



# DPF

2013 • ANNUAL REPORT

“ABRIDGED”

This is an abridged version of the 2013 Debswana Pension Fund Annual Report. To access the full version visit [www.dpf.co.bw](http://www.dpf.co.bw) or email a request to [bokamoso@dpf.co.bw](mailto:bokamoso@dpf.co.bw)



## Kgoba Kgetsi:

“Over BWP 5 billion In Member Assets”



## Chairman's Message:



**Board Chairman**  
Richard Vaka

**To our valued members...** The year 2013 was filled with abundance in so far as the achievements of the Fund are concerned. We made great strides administratively and further gained record investment performance results that have surpassed all Fund results in the last five years. The Fund is in full recovery mode in all aspects of its business due to great efforts by all stakeholders concerned.

### 2013 Performance Overview:

The Fund remains financially sound as at year end the Fund, having recorded a healthy surplus of BWP1 billion relative to BWP500 million obtained in 2012. The Funding levels remain above target at 108.2%, an increase of 3% from 2012.

We are also very pleased that member asset have risen by a remarkable BWP1 billion to reach the BWP5 billion mark by year end. It is a huge milestone which favorably coincides with our 30th anniversary as a prosperous Fund in 2014. The Trustees also awarded a 7.4% pension increase (100% of inflation to 31 December 2012) to pensioners in payment during 2013.

### Membership Movements:



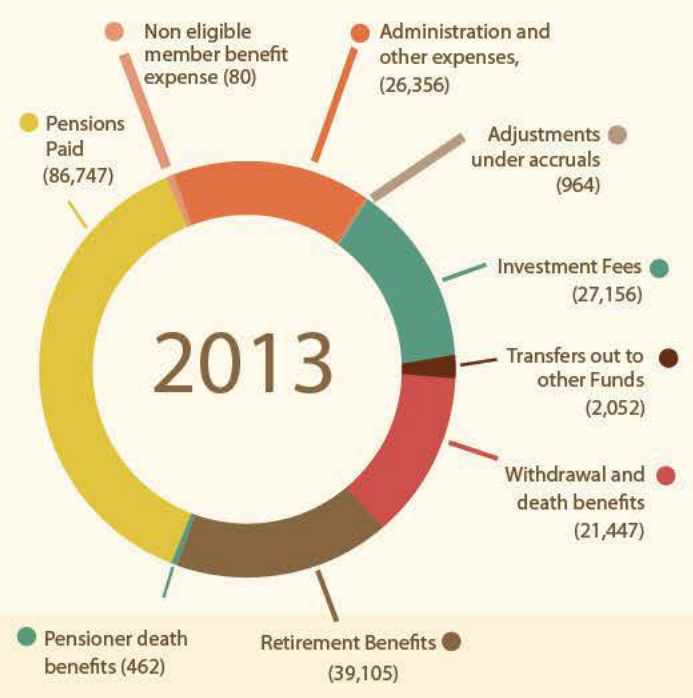
## Highlights:

### Revenue & Expenditure:

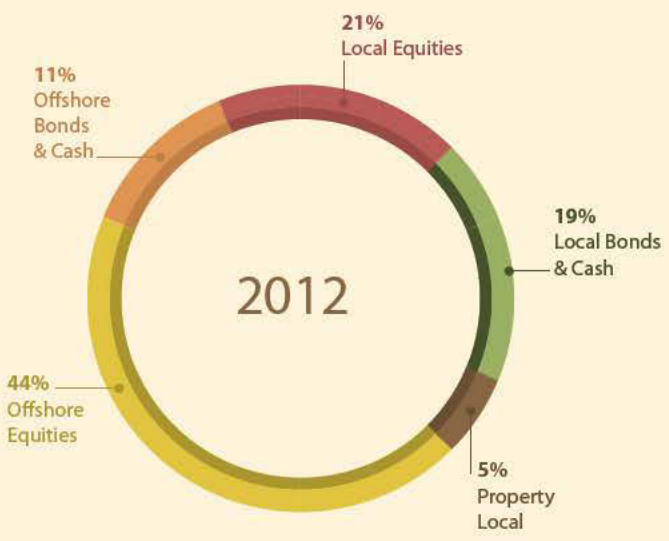
Revenue; BWP (Million)



Expenditure; BWP (Million)



Asset Allocation as at 31 December 2012



Asset Allocation as at 31 December 2013

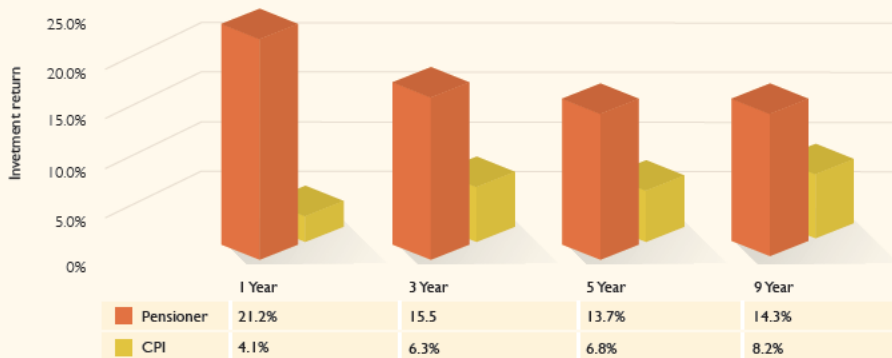




## Highlights:

Pensioner Portfolio Performance vs Inflation

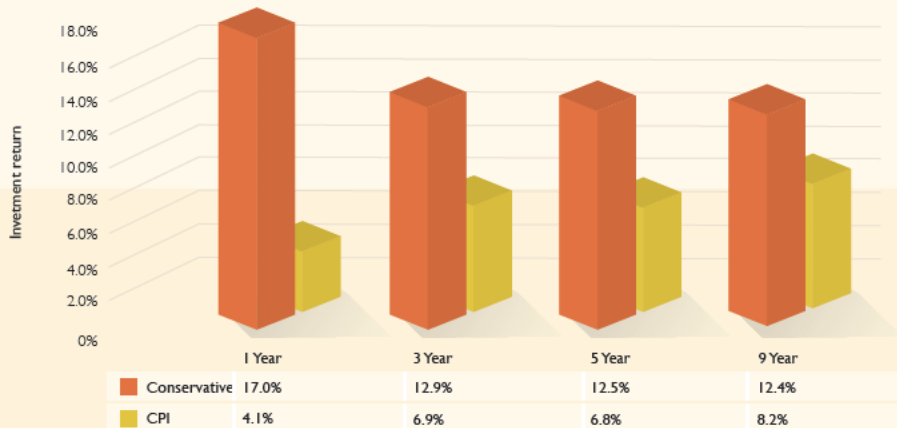
Pensioner Portfolio Performance



The Pensioner portfolio (retired members) targets an investment return of 4% above inflation over a ten year rolling period.

Conservative Portfolio Performance vs Inflation

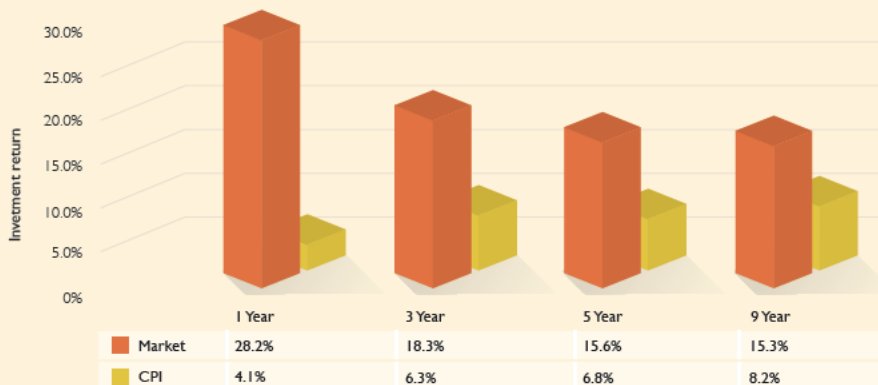
Conservative Portfolio Performance



The Conservative portfolio (active members ages between 57 and 60) targets an investment return of 3% above inflation over a five year rolling period.

Market Portfolio Performance vs Inflation

Market Portfolio Performance



The Market portfolio (active members aged up to 53) targets an investment return of 5% above inflation over an eight year rolling period.

## Opportunities & Risks

At the present time the Fund is primarily focused on optimizing the operations in order to attain a more cost effective operation. We remain conscious of the needs of our members and sponsors and will continually strive to harmonize where gaps may exist. The key risks that are top on the Trustees' agenda for mitigation include increasing administration costs as well as the need for critical mass which would also contribute towards bringing down cost per member to the desired levels.

Greater opportunities lay in creating additional value for members through new service offerings for members, and a number of these are in the pipeline, to be announced in the subsequent periods.

## Future Outlook

As the Fund we continue to be committed to the attainment and maintenance of high standards of corporate governance incorporating the principles of integrity, accountability, transparency and social responsibility and that is attained through optimum use of resources.

Board Chairman

Richard Vaka