent to which the new Act goes to define different terms, what is abundantly clear is that the list is heavily inclined towards Defined Contribution terms, making it amply clear that it is a modern piece of legislation.

"THEIR RETIREMENT SAVINGS AS THEY BORROW AGAINST THEIR ACCUMULATED FUND CREDITS FOR HOUSING PURPOSES."

It also speaks of minimum individual reserves and pension increases, empowering the regulator to approve how those are determined. This is clearly in the spirit of ensuring that retirement fund members are not disenfranchised under the regulator's watch. No one wants to see another Justice Smith Commission of Enquiry in the future – and the new Act has been crafted with that in mind.

Where you cannot undoubtedly fault this Act is on the clarity that has been given to the powers with which the regulator exercises its authority. Specifically, while the power to conduct investigations or enquiries has been retained, as well as the power to inspect records, the "search and seizure of documents and records" is a first.

The Commission now has power to send representatives at key meetings with members too. This is really one very interesting one. Its implementation will certainly demand skillful maneuvering if it is not to end up with unintended results at those gatherings where crowd psychology can easily dominate proceedings.

Yet another one is the requirement that trustees convene a meeting with fund members prior to, among other things, changing an administrator. The challenge here is, if it currently takes an average-sized board of trustees about nine months or more to fire an administrator – one can only imagine how nearly impossible it is going to be when you bring in the entire membership of the fund to the table. The risk here is that, were Trustees have genuine reasons to change underperforming administrators, they may remain stuck with them due to the cumbersome and convoluted process that this new provision will likely breed.

It is quite relieving that the issue of pension-backed housing loans has now received a lot more attention under the new Act. One hopes that this will help improve members' interest in, and engagement with, their retirement savings as they borrow against their accumulated fund credits for housing purposes.

Fortified Governance Framework

While there has been a review of all the different provisions of the old Act, certain sections of the new Act have received a lion's share of expansions. The rules of the fund section, for instance, have been loaded with a battery of prescriptions that are meant to more firmly secure members' retirement savings.

It is now required that fund rules are specifically clear on the proportion of the total contributions attributable to any purpose, including, but not limited to, the members' accumulated credit, administration expenses, group life assurance premiums, and funeral assurance premiums. It is also now required that the rules cover the fund's policy regarding increases for pensioners – no more pension erosion again due to unfair, or absent, pension

“IN TODAY'S TECH-ERA, NO EXCUSE CAN BE GIVEN TO WHY MEMBERS CANNOT CONSUME FUND INFORMATION WHEN THEY NEED IT, WHERE THEY NEED, AND HOW THEY NEED IT.”

increase policies. It further makes it a requirement for the fund rules to spell out the procedures for independent performance assessment of members of the board. This, with no doubt, was long overdue. Only with a deeper understanding of how they define their own performance can trustees more effectively assess the performance of their service providers.

Another important area that has received special attention under the new Act is the constitution of the board of trustees. Considering that some funds have balance sheets that are bigger than those of their employers, in our view, this certainly is one area that deserved special attention in the new Act. It is now required that a board should be made up of a minimum of five trustees, and a maximum of nine. Not way too small for diversity of views, but also not way too big to a point where it overloads fund discussions with fragmented opinions that rarely converge on anything progressive. A cap on the size also helps keep trustee fees to a minimal.

I

nclusion of an independent trustee, read “independent expert trustee”, is yet another element of the new board constitution provisions that cannot go unmentioned. This will not only bring in a depth of knowhow that is visibly lacking in some funds today, but it will also drive funds to operate with a much clearer sight of where they are going, and how they intend to get there.

The issue of qualifications of board members has been a cause for concern as well. Thankfully, the new Act speaks to that too. While trustees are not expected to be, and need not be pension fund management experts, our view has always been that they need to be competent enough to assess the quality of the advice they receive from the various service providers.

That no trustee term will exceed ten years also means that there will be regular introduction of new blood into the system. Whether this will apply retrospectively remains of course a question for the regulator.

While diversity in terms of gender balance and geographical representation on boards has received appropriate mention, we are of the view that people living with disabilities also deserved a special mention. Civilisation, and the values we stand for as a people, demand that we treat each other equally and that we stand up to correct institutionalised marginalization.

Big on Communication

Outside of the rules, life has been breathed into members' rights to information. The Act is quite unequivocal with respect to the type, and frequency, with which information should reach members. For us, this has been long our wish. In today's tech-era, no excuse can be given to why members cannot consume fund information when they need it, where they need, and how they need it.

EVERY FUND, UNLESS EXEMPTED, IS EXPECTED TO CONTRIBUTE TO A PENSION PROTECTION SCHEME ESTABLISHED BY THE COMMISSION.

Speaking of that, nothing probably beats the requirement that audited fund financial statements are now to be published in a national newspaper within three months after year-end. Are private sector pension funds public entities though? While it is in the public interest that there is this much disclosure, the question remains. What excites us about this though is our projection that one day the space will be opened to allow members to choose a pension fund of their liking without constraining them only to their employer's. Now, with that kind of freedom, the disclosures and comparisons across different funds would start to make a lot more sense.

Reinforced Protection

Members will certainly be happy to hear of the tone and emphasis on the charges and penalties that would be levied on those that fail to remit their contributions on time. This will apply to both directors and executives of the responsible company. Furthermore, the Commission has now been empowered, if contributions are not remitted for a period of three months, to garnish the bank account of such a company. How this though speaks to, and is sustainable under, an environment that does not make it compulsory for companies to sponsor retirement benefits in the first place remains an open question.

A Pension Protection Fund has now been introduced. Every fund, unless exempted, is expected to contribute to a pension protection scheme established by the Commission. This is good news and should be most welcome. However, critiques of the system would argue that it has the potential to encourage moral hazard – a reckless behaviour by funds knowing that, should they lose members' money they would be an accessible fund from which losses can be indemnified. Well, the truth is, every type of insurance scheme is exposed to moral hazard by the insured. The UK has had a pension protection fund for quite some time now and it seems to be working. However, concern should be on the potential for subsidisation of the small funds by the big funds. We cannot wait to see how the funding model would be structured to minimise such an unintended consequence.

Under the old Act, penalties seemed a lot more applied mostly at fund level. On reading the new Act deeply and attentively, one gets the feeling that the Commission has sought to levy penalties directly on the key decision makers. Now, the potential for the board, trustees, and principal officers to be liable in their individual capacities has been strengthened.

There are certainly a couple other provisions that deserve special mention here but that would turn this thought-piece into a small booklet, and that's certainly not the intention.

More Work Required

For a more modern Act, our anticipation was that ESG issues would have received a lot of prominence in the new Act. It is no longer a choice to focus on the Environmental aspects of the world we live in – it is now simply the right thing to do. As the famous Chinese proverb

> SMALL FUNDS, OF ONLY A HANDFUL MEMBERS, LACK THE SCALE TO INVEST DIRECTLY INTO THE REAL ECONOMY.

goes, “We do not own this land, we have borrowed it from our great grandchildren”. A provision in the Act that speaks to that would have reminded us all how serious, as a jurisdiction, we treat matters of the environment.

Responsible corporate citizenry is also no longer just for the few – a regulatory provision is required for the majority who need the reminder of their duty to do good to the society and communities that have loyally made them who they are. Diversity has become big globally and we cannot afford to be left behind. Non-discriminatory behaviour alone is no longer good enough. The world today demands that corporates are intentional about embracing diversity across gender, race, ethnicity, tribe, religion, and other orientations. As mentioned earlier on, we also need to visibly and spiritedly be creating environments that are welcoming of our dear friends living with disabilities. It is our considered view that the Act falls short in this area.

Missing Provisions

Micro pensions, while probably deserving an Act of their own, we had hoped that they would appear, even if it meant that it would be just by way of a definition and basic fundamental provisions. No mention of micro pensions is made in the entire Act. With our dominant informal sector, a huge chunk of the economically active portion of the society continues to be left out of mainstream financial services.

Similarly missing are clear provisions on umbrella funds. Our industry needs to consolidate if we are to harness the real power of patient capital to drive the economy in an impactful way. Small funds, of only a handful members, lack the scale to invest directly into the real economy.

Minimum contributions – we also had anticipated that there would be set minimum contributions that funds would need to receive – following on the Australian model for instance. This could be introduced over a period of time to give affected employers and members enough time to properly adjust – say the next five years.

Pretty much related to the above is the issue of compulsion. While maybe a bit premature for now considering our recent history with loss of value and lost trust, this is certainly something for an honest conversation on. This is especially so if the burden on the government to take care of its own in old age is to be eased. It will also bring back dignity to our elderly as it will help address issues of poverty and destitution in retirement.

Surprise Appearances

The requirement to consolidate rules with every amendment will entail funds have different versions of their fund rules which has the likely effect of downplaying the sacrosanctity of a fund deed. Some amendments are simply administrative in nature and have no financial soundness implications at all. One would

"WE REMAIN VERY POSITIVE OF THE HARD WORK THAT THE TEAM AT THE COMMISSION WILL CONTINUE TO INVEST INTO THIS AND THE REST OF THE DEMANDS OF OUR INDUSTRY. NO ACT IS A PERFECT ACT."

expect those not to require immediate consolidation of the rules. If consolidation is going to happen at the same rate as the amendments, then maybe the essence of going the amendment route falls away. Something for the regulator to think about.

Submission of accounts used to be six months following year-end and the financial year-end was as chosen by the fund. Now it is three months, and the financial year-end has been fixed to 31 December. This is likely to have unintended consequences with respect to the pressure that administrators and auditors will need to handle all the audits at the same time.

Not many of us would have seen the issue of Currency Conversion making it to the Act. How this is so remains an unanswered question for most of us. No one expects such interventions to be a regular feature of our economy. One would suspect that may be the regulator knows something about the future of our currency regimes that we are not aware of. But again, it is about coming up with a robust and water-tight regulatory framework that does not leave anything to chance.

Powerful But Not Uncheckered

With the expanded control and authority that the regulator now has it is quite easy to think the office's powers are unlimited. This is certainly not the case. One provision immediately attests to an intentional attempt to manage the powers of the office. While previously the office worked, “in consultation with the Commissions Board”, it now works, “under the direction of the Commissions Board”.

Also, in line with what one would expect in a civilised jurisdiction like ours, the Commission is expected to adhere to certain key principles in preforming its functions. That includes giving those that it governs the right to make representations on allegations, and the requirement for the Commission to adhere to rules of natural justice. For instance, where the Commission resolves to revoke a fund's license, it is required to give the Board the right of response before revocation and to consider responses before revocation.

Furthermore, any disgruntled entity or individual has an open channel to appeal to the Minister on the decisions of the Commission.

Conclusion

Overall, while the Act reads well, it has perhaps, by design, taken a much more administrative and operational approach that has either over-shadowed some of its technical aspects and provisions or have completely elbowed them out in other instances. With that said, we remain very positive of the hard work that the team at the Commission will continue to invest into this and the rest of the demands of our industry. No Act is a perfect Act.

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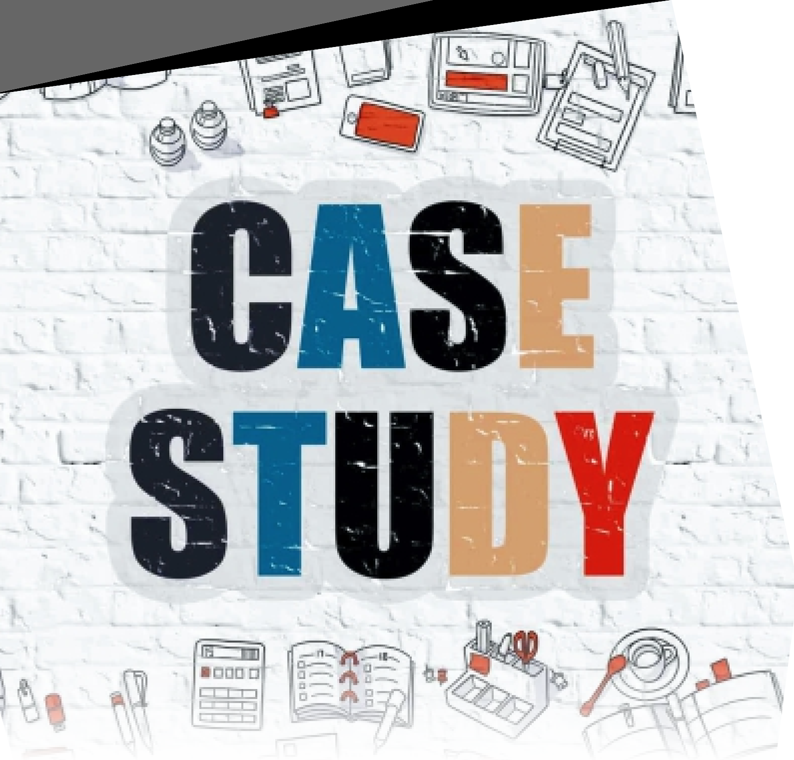

Nigeria s Innovative Pension Tech Startup

The Nigerian tech ecosystem is undoubtedly one of the most vibrant in Africa. It is also the most attractive for many startup founders who are constantly innovating and creating solutions while taking advantage of the opportunities that abound.

In view of the innovations and disruptions, it is important not to forget the one tech startup paving the way for financial inclusion among the informal sector in Nigeria in the area of micro-pensions. That tech startup is Awabah.

How Awabah came about

Awabah is a digital micro-pension platform for Africa's workforce, creating a sustainable future for every African. The company is regulated by the National Pension Commission. The company commenced operations in 2020, founded by Tunji Andrews to improve financial inclusion in the informal sector in Nigeria, which accounts for 93% of all employment in Nigeria. During the lockdown and seeing how vulnerable a lot of people were, Awabah saw it as an opportunity to introduce micro-pensions as a key financial tool to improve the lives of Nigerians and create sustainability. This is based on the premise that the entire informal sector in Africa lives on a day-to-day basis without structure and sustainability.

The vision and the direction of the organization have been the same. It's tied to creating a sustainable future for all and as social security for informal sector workers. Developing/ Third World countries have a large informal sector which implies that there is a large adult and aged population that are poor and don't have any social security. In India, for instance, there's a huge population of aged people in poverty who have not saved much and hence have nothing to fall back on. Nigeria is not left out.

Founders

Tunji Andrews (Founder/ CEO) – Tunji graduated as an Economist from Lagos State University and is a Financial inclusion advocate and Creative entrepreneur. He has worked in various organizations, including the Capital market as a Junior analyst explaining financial services to customers. A job he succeeded at due to his passion for finance and background in Economics. He later worked on Radio and TV, which led to a 10-year stint speaking about financial terms, sometimes as a guest speaker, host or news anchor. He also had a stint with the National Bureau of Statistics working closely with the Statistician-General at the time.

Oluwabukolami Ajisebiyawo (Co-founder) – Bukolami is a graduate of the University of Ibadan and is a full-stack software engineer. She is experienced in developing a wide range of APIs and user-friendly web applications, frameworks and technologies for frontend and backend development.

> **ALSO ONE HAS TO DEMYSTIFY SAVINGS FOR PENSIONS FOR THE AVERAGE NIGERIAN**

was raised from angel investors across the country. The money enabled the company to expand into Kwara, Osun, Edo and Abuja. The main operations and fieldwork are, however, being done in Lagos. The goal is to reach the entire 36 states.

Furthermore, the company has good relationships with pension fund administrators in Nigeria, as well as Micro-pension fund administrators in India, Singapore, and Ghana to learn and adopt best practices in its operations.

Biggest challenge

According to the founder, "Product awareness is a challenge because it requires a lot of communication, community building and sensitization because ultimately you need the populace buy-in, partly because micro-finance is quite new to Nigerian. Also one has to demystify savings for pensions for the average Nigerian. The scheme still needs a lot of awareness. The average Nigerian on the street knows about banking but is unaware of micro-pensions, so explaining from scratch is key".

Also, the voluntary nature of pensions contribution is a challenge as an enrollee may only contribute an amount of money when they have incentives or are motivated to do so.

Recent news

The startup announced its partnership with Stanbic IBTC pension managers in May 2022. The partnership will allow Awabah to sell mandatory pensions so that pensions can be made available for small startups and businesses and actualize the long-term goal to deepen micro pension inclusion across Nigeria.

Tunji states, "The goal is 5 million customers in 5 years for micro pensions, as well as sign up formal pension players and startups who have grown and are solving all kinds of problems across Nigeria".

The previous year, Awabah had partnered with LSETF to expand micro pensions to grassroots. The partnership is built on Awabah's referral system, which rewards users of the platform when they refer new enrollees.

As the founder states, "In 5 years, if the name 'micro-pensions' is not known across the country as it is with banking then we have failed or have not done enough. In 5 years we should have created enough topline products to onboard customers as well as signed up small businesses to the mandatory pensions scheme". – Nairametrics

> **AWABAH CURRENTLY HAS OVER 5000 INDIVIDUALS ON ITS PLATFORM.**

Pensions Industry

Micro Pension Plan refers to an arrangement under the Contributory Pension Scheme (CPS) that allows the self-employed persons and persons working in organizations with less than three (3) employees, to make financial contributions towards the provision of pension at their retirement or incapacitation.

There are no specific micro-pension licensed operators in Nigeria; although they exist in countries like Ghana, which practices a three-tier pension system. In Nigeria, it is a one-size-fits-all system where the available licensing gives the full spectrum coverage, to reach both formal and informal markets, which requires more resources, not only in capital base but by having a physical branch in every federation.

Business Model

Pensions fund administration is the basis of what Awabah does (while not being a Pension Fund administrator themselves), they sell a sustainable future by partnering with traditional Pension fund administrators. The onboarding of new enrollees is managed by Awabah, having observed the operations of companies like Pinbox, a Singapore-based tech platform committed exclusively to digitizing micro-pension inclusion in Asia, Africa, Latin America, and the Caribbean.

The company makes its profit from servicing Pension savers while leaving the investment and administration of the saved funds to the Pension Fund Administrators. For the customers, however, returns are generated by investing in government securities (federal and state government bonds). There are other investments in the stock exchange, corporate bonds, real estate, private equity, infrastructure funds, and the accumulated capital which can be paid out in a lump sum or as an annuity on the agreed-upon withdrawal date. Uniquely, Micro-Pension enrollees have the option to withdraw 40% of their monies after three months.

Micro Pensions help a large percentage of adult Nigerians who are not on the Contributory Pension Scheme, are self-employed or working in organizations with less than 3 employees (MSMEs). Awabah currently has over 5000 individuals on its platform.

Competitors

In Nigeria, there are no direct competitors; however, it exists in Ghana, notably the Peoples Pensions Trust micro-pensions scheme. Micro-pension also exists in India, Singapore, Uganda, Kenya, Chile and other countries.

On raising capital

Awabah is funded by the resources of the founders and further raised money through a Pre-seed funding. In August 2021, $300,000

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   iv. Investment Strategy formulations
   v. Investment performance monitoring frameworks
   vi. General Risk Monitoring Frameworks;

d. MAOS can convert your pension funds from Defined Benefits Arrangements to Defined Contributions Arrangements and vice versa;

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INVESTMENT MANAGER PERFORMANCE SURVEY
FOR THE SECOND QUARTER ENDED 30 JUNE 2022

Q2 2022 SURVEY AT A GLANCE

No. of Managers Surveyed	Total No. of Portfolios	Aggregate AUM	Median Manager Performance
12	132	ZWL 89.26 Billion	44.58%

Q2 2022 – PERFORMANCE LEADERBOARD

Q2 2022 – Listed Equities

Rank	Manager	Return (%)
1.	Datvest	69.4%
2.	ZAM	54.2%
3.	Purpose	47.8%

Q2 2022 – Balanced Portfolios

Rank	Manager	Return (%)
1.	Datvest	83.4%
2.	ABCAM	74.1%
3.	ZAM	62.9%

Q2 2022 – Alternative Investments

Rank	Manager	Return (%)
1.	Platinum	194.2%
2.	OMIG	163.3%
3.	ZAM	160.5%

Q2 2022 – Overall Performance

Rank	Manager	Return (%)
1.	Datvest	121.5%
2.	Smartvest	99.4%
3.	Platinum	72.5%
4.	ABCAM	71.1%
5.	ZAM	61.3%

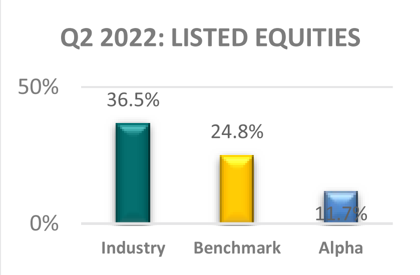
Q2 2022 – Composite Allocations

Composite	Allocation (%)
Listed Equities	46.89%
Balanced Portfolios	32.80%
Alternative Investments	20.31%

Industry Performance Highlights: Q2 2022

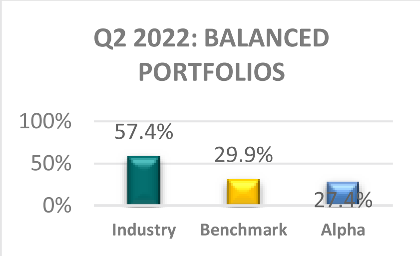
Q2-2022: Listed Equities Portfolios

- Aggregate Composite Return: 36.45%
- Benchmark Return: 24.8%
- Industry Alpha: 11.7%



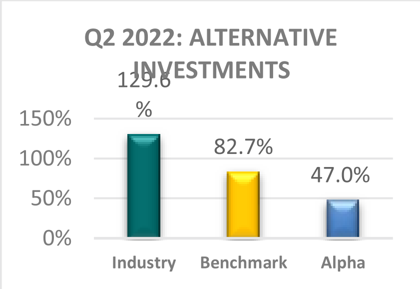
Q2-2022: Balanced Portfolios

- Aggregate Composite Return: 57.4%
- Benchmark Return: 29.9%
- Industry Alpha: 27.4%



Q2-2022: Alternative Investments Portfolios

- Aggregate Composite Return: 129.7%
- Benchmark Return: 82.7%
- Industry Alpha: 47.0%



Q2 2022 PEFORMANCE OVERVIEW

The equities market, represented by the ZSE All Share Index gained only 24.80% in the quarter ended 30 June 2022 way below the quarterly inflation outturn of 82.66% . Most of the Listed Equities and Balanced Portfolios recorded positive performances largely due to better stock selection and/or exposure to and revaluation of alternative investments. Alternative Investment portfolios largely registered positive performances driven largely by local currency revaluations of properties and unlisted equities. There were no significant fixed income portfolios of note held by any of the asset managers in this survey for the period.

Q2:2022 Performance Overview

The Q2 2022 Survey focused on Listed Equities, Alternative Investments and Balanced Portfolios Composites, with none of the portfolios qualifying under the Fixed Income Composite due to negative real returns in the asset class. Despite a slowdown following the announcement on measures meant to curb speculative trading on the bourse, the ZSE represented by the All Share index gained 24.08% during the quarter. Most managers Managers recorded positive performances despite the bearish trend on the ZSE. The outperformance, was due to better stock selection and/or exposure to and revaluation of alternative investments. Most alternative investment portfolios performed above inflation on revaluation gains recorded in the period under review in line with the officia l exchange rate movement.

Asset Allocation Based-Composites

Q2 2022 - Asset Class Composite Performance Rankings: Listed Equities*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	Datvest	69.44%	40.52% - 172.44%	44.6%	100.0%	1,863,819,637	2.2%	4
2	ZAM	54.19%	48.16% - 62.15%	29.4%	100.0%	1,200,243,031	4.8%	3
3	Purpose	47.79%	42.38% - 50.16%	23.0%	100.0%	239,353,898	6.0%	2
4	OMIG	37.80%	27.31% - 53.00%	13.0%	100.0%	13,881,249,240	2.6%	14
5	ABCAM	34.52%	n/a	9.7%	100.0%	1,800,526,723	4.3%	1
6	Invesci	31.34%	25.26% - 36.84%	6.5%	100.0%	6,187,282,385	19.2%	10
7	Smartvest	30.40%	n/a	5.6%	100.0%	734,550,451	3.8%	1
8	FMW	29.80%	n/a	5.0%	100.0%	299,308,390	0.9%	1
9	Platinum	29.35%	n/a	4.6%	100.0%	212,290,426	0.4%	1
10	TNAM	25.38%	n/a	0.6%	100.0%	1,185,128,018	0.6%	1
11	Imara	25.25%	18.30% - 48.60%	0.5%	71.0%	13,750,839,590	21.4%	21
12	Akribos	22.37%	22.05% - 23.61%	(2.4%)	0.0%	498,570,009	1.3%	2
Benchmark**		**24.80%**	**Averages / Totals**	**11.7%**	**89.3%**	**41,853,161,798**		**61**

**The Listed Equities Composite consists of portfolios for which at least 70% is invested in Listed equities.*

***Benchmark is the passive growth ZSE All Share Index.*

Q2 2022- Asset Class Composite Performance Rankings: Balanced Portfolios*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	Datvest	83.4%	65.28% -106.75%	53.4%	100.0%	1,941,388,374	2.3%	3
2	ABCAM	74.1%	50.42% - 96.01%	44.2%	100.0%	16,815,355,166	40.2%	15
3	ZAM	62.9%	41.42% - 76.60%	33.0%	100.0%	1,528,535,619	6.1%	6
4	OMIG	55.8%	32.05% - 93.98%	25.9%	100.0%	4,111,464,824	0.8%	8
5	Platinum	52.2%	50.62% - 66.16%	22.2%	100.0%	1,011,402,147	1.7%	2
6	Smartvest	51.8%	n/a	21.8%	100.0%	130,112,295	0.7%	1
7	Imara	42.8%	35.50% - 52.80%	12.9%	100.0%	1,340,747,710	2.1%	2
8	Invesci	36.0%	25.97% - 61.24%	6.0%	100.0%	2,398,924,875	7.5%	7
Benchmark**		**29.9%**	**Averages / Totals**	**27.4%**	**100.0%**	**29,277,931,010**		**44**

**The Balanced Portfolio Composite consists of portfolios where no one asset class accounts for over 70% of the portfolio (50% for alternative investments)*

The Benchmark is comprised of: 25% ZSE All Share Index + 25% Ave 90-day TB/BA rate + 25% Ave Return on bonds with PA status + 25% CPI

Q2 2022 - Asset Class Composite Performance Rankings: Alternative Investments Portfolios*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	Platinum	194.2%	156.50% - 213.49%	111.5%	100.0%	584,937,466	1.0%	2
2	OMIG	163.3%	n/a	80.7%	100.0%	42,724,075	0.0%	1
3	ZAM	160.5%	n/a	77.8%	100.0%	114,759,012	0.5%	1
4	Datvest	155.1%	81.23% - 224.80%	72.5%	86.0%	8,654,555,934	10.1%	7
5	Smartvest	121.2%	74.64% - 214.52%	38.5%	88.0%	5,258,942,479	27.3%	8
6	ABCAM	101.2%	96.89% - 102.66%	18.5%	100.0%	1,225,950,896	2.9%	2
7	Imara	94.9%	n/a	12.2%	100.0%	811,486,600	1.3%	1
8	Invesci	46.8%	0.00% - 94.90%	(35.9%)	20.0%	1,438,993,568	4.5%	5
Benchmark**		**82.7%**	**Averages / Totals**	**47.0%**	**86.8%**	**18,132,350,029**		**27**

**The Composite consists of portfolios for which at least 50% is invested in non-listed property and private equity and the benchmark is: CPI inflation*

Mandate Based-Composites

Few Composites qualify as pure Equities or Alternative Investments, with the majority being Balanced Portfolio Composites based on signed Mandates. This reflects the general bias towards full allocation Managers instead of Specialist Managers in the Zimbabwean investments management industry.

Q2 2022 -Mandate Composite Performance Rankings: Listed Equities*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	ABCAM	34.5%	n/a	9.7%	100.0%	1,800,526,723	4.3%	1
2	Imara	32.9%	18.30% - 52.80%	8.1%	71.0%	2,865,948,896	4.5%	7
3	OMIG	32.0%	n/a	7.2%	100.0%	692,297,181	0.1%	1
4	Platinum	29.4%	n/a	4.6%	100.0%	212,290,426	0.4%	1
5	Invesci	27.9%	26.61% - 36.84%	3.1%	100.0%	3,066,049,237	9.5%	4
Benchmark**		**24.8%**	**Averages / Totals**	**6.5%**	**94.2%**	**8,637,112,463**		**14**

**The Composite consists of portfolios for which at least 70% is invested in Listed equities.*

***Benchmark is the ZSE All Share Index passive growth.*

Q2 2022 -Mandate Composite Performance Rankings: Balanced Portfolios*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	Datvest	123.4%	40.52% 208.92%	93.5%	100.0%	9,021,865,378	10.5%	9
2	Smartvest	106.5%	74.64% - 214.52%	76.6%	100.0%	5,133,809,016	26.6%	9
3	Platinum	87.2%	213.49% - 50.62%	57.3%	100.0%	1,596,339,613	2.7%	4
4	ABCAM	76.2%	50.42% - 102.66%	46.3%	100.0%	16,515,348,722	39.5%	16
5	ZAM	61.9%	35.77% - 76.60%	32.0%	100.0%	1,607,514,527	6.5%	6
6	Purpose	50.2%	n/a	20.2%	100.0%	141,755,331	3.5%	1
7	OMIG	42.0%	27.31% - 163.35%	12.1%	100.0%	16,247,866,444	3.0%	20
8	Invesci	36.0%	18.62% - 94.90%	6.1%	73.0%	6,585,316,450	20.5%	15
9	Imara	31.0%	94.90% - 22.47%	1.1%	23.0%	8,040,370,868	12.5%	13
10	Akribos	23.6%	n/a	(6.3%)	0.0%	101,064,935	0.4%	1
Benchmark**		**29.9%**	**Averages / Totals**	**33.9%**	**79.6%**	**64,991,251,285**		**94**

**The Balanced Portfolio Composite consists of portfolios where no one asset class accounts for over 70% of the portfolio (50% for alternative investments)*

The Benchmark is: 25% ZSE All Share Index + 25% Ave 90-day TB/BA rate + 25% Ave Return on bonds with PA status + 25% CPI

Q2 2022 -Mandate Composite Performance Rankings: Alternative Investments Portfolios*

Rank	Asset Manager	Performance	Performance Range	Excess Returns (Alpha)	Relative Batting Average	AUM (ZWL)	% of Total Firm Assets	Portfolios
1	ZAM	160.5%	n/a	77.8%	100.0%	114,759,012	0.5%	1
2	Datvest	128.9%	114.6% - 224.8%	46.2%	100.0%	1,417,903,954	1.6%	2
3	Invesci	14.7%	0.00% - 19.66%	(67.9%)	0.0%	213,764,472	0.7%	2
Benchmark**		**82.7%**	**Averages / Totals**	**18.7%**	**66.7%**	**1,746,427,438**		**5**

**The Composite consists of portfolios for which at least 50% is invested in non-listed property and private equity and the benchmark is: CPI inflation*

Q2 2022 - Aggregated Asset Class Composite Performance Rankings

Rank	Asset Manager	Aggr. Portfolio Return (Asset Class-weighted)	AUM (ZWL)	% of Total Firm Assets	Number of Portfolios
1	Datvest	121.51%	12,459,763,946	14.5%	14
2	Smartvest	99.40%	6,123,605,224	31.8%	10
3	Platinum	72.53%	1,808,630,038	3.1%	5
4	ABCAM	71.13%	19,841,832,784	47.4%	18
5	ZAM	61.31%	2,843,537,663	11.4%	10
6	Purpose	47.79%	239,353,898	6.0%	2
7	OMIG	41.38%	18,035,438,138	3.3%	23
8	Invesci	34.66%	10,025,200,827	31.1%	22
9	FMW	29.80%	299,308,390	0.9%	1
10	Imara	28.97%	15,903,073,901	24.8%	24
11	TNAM	25.38%	1,185,128,018	0.6%	1
12	Akribos	22.37%	498,570,009	1.3%	2
Averages / Totals		**54.7%**	**89,263,442,837**		**132**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