



Benchmark Retirement Fund  
Annual Report 2021



**Benchmark Retirement Fund**  
Efficient. Trusted. Namibian.



## Overview

The Benchmark Retirement Fund is a privately administered umbrella fund, founded by Retirement Fund Solutions in 2000. As a defined contribution fund, each member's fund credit is determined by reference to net contributions and net investment returns generated by investment managers selected over the period of being a member of the Fund.

The Fund offers contributory membership to employees within an employer group, contributory membership to individuals as well as dormant membership to former employees who wish to preserve their retirement capital. The Fund offers annuities for dependants of deceased members as well as investment-linked living annuities and life annuities for members on retirement. The Fund also allows for pooled pensioner arrangements.

Death, dread disease, funeral and disability benefits can be arranged by the participating employers for their members in addition to the member's share in the Fund. These benefits are fully reinsured.

## Board of Trustees

The Board of Trustees meets at least four times per annum to oversee the affairs of the Fund. The Finance Committee also meets at least four times per annum to assist the Board in discharging the supervision of the Fund's financial affairs. The Claims Committee meets more frequently to deal with death claims as expeditiously as possible. A temporary Financial Institutions and Markets Act (FIMA) Committee was established to evaluate, assess and implement the FIMA. The trustees are:

### Harald Müseler

Chairperson, independent of the Founder

### Sabrina Jacobs

Independent of the Founder

### Afra Schimming-Chase

Independent of the Founder

### Malverene Theron

Independent of the Founder

### Marthinuz Fabianus

Appointed by the Founder

### Tilman Friedrich

Appointed by the Founder

## Principal Officer

### Günter Pfeifer

## Service providers of the Fund

The key service providers appointed by the Trustees are:

### Actuary

Strategic Actuarial Partners Namibia

### Administrator

Retirement Fund Solutions Namibia

### Auditor

KPMG Namibia

### Investment Consultant

NMG Consultants & Actuaries (Namibia)

### Risk Insurers

Hollard

Momentum

Old Mutual

Sanlam

*Investment managers, employee benefit consultants and risk insurers are selected by the participating employers and members of the Fund.*

## Change of year-end and 18-month period

The Fund's financial year was changed from December to June. The current financial reporting period therefore covers 18 months from 1 January 2020 to 30 June 2021. The reason for the change was to prepare for the new requirement under the Financial Institutions and Markets Act when financial statements need to be submitted to the regulator 90 days after year end. A June year end lends itself better to achieving such a tight deadline compared to December which falls into Namibia's main holiday season.

## Financial Position

	30.06.2021 N\$ million	31.12.2019 N\$ million	31.12.2018 N\$ million
<b>Assets</b>			
Investments	4,503	3,482	2,814
Current assets	596	208	106
	<b>5,099</b>	<b>3,690</b>	<b>2,920</b>
<b>Liabilities</b>			
Active members	3,926	2,754	2,125
Pensioners	858	776	633
Reserves	120	89	73
Benefits payable	185	62	83
Other current liabilities	10	9	6
	<b>5,099</b>	<b>3,690</b>	<b>2,920</b>

## Financial Result

	30.06.2021 N\$ million	31.12.2019 N\$ million
Contributions received	606	365
Net investment income	394	251
Reinsurance proceeds	80	15
Net transfer from/to other funds	1,280	772
	<b>2,360</b>	<b>1,403</b>
Reinsurance premiums paid	-68	-40
Benefits paid	-942	-538
Expenses	-65	-43
Prior period adjustment	-	6
	<b>-1,075</b>	<b>-615</b>
<b>Net movement</b>	<b>1,285</b>	<b>788</b>

## Audit

The financial statements for the 18-month period ended 30 June 2021 were audited by KPMG Namibia and an unmodified opinion was issued. The full audited annual financial statements, including the audit opinion, can be obtained at the RFS Offices at the corner of Newton and Feld Streets, Windhoek.



## Summary of the Valuators' Report at 30 June 2021

1. We have carried out a statutory actuarial valuation of the Benchmark Retirement Fund ("the Fund") for the period ending 30 June 2021.
2. The previous statutory actuarial valuation of the Fund was carried out by us as at 31 December 2019.
3. We are satisfied that the data and supporting information provided to us is appropriate for the purposes of the valuation.
4. Based on our valuation, we confirm the following:
  - 4.1 The Fund is administered in terms of the general rules of the Fund and the special rules of the participating employers;
  - 4.2 The Share Account, Living Annuity Account, Survivor Annuity Account, Employer Reserve Account and the General Reserve Account established by the rules are maintained correctly;
  - 4.3 The investments of the Fund are well matched to the Fund's liabilities;
  - 4.4 Expense deductions and contributions toward risk benefits are made in terms of the Fund's rules and the special rules of the participating employers and in accordance with the service level agreement;
  - 4.5 Ad-hoc expenses are met from the General Reserve Account and the General Reserve Account balance of 0.13% of the Fund's assets is reasonable; and
  - 4.6 The Fund complies with legislation and service level agreements.
5. The Fund is in a financially sound position as at 30 June 2021.

## Rule amendments

### Rule amendment no. 1, effective 1 November 2018 – Approved

1. To ensure compliance with NAMFISA's requirements for continued registration of the Fund as set out in correspondence to the Fund.
2. To better regulate the recoupment of costs payable by the Participating Employer in terms of the Rules where the Participating employer defaults or pays late.
3. To allow pensioners to switch between various annuity products either within the Fund or provided by other funds.

### Rule amendment no. 2, effective 1 February 2020 – Approved

1. This amendment changes the Fund's year-end from 31 December to 30 June and introduces a default cash withdrawal benefit where the member failed to submit all documents required to process the withdrawal benefit within six months.

### Rule amendment no. 3, effective 1 July 2020 – Approved

Subject to certain conditions being met, during a declared State of Emergency and for a certain period thereafter, this amendment allows for -

1. participating employers and their members to partially suspend payment of contributions;
2. members who are not employed by a participating employer to partially suspend payment of recurrent contributions; and
3. participating employers who have suspended payment of contributions and/or whose members have suspended payment of contributions to continue participating in the Fund.

### Rule amendment no. 4, effective 1 November 2020 – Approved

1. Amendment No. 4 was adopted to provide for the Fund to recover outstanding housing loans per the Pension Funds Act 24 of 1956 and incidental matters.

### Rule amendment no. 5, effective 1 October 2021 – Pending approval

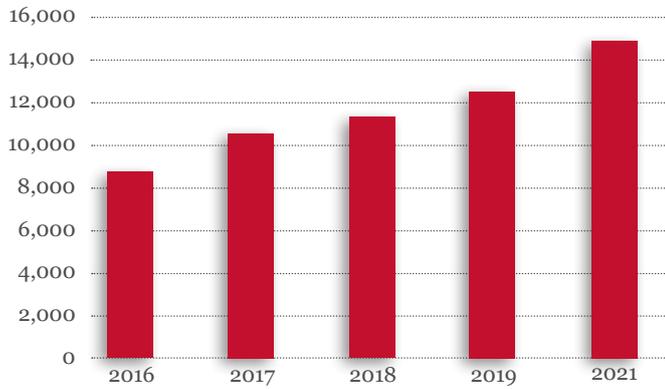
1. Amendment No. 5 was adopted to provide for an increase in the Fund levy to cover increased costs of the fund, such as governance, compliance and member communication.



“Every successful organization  
has to make the transition  
from a world defined primarily  
by repetition to one primarily  
defined by change.”

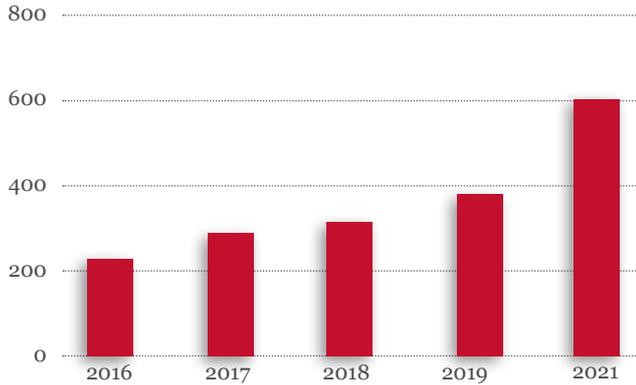
*Bill Drayton*

Number of members

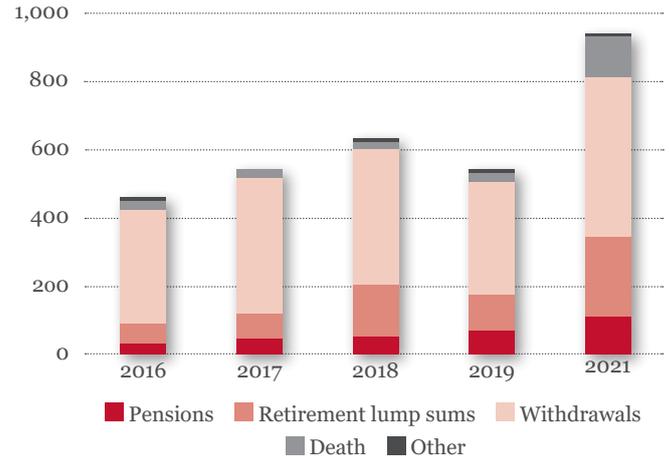


Members	Active	Pensioner	Total
Membership: 31.12.2019	11,498	1,117	12,615
Additions	1,872	32	1,904
Transfers in	2,567	328	2,895
Transfers out	-28	-	-28
Disabilities	-1	-	-1
Withdrawals	-1,739	-11	-1,750
Retrenchments	-485	-	-485
Retirements	-206	-3	-209
Deaths	-60	-28	-88
Membership: 30.06.2021	13,418	1,435	14,853

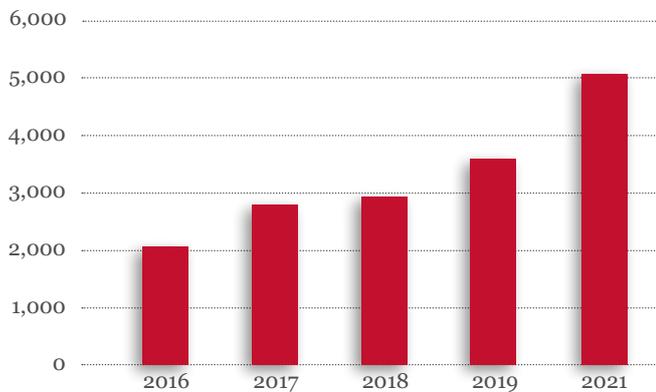
Contributions received: N\$ million



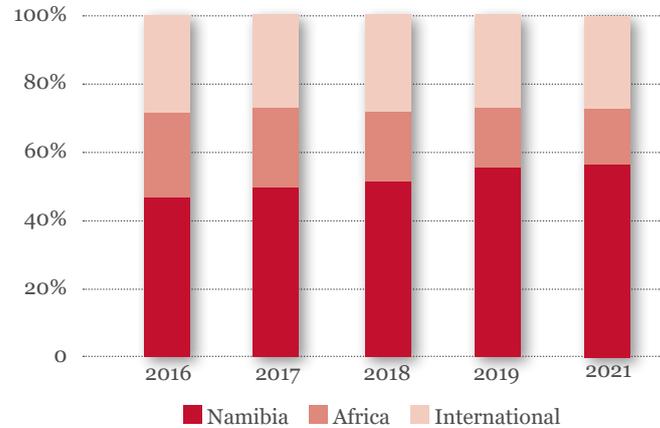
Benefits paid: N\$ million



Assets: N\$ million



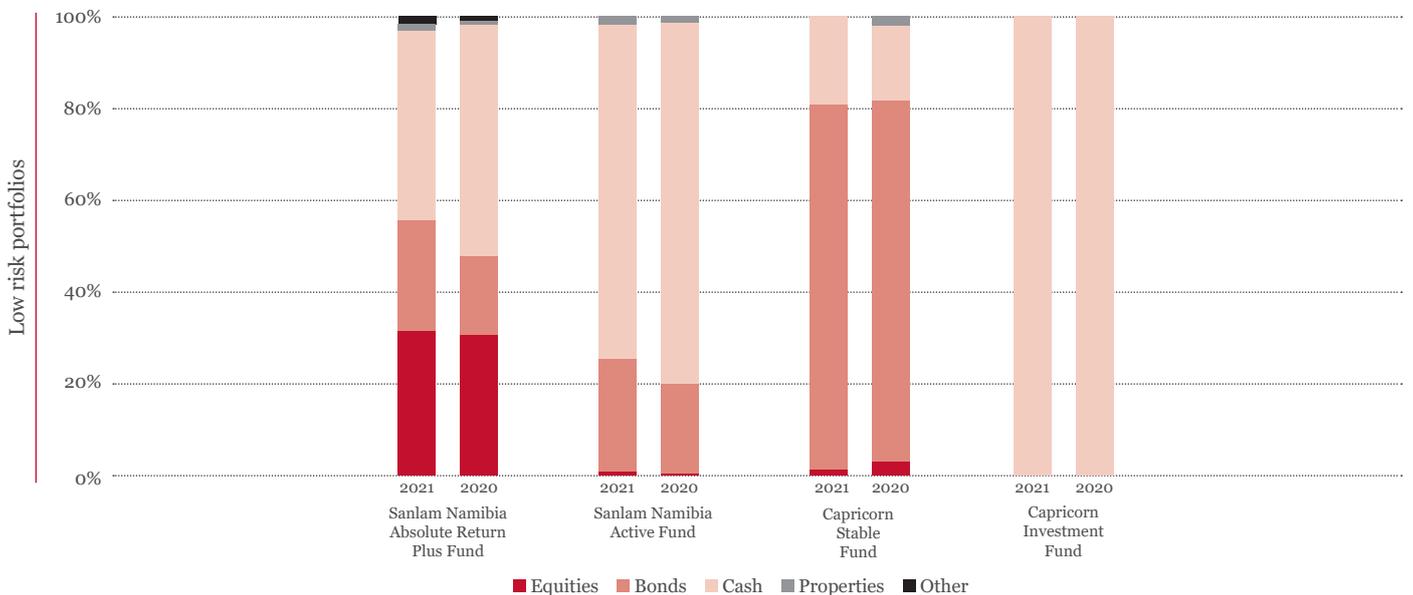
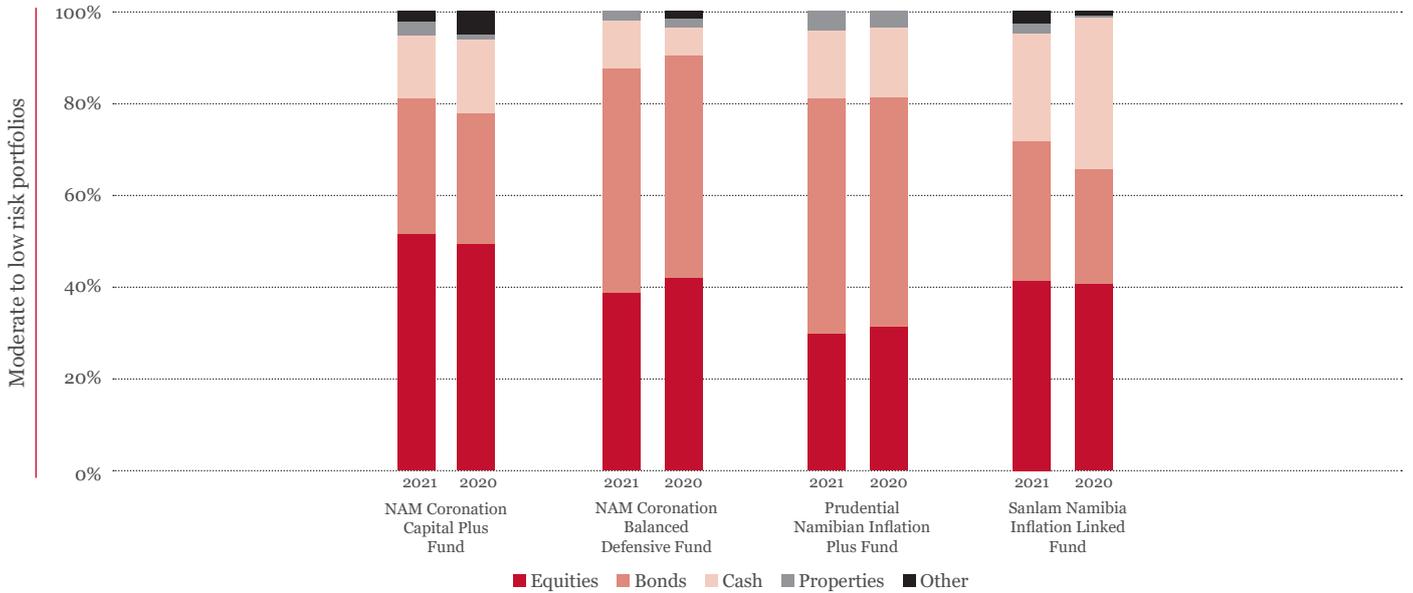
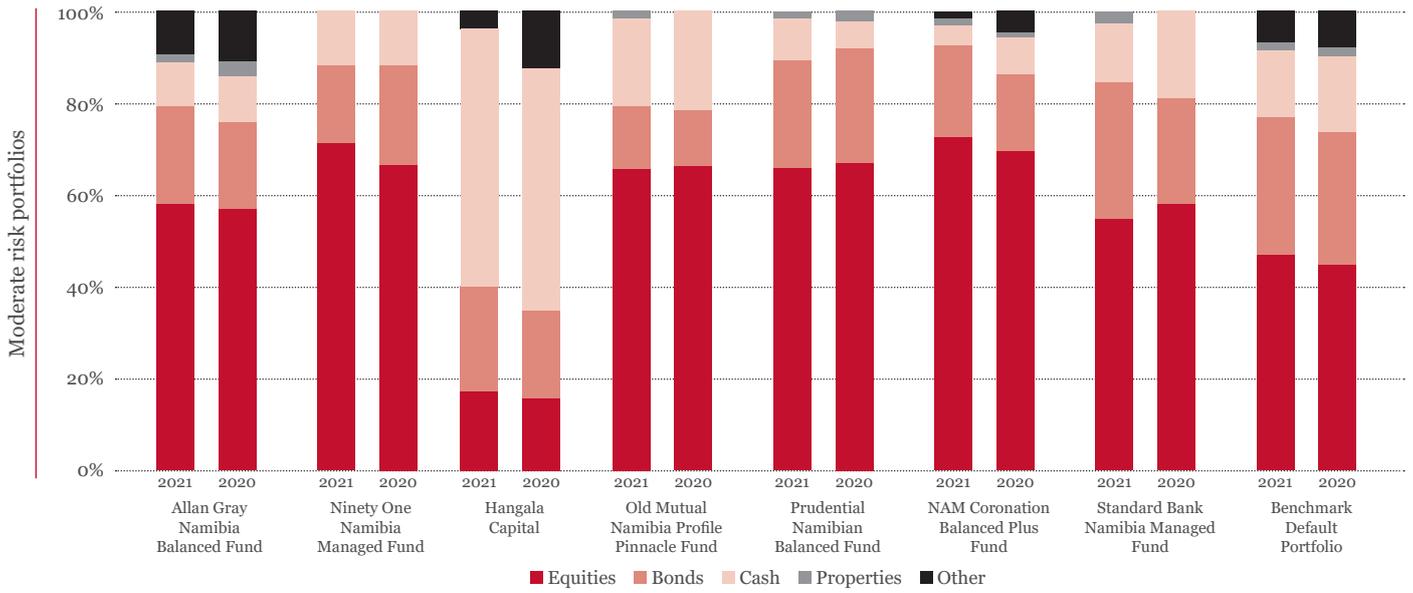
Geographical split of investments



“Every once in a while,  
a new technology,  
an old problem,  
and a big idea  
turn into an innovation.”

*Dean Kamen*

## Investment asset allocation as at 30 September 2021 as compared to 30 September 2020





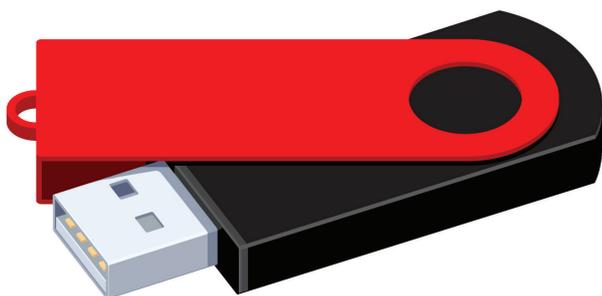
“The thing that’s transforming is not the technology – the technology is transforming you.”

*Jean W. Ross*

### Investment portfolio returns

The following investment portfolios (or combinations thereof) are available to members of the Fund:

Investment Portfolio	Risk categorisation	Investment performance as at 30 September 2021 (%)			
		1 yr	3 yrs (annualised)	5 yrs (annualised)	10 yrs (annualised)
Allan Gray Namibia Balanced Fund	Moderate	13.3	4.9	5.6	10.5
Ninety One Managed Fund Namibia	Moderate	13.0	7.3	7.8	11.2
NAM Coronation Balanced Plus Fund	Moderate	21.2	9.6	7.7	10.7
Old Mutual Namibia Profile Pinnacle Fund	Moderate	19.5	8.2	8.4	11.1
Prudential Namibian Balanced Fund	Moderate	17.6	7.1	7.7	10.9
Standard Bank Namibia Managed Fund	Moderate	9.6	7.9	7.8	10.7
Benchmark Default Portfolio	Moderate	11.8	5.8	6.1	10.2
Prudential Namibian Inflation Plus Fund	Moderate - Low	12.6	6.5	6.6	9.8
NAM Coronation Capital Plus Fund	Moderate - Low	15.1	8.9	6.9	8.6
Sanlam Namibia Inflation Linked Fund	Moderate - Low	8.0	6.9	6.8	9.0
NAM Coronation Balanced Defensive Fund	Moderate - Low	11.0	7.5	6.7	9.0
Sanlam Absolute Return Plus Fund	Low	4.6	5.3	5.2	--
Capricorn Stable Fund	Low	7.0	7.8	7.6	--
Sanlam Namibia Active Fund	Low	6.4	6.5	7.1	7.3
Capricorn Investment Fund	Low	4.4	6.3	7.1	6.7



“Sharing is good,  
and with digital technology,  
sharing is easy.”

*Richard Stallman*

## Accountability and transparency

Our approach to accountability and transparency is to give you the ability to make informed, long-term investment decisions, and to give answers when you need them, without undue delay.

Call Benchmark and its sponsor  
Retirement Fund Solutions on **061 - 446 000**.

Visit our website [www.rfsol.com.na/benchmark](http://www.rfsol.com.na/benchmark)  
to view and download:

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Annual financial statements

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Actuarial valuation reports

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Quarterly investment reports

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Investment policy

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Investment portfolio fund fact sheets

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Rules of the Fund

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Informative newsletters

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Articles about the retirement fund industry

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at <https://benchmark.benefitcounsellor.com/>  
to view your current member benefits.

## Address

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