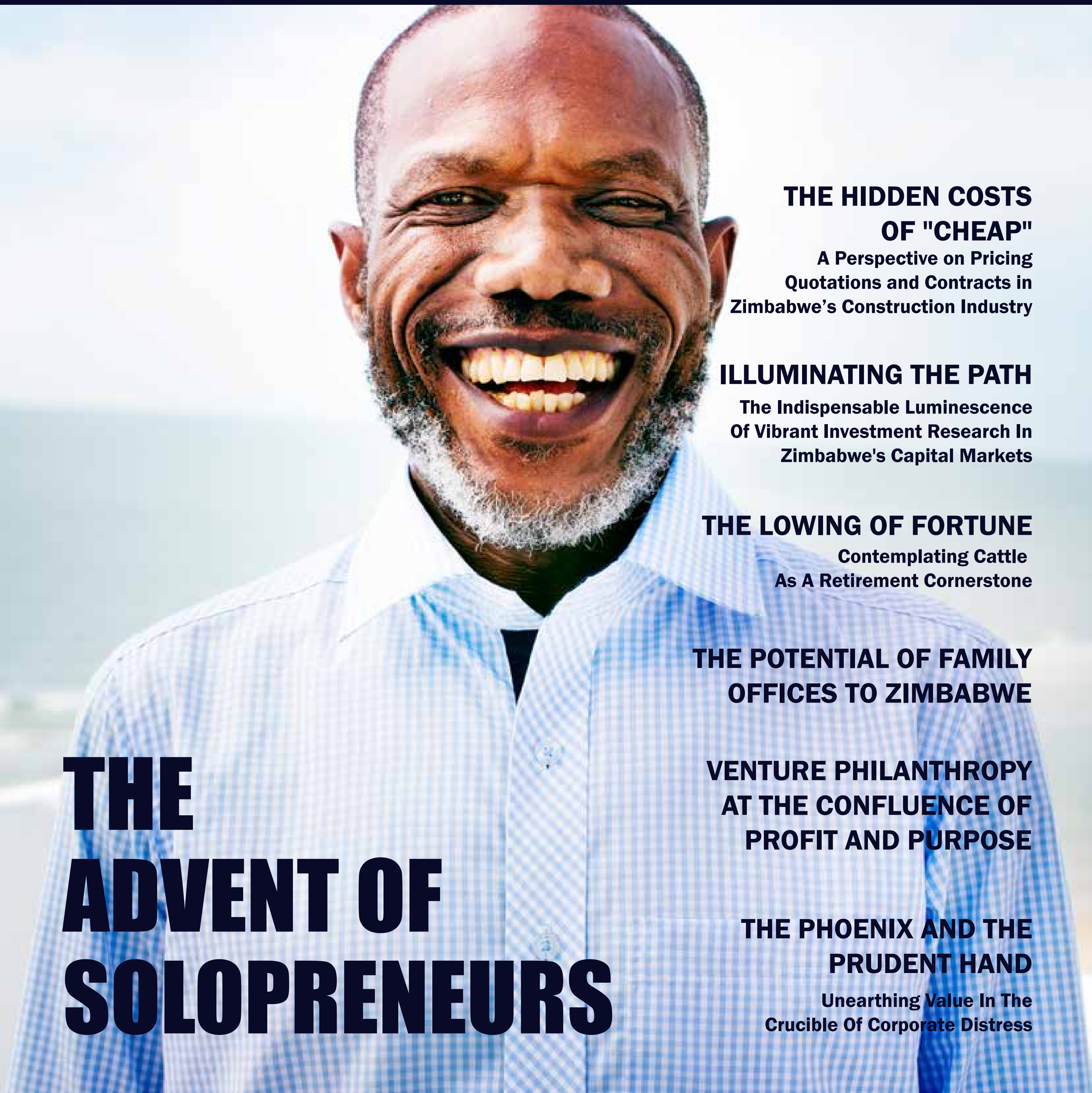
Z.A.P.F

JUNE ISSUE | 2025

PENSION MAGAZINE



THE HIDDEN COSTS OF "CHEAP"

A Perspective on Pricing Quotations and Contracts in Zimbabwe's Construction Industry

ILLUMINATING THE PATH

The Indispensable Luminescence Of Vibrant Investment Research In Zimbabwe's Capital Markets

THE LOWING OF FORTUNE

Contemplating Cattle As A Retirement Cornerstone

THE POTENTIAL OF FAMILY OFFICES TO ZIMBABWE

VENTURE PHILANTHROPY AT THE CONFLUENCE OF PROFIT AND PURPOSE

THE PHOENIX AND THE PRUDENT HAND

Unearthing Value In The Crucible Of Corporate Distress

THE ADVENT OF SOLOPRENEURS

CONTENTS

THE DIRECTOR GENERAL'S NOTE

Welcome to the June edition of the Zimbabwe Association of Pension Funds Magazine! As we step further into 2025, the dynamism of Zimbabwe continues to inspire and challenge us, and this month's issue aims to reflect that vibrant spirit across various sectors.

June has been a significant month for our nation. We have witnessed remarkable progress in the agricultural sector, with reports indicating strong upticks in tobacco sales and winter cereal planting, showcasing the resilience and dedication of our farmers. The ongoing efforts in mining, particularly with the new zero-upfront solar solutions emerging for power-hit mines, point towards innovative strides in addressing key economic challenges. These developments are not just statistics; they represent livelihoods, opportunities, and the unwavering spirit of Zimbabweans striving for growth.

Beyond the economic landscape, the pension industry itself is navigating a transformative period. With several projects being launched, while prompting important discussions around their implementation and implications, these signal clear intentions to shape our pension ecosystem. As the Zimbabwe Association of Pension Funds, we remain committed to fostering a diverse, professional and ethical pension landscape, one that truly serves the public interest and contributes meaningfully to national development.

In this edition, we delve into these and many more compelling articles. From in-depth analyses of business trends to start-up initiatives, we hope to bring you a comprehensive and engaging read. We explore the evolving role of scale-ups in investments and the vital discussions around corporate bankruptcies.

We believe that our magazine, in its unique way, offers a space for deeper reflection and curated content, providing context and perspective in an increasingly fast-paced world. Our aim is to celebrate success, explore the challenges and spark conversations that drive positive change.

Thank you for your continued support. We invite you to immerse yourselves in these pages and join us in celebrating the unfolding narrative of Zimbabwe.

Yours Faithfully

Sandra T. Musevenzo

Director General

SPEECH BY MR. A.J. NDUNA, IPEC BOARD CHAIRPERSON, GUEST OF HONOUR AT THE COLLABORATIVE SYMPOSIUM AND COCKTAIL HOSTED BY THE CFA SOCIETY SOUTH AFRICA, THE INVESTMENT PROFESSIONALS' ASSOCIATION OF ZIMBABWE (IPAZ) AND THE ZIMBABWE ASSOCIATION OF PENSION FUNDS (ZAPF) AT ZIMBALI EVENTS & LIFESTYLE CENTRE ON 02 JULY 2025

Mr Nduna began his speech by acknowledging the presence of Mr. Ranga Makwata - President of IPAZ and Board Member of the CFA Society South Africa; Mrs. Phoebe Chawasarira- Chairperson of ZAPF; Mr. Anymore Taruvinga - CEO of SECZIM; Ms. Sekai Kuvarika - CEO of CZ; 5 Mr. Davison Choeni - General Manager of IIZ; Mr. Donald Muth - CEO of ICZ; .representatives of the Zimbabwe Stock Exchange, CFA Society South Africa, IPAZ and ZAPF

He highlighted that delegates were convening at the symposium under a theme of critical urgency: "Collaborative Efforts for Pension Funds in Zimbabwe". He pointed out that the presence of the delegates at the symposium signaled the collaborative efforts and commitment to safeguard the retirement dignity of millions of Zimbabweans. He reiterated that every delegate plays a vital role in the pension value chain, and together, all stakeholders can fortify the foundation of our pension system. He emphasized that pension funds are not mere financial vehicles, but sacred social contracts that facilitate social security protection. He hammered on the point that the pension industry harnesses hard-earned contributions for individuals to secure benefits for the future, hence the need for our collective efforts to secure and guarantee a dignified retirement through excellent stewardship of the long-term savings.

As demographic trends shift, markets fluctuate, and member expectations evolve, he highlighted that stakeholders face complex challenges that require innovative solutions and collaboration in line with the theme of this symposium. With the rising dependency ratio, coupled with economic volatility, it compels delegates to rethink traditional approaches to pension investment and management. It cannot be business as usual. Collaboration between Investment Professionals and other stakeholders is of critical value. He highlighted that IPEC calls for continued collaboration between the capital market players and the pensions and insurance industry. There are several strategic areas where stakeholders need to collaborate, particularly with investment professionals. He pointed out that amongst the areas that require concerted effort is the creation of new assets. He further pointed out that IPEC calls for continued collaboration between the capital market players, the banking sector and the pensions industry in developing new asset classes that meet the investment needs of our sector, particularly value preservation and value creation. He also stressed the need to manage the risk of concentrated investments in the traditional asset classes.

Similarly, he also called for collaboration of our sector with local asset managers, stockbrokers, pension funds and administrators in facilitating offshore investments by pension funds. He also reiterated that as the regulator, IPEC has come up with an Administrative Framework for Offshore Investments, which will be issued to the market in due course. This framework seeks to streamline the approval process for offshore investments by pension funds. In this regard, a Tripartite Committee comprising IPEC, SECZ and RBZ Exchange

Control, has been set up. The Committee, which is chaired by IPEC, is now responsible for approving offshore investments and RBZ will simply facilitate the disbursement through the authorised dealers.

On the aspect of Performance Benchmarks for Asset Managers, the Commission has been calling for performance-based remuneration for asset managers and a shift from the traditional assets under management basis for remuneration. This is important because of the uniqueness of Zimbabwe's operating environment, where assets can double or triple in a quarter due to inflation. He highlighted that If we maintain this basis for remuneration of asset managers as "assets under management", we will continue witnessing a situation where all rental income is going towards asset management fees. The same applies to land banks and some non-performing private equity, hence, the call for the need to strike a balance between remunerating asset managers and protecting trust assets held by pension funds. To this end, he highlighted that through collaborative solutions between capital market players and the insurance and pensions industry, we can come up with a win-win solution to the current challenges.

On the Unitisation of Assets for the Pensions Industry, he pointed out that other jurisdictions have moved to ensuring daily/weekly/monthly tracking of assets supporting life insurance savings products and pension fund liabilities. This is particularly important since most pension funds are now of a defined-contribution nature. However, as Zimbabwe, we seem to have lagged behind in this regard. As such, he called for collaborative efforts in ensuring that pension scheme members have real time information on the nature and value of assets supporting their liabilities.. He also informed delegates that IEPC has thought of a single IT System for the Pensions Industry. In this regard, IPEC has embarked on an ambitious project to develop a single IT system for the pensions industry as part of national financial infrastructure. The project is in response to the perennial problem of data integrity in the private occupational pensions sector and high cost of acquiring and maintaining imported IT solutions. It is envisaged that the industry-wide system will be linked to the Electronic Supervisory System currently being procured by the Commission, as well as other national databases such as the Registrar General, for ease of confirming existence or deaths. He highlighted that the Commission is drawing experiences from countries such as Hong Kong and Turkey that have set up such systems. He pointed out that what IPEC has learnt so far is that asset managers that service pension funds leverage the single IT system to facilitate asset allocation to individual members of pension funds. They do have access to the system as a service provider and pension assets are recorded in the system for ease of tracking by administrators and members of pension funds. To this end, he pointed that he believes that such a project would require collaboration with not only our sector, but the capital markets regulator, and investment professionals as well. As such, he informed delegates that IPEC will be inviting the Association of Investment Professionals to be part of the working group that is spearheading the project.

On the issue of Sustainability by the Pensions Industry, he highlighted that our Government had already committed to the 2016 Paris Agreement on Climate Change. The Government has come up with Nationally Determined Contributions, a document that identifies the major sources of emissions for the country. As such, it is incumbent upon the pensions industry to collaborate in supporting climate risk mitigation measures. He emphasized that the pensions sector will certainly play a role in supporting sustainability efforts through asset allocation. To this end, he called upon investment professionals to collaborate with pension funds on this subject matter. He advised delegates that IPEC has recommended to the Government the need to institute holistic pension reforms through a stakeholder-driven process.

The objective is to assess the suitability of the current design of all the pillars of the national pension system, identify any gaps and institute reforms that will incentive savings and unleash the potential of the sector in socio-economic development. Investment professionals, being key stakeholders for our sector, will be co-opted in the focus groups that will be set up to facilitate these reforms. He pointed out that the insights and contributions will be highly appreciated.

In conclusion, he urged the symposium to ignite more than just ideas but forge enduring action blueprints. He emphasized that delegates must not only discuss but also commit specific initiatives that will lead to tangible improvements in our pension landscape. To cap his speech, he challenged each leader at the symposium that when they depart, they should carry forward not just concepts, but also concrete commitments to advance our sacred promise – ensuring every Zimbabwean earns the retirement security they deserve. With our collective resolve at the symposium, he highlighted that stakeholders and delegates will shape a legacy of trust and stability for future generations.

IPEC MEETINGS DISCUSSION AREAS- 03 JUNE 2025

1. Pre-2009 Compensation Framework

A pre-2009 compensation update was provided and discussions are ongoing to amend Statutory Instrument 162 of 2023. The target is to gazette the changes in Q3 2025, and the amendment process is nearing completion.

2. Annual Returns

The upcoming amendment to Circular 1 of 2025 will provide guidelines for converting USD to ZWG in the industry. Regarding pension fund financial reporting, the Commissioner had set a deadline of May 31, 2025, for submitting audited financial statements. However, as of June 2, 2025, only 20% of pension funds had complied. To ensure adherence to compliance requirements, the Commissioner will impose penalties on non-compliant fund administrators moving forward. Administrators will need to provide evidence of the source of funds for penalty payments.

3. ICT System for The Pension Industry

IPEC advise that a multi-stakeholder committee with industry participants will be established soon, with finalized terms of reference. IPEC has scheduled a study tour to Turkey and Hong Kong from November 11-18, 2025. The tour will concede with the Annual Pensions Global forum which will be held in Turkey. As the IT system implementation timeline progresses, the industry will be kept updated. Industry stakeholders have raised concerns about transitioning from current pension fund systems, citing contractual obligations. Clear deadlines are crucial to facilitate smooth contract terminations and avoid liabilities. Based on past experiences, the transition is expected to take 3-5 years. A consultative approach involving key stakeholders will ensure feasibility and realistic timelines. A committee will be formed to develop a structured migration plan, including transitional arrangements and a detailed project timeline.

4. Holistic National Pension Reforms

As the sector's reforms, informed by Justice Smith's recommendations, have progressed significantly, a multi-stakeholder approach is now required. This collaborative effort will engage a broad range of stake holders, including labour representatives, employers, companies, government regulators, and relevant ministries, such as Finance, Public Service, Labor, Social Welfare, and Health, as well as technical service providers. The objective is to conduct a comprehensive evaluation and enhancement of the sector's economic contribution and relevance. In accordance with the proposed terms of reference, ZAPF will be required to submit nominations for the newly formed stakeholder committee. Stakeholders have indicated their willingness to participate upon receiving the invitation.

5. Blacklisting Office Bearers

IPEC conducts fit and proper tests for key functionaries, board members, and shareholders, acknowledging that some may lose their status over time. To enhance market conduct, clear standards for blacklisting and potential rehabilitation of non-compliant officials are being developed. An ethics committee will be established to address integrity concerns, including whistleblowing. ZAPF supports this initiative and suggests extending blacklisting to service providers like custodians and asset managers. While the regulator retains final authority over blacklisting decisions, the ethics committee will help develop consistent standards and procedures. The new IPEC bill empowers the regulator to oversee service provider behaviour, promoting accountability in the insurance and pension sectors.

6. Regulatory Sandbox

IPEC in collaboration with SendFree and FSD Africa, announced that the development of a regulatory sandbox was completed. The draft rules will be available for industry review and comments in Q3 of 2025. The official launch of the regulatory sandbox is scheduled for Q4 2025, marking a significant milestone in Zimbabwe's regulatory innovation efforts.

7. National Development Strategy 2 Input

ZAPF has received invitations to participate in the National Development Strategy 2 (NDS2) consultation process and provide input for the 2026 National Budget. Preparatory meetings with the Reserve Bank of Zimbabwe (RBZ) and industry representatives have been scheduled to facilitate effective engagement.

A CALL FOR URGENT AND ONGOING PENSION REFORMS

Research Summary crafted by ZAPF Interns:
Roy Tafara Makoshori and Nannette Chaunoita
Reference Material: Mercer CFA Institute Global Pension Index 2024

The 2024 Mercer CFA Institute Global Pension Index highlights the urgent need for pension reforms worldwide as populations age, fertility rates decline, and life expectancies rise, creating profound social and economic challenges. The report benchmarks 48 retirement income systems, representing 65% of the global population, using more than 50 indicators across three key areas: adequacy (current benefits and system design), sustainability (long-term viability amid demographic and financial pressures), and integrity (governance, regulation, and community trust).

The top-performing systems—such as those in the Netherlands, Iceland, Denmark, and Israel—are recognized for delivering robust, sustainable, and trustworthy retirement outcomes, while countries like South Africa, Türkiye, and India are noted for major weaknesses that threaten the efficacy and sustainability of their pension systems.

A significant trend identified is the shift from defined benefit (DB) to defined contribution (DC) pension plans, transferring more risk to individuals, many of whom lack the necessary financial literacy to make informed decisions about their retirement. This shift underscores the need for improved support, guidance, and more flexible options tailored to diverse retiree needs. The report calls for expanding private pension coverage, encouraging longer workforce participation, increasing retirement funding, and enhancing transparency and governance to ensure future retirees' financial security.

For the Zimbabwean industry, these findings are highly relevant. Zimbabwe, like many other countries, faces demographic shifts and economic uncertainties that could strain its pension systems. The report's emphasis on the importance of reform, especially in integrating public and private pension arrangements, ensuring affordability, and promoting ongoing employment opportunities for older people, provides a framework for local policymakers and industry leaders. Zimbabwe must prioritize building a more inclusive and sustainable pension system by learning from global best practices, improving regulatory oversight, and fostering financial literacy among individuals. Delaying such reforms risks undermining the financial security of both current and future retirees, making immediate and coordinated action essential for the long-term stability of the country's retirement income system.

THE HIDDEN COSTS OF "CHEAP"

A Perspective on Pricing Quotations and Contracts in Zimbabwe's Construction Industry

Authored by Kelvin Gurure [Socoma Africa Construction]

The Zimbabwean construction industry continues to evolve, facing both dynamic opportunities and persistent challenges. One of the most pressing issues we encounter at Socoma Africa Construction — and one that I have personally grappled with over the years — is the approach to pricing quotations and contracts.

Too often, clients are drawn primarily to the lowest bidder. On paper, it seems like a prudent financial decision: choose the contractor who offers the most affordable solution. However, in practice, this approach frequently leads to compromised quality, project delays, hidden costs, and long-term regrets.

The Misconception of "Cheap is Best"

In a struggling economy where every dollar counts, the tendency to focus exclusively on initial costs is understandable. Clients — whether public institutions, developers, or private homeowners — often believe that selecting the cheapest quotation is equivalent to being cost-effective. But this belief overlooks critical factors that influence the success and sustainability of a construction project.

Many quotations that appear low at first glance are not always comprehensive. They may omit crucial items, underquote material and labor costs, or lack allowances for contingencies. Later, these omissions resurface as variation orders or claims, pushing the final cost well beyond the original estimate. This bait-and-switch pricing tactic is not only unethical but also detrimental to the client's budget and expectations.

The Risk of Compromised Quality

In order to meet low budgets, some contractors may resort to using substandard materials, employing unskilled labor, or cutting corners in construction processes. The result? Poor workmanship, structural defects, and higher maintenance costs down the line.

At Socoma Africa Construction, we have seen instances where clients, after choosing the lowest bidder, return to us for remedial work — effectively paying twice for the same job. The initial savings are quickly eclipsed by the cost of repairs and lost time.

Beyond Price: What Clients Should Consider

It's important to shift the conversation from "What's the cheapest option?" to "What's the best value for money?" A well-structured quotation or contract should reflect a balance between cost, quality, and risk management. Clients should assess:

- Scope clarity: Does the quotation clearly define the works included? Are all items accounted for?
- Track record and references: Has the contractor successfully completed similar projects? What do past clients say?
- Material specifications: Are quality materials being proposed, and are these standards

documented?
• Timeline realism: Is the proposed timeframe feasible, or overly optimistic?
• After-project support: Will the contractor provide guarantees, maintenance, or standby services post-completion?

A Call for Professional Procurement Standards

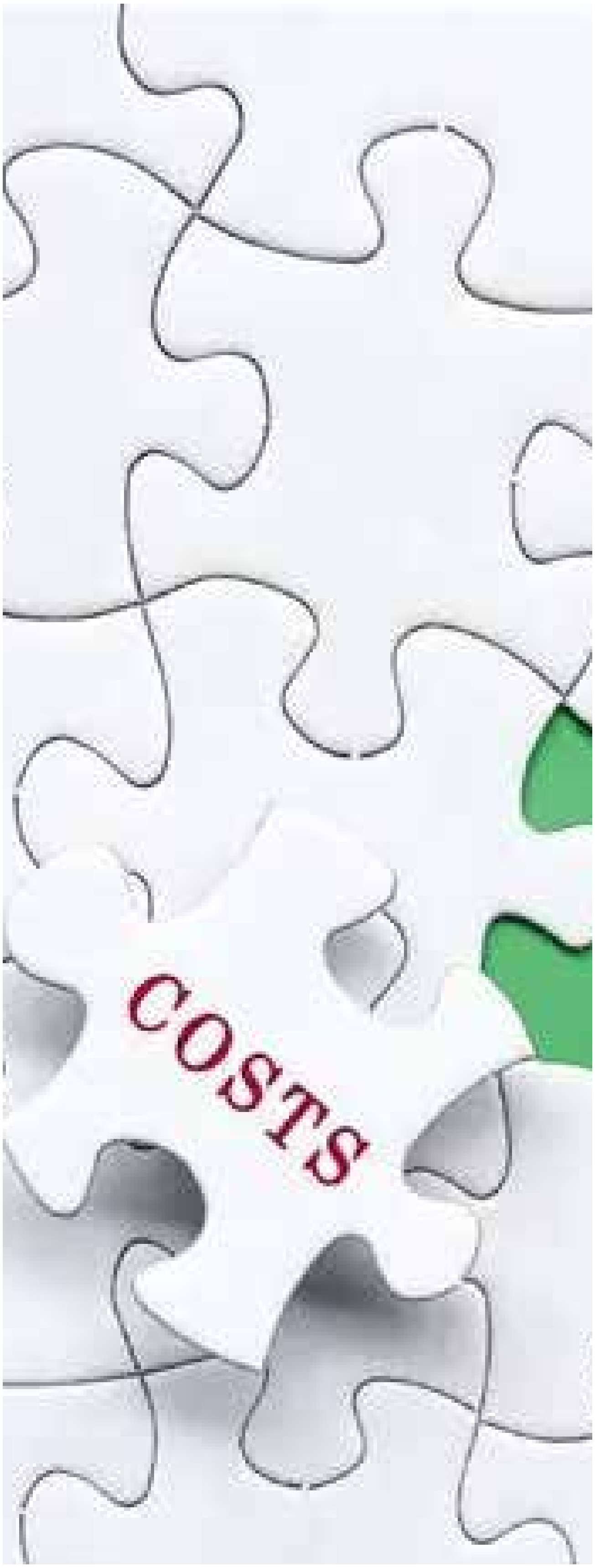
To improve outcomes in the construction sector, both clients and contractors must advocate for more transparent, standardized, and professional procurement processes. As an industry, we should move toward evaluation frameworks that weigh financial, technical, and experiential criteria — not just cost.

Clients who invest in reliable, accountable contractors may pay more upfront, but they gain in peace of mind, workmanship longevity, and overall value. Meanwhile, responsible contractors must continue to educate clients, promote honest pricing, and uphold ethical standards — even when faced with competition that cuts corners to win bids.

CONCLUSION

Zimbabwe's construction sector has enormous potential but unlocking that potential requires a mindset shift. As professionals, we must demystify the notion that cheaper is always better. And as clients, we must recognize that behind every quotation is not just a number — but a reflection of what we're truly willing to invest in quality, durability, and integrity.

Kelvin Gurure is a construction professional and the co-founder of Socoma Africa Construction, a Zimbabwean construction firm dedicated to delivering high-quality building and civil engineering solutions. He is reachable on kelvin@socomafrica.com



THE PHOENIX AND THE PRUDENT HAND

UNEARTHING VALUE IN THE CRUCIBLE OF CORPORATE DISTRESS

Authored by Stalin Rinifati [Operations and Research Engineer – Nivteil Capital]

In the grand theatre of commerce, where fortunes are forged and frittered with equal alacrity, there exists a cadre of investors who possess a peculiar prescience, an almost alchemical ability to transmute dross into gold. They are the so-called "vulture investors," a moniker perhaps unflattering, yet undeniably evocative of their role in the economic ecosystem.1 Like the mythical phoenix rising from the ashes, these astute financiers often descend upon companies teetering on the precipice of oblivion, discerning not the stench of decay, but the latent spark of potential, the embryonic form of a future triumph. For the discerning eyes of some pension fund trustees, the landscape of corporate distress, while seemingly barren, may indeed harbor fertile ground for turnaround investment possibilities, a veritable treasure trove awaiting the patient and prudent hand.

Consider, if you will, the allegorical tale of the baobab tree in our own Zimbabwean folklore. Majestic and enduring, it can withstand the harshest droughts, appearing almost lifeless during the dry season.2 Yet, with the return of the rains, it bursts forth with renewed vigor, its ancient branches bearing succulent fruit. Similarly, a distressed company, seemingly desiccated by financial woes, might possess deep roots – valuable assets, a skilled workforce, a loyal customer base – merely awaiting the opportune moment, the injection of capital and strategic acumen, to blossom anew. Examples of these investments include Metro Peech & Brown, PG Industries, Pioneer Transport and a host of other companies which have been given a boost after going through a rough patch.

Vulture investing, at its core, is the art of identifying and capitalizing on such undervalued potential.3 It is not a macabre dance with death, as the name might suggest, but rather a calculated intervention, a form of corporate resuscitation. These investors, often possessing specialized expertise in restructuring and operational efficiency, step into situations where others fear to tread. They acquire stakes in companies grappling with insolvency, operational inefficiencies, or macroeconomic headwinds, often at significantly discounted valuations.Their objective is not to feast on the carcass, but to meticulously dissect the ailing entity, identify the root causes of its distress, and implement a strategic overhaul that can restore it to financial health and profitability.

Think of it as a master sculptor beholding a rough, seemingly unusable block of marble. While others might dismiss it as flawed, the sculptor envisions the masterpiece within, possessing the skill and vision to chip away the excess and reveal the inherent beauty. Similarly, the astute vulture investor sees beyond the immediate financial turmoil, recognizing the intrinsic value that can be unlocked through strategic restructuring, debt renegotiation, and operational improvements.

Globally, the annals of business are replete with examples of successful turnaround stories fuelled by this form of investment. Consider the case of International Lease Finance Corporation (ILFC) after the 2008 financial crisis. Burdened by debt and facing a turbulent aviation market, it was acquired by American International Group (AIG) and subsequently restructured. Later, it was sold to AerCap Holdings in a multi-billion-dollar deal, a testament to the transformative power of strategic intervention in a distressed asset. Similarly, in various economies, companies in sectors ranging from retail to manufacturing have been rescued from the brink through the injection of capital and expertise by specialist turnaround funds.

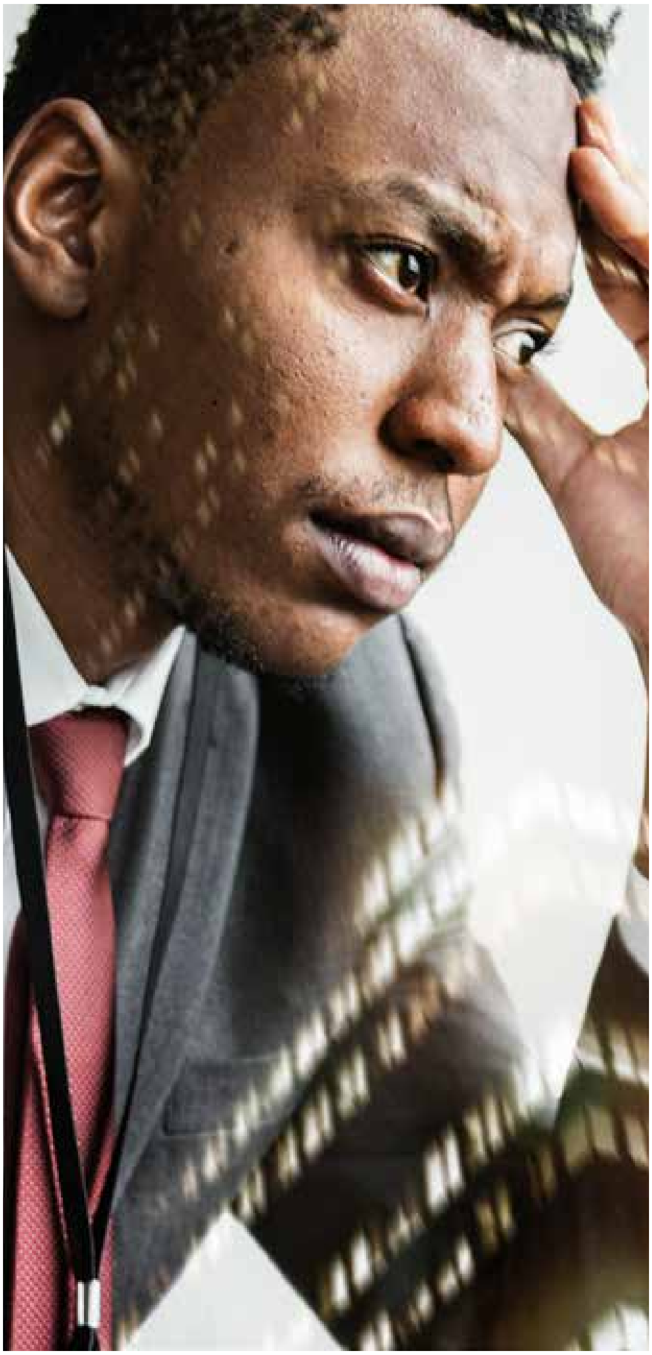
Here in Zimbabwe, the economic landscape has presented its own unique set of challenges and opportunities. Companies such as Metro Peech & Browne, Pioneer Transport, ZIMASCO, Beta Bricks, Khaya Cement, CAPS Holdings, Plaza Pharmacies and others come into mind. Periods of hyperinflation, currency fluctuations and policy adjustments have left a trail of companies struggling to stay afloat. While the faint-hearted might shy away from such turbulence, the discerning investor recognizes that within this volatility lies the potential for significant returns. Companies with strong underlying businesses, perhaps hampered by unsustainable debt burdens or outdated operational models, represent prime candidates for turnaround investment.

Imagine a local manufacturing firm, once a cornerstone of the community, now struggling under the weight of legacy debt accumulated during a period of economic instability. Its factories may still possess valuable machinery, its workforce may retain crucial skills and its brand may still hold resonance with consumers. A vulture investor, stepping in at this juncture, could negotiate with creditors, inject working capital to modernize operations, and implement strategies to enhance efficiency and market competitiveness. The result? A revitalized company, preserving jobs, contributing to the national economy, and generating healthy returns for the investor.

However, the path of vulture-investing is not without its brambles and pitfalls. It demands a meticulous due diligence process, a deep understanding of the industry and the specific challenges facing the target company, and a robust restructuring plan.5 It requires nerves of steel to navigate complex negotiations with creditors, labor unions and other stakeholders. It necessitates the ability to make tough decisions, which may sometimes involve painful but necessary measures such as asset disposals or workforce rationalization.

Successful turnaround investing often requires a collaborative approach, bringing together financial expertise, operational know-how and strong management capabilities.6 Pension funds, with their long-term investment horizons and access to significant capital, can play a pivotal role in this ecosystem, either directly or through partnerships with specialized turnaround funds.

Consider a hypothetical scenario: A well-established Zimbabwean agricultural processing company, facing liquidity challenges due to a confluence of factors including drought-induced raw material shortages and delayed payments from key clients, finds itself on the brink of collapse. Its assets, including processing plants and land, are undervalued due to the perceived risk. A pension fund, recognizing the long-term potential of the agricultural sector and the company's underlying strengths, could step in to provide bridge financing, contingent on the implementation of a robust turnaround plan that addresses the immediate liquidity crisis and diversifies its supply chain and customer base. This not only offers the potential for attractive returns as the company recovers but also contributes to the resilience of a crucial sector of the Zimbabwean economy.



Yet, the question lingers: Is vulture-investing merely opportunistic, profiting from the misfortune of others? This is a valid ethical consideration that must be addressed with transparency and a clear understanding of the alternative. Often, the only other option for a deeply distressed company is liquidation, a process that results in job losses, asset stripping and a complete cessation of economic activity. A well-executed turnaround, while undoubtedly benefiting the investor, can also salvage jobs, preserve valuable assets and contribute to the overall economic recovery. It is akin to a skilled surgeon performing a complex operation – the process may be invasive, but the ultimate aim is to restore health and vitality.

As the esteemed investor Warren Buffett once quipped, "Be fearful when others are greedy and greedy when others are fearful."7 Vulture investors, in a sense, embody this contrarian spirit, recognizing opportunity where others see only despair. They are the ultimate pragmatists, driven by a keen understanding of value and a willingness to embrace complexity.

For Zimbabwean pension funds, the exploration of turnaround investment possibilities warrants careful consideration. It requires a nuanced understanding of the risks and rewards involved, a rigorous due diligence framework and a commitment to partnering with experienced and ethical turnaround specialists. It necessitates a shift in perspective, viewing distress not as an insurmountable obstacle, but as a potential entry point to undervalued assets with significant upside potential.

Imagine a folktale, perhaps one passed down through generations, about a seemingly barren patch of land that, with the right cultivation and care, yields the most bountiful harvest. Similarly, distressed companies, often overlooked and undervalued, can, with the right strategic intervention, generate substantial returns for patient and discerning investors.

Therefore, the way forward for pension funds lies in:

1. Education and Capacity Building: Equipping pension fund trustees with the knowledge and skills necessary to identify and evaluate turnaround investment opportunities. This could involve workshops, seminars and partnerships with international experts in the field.

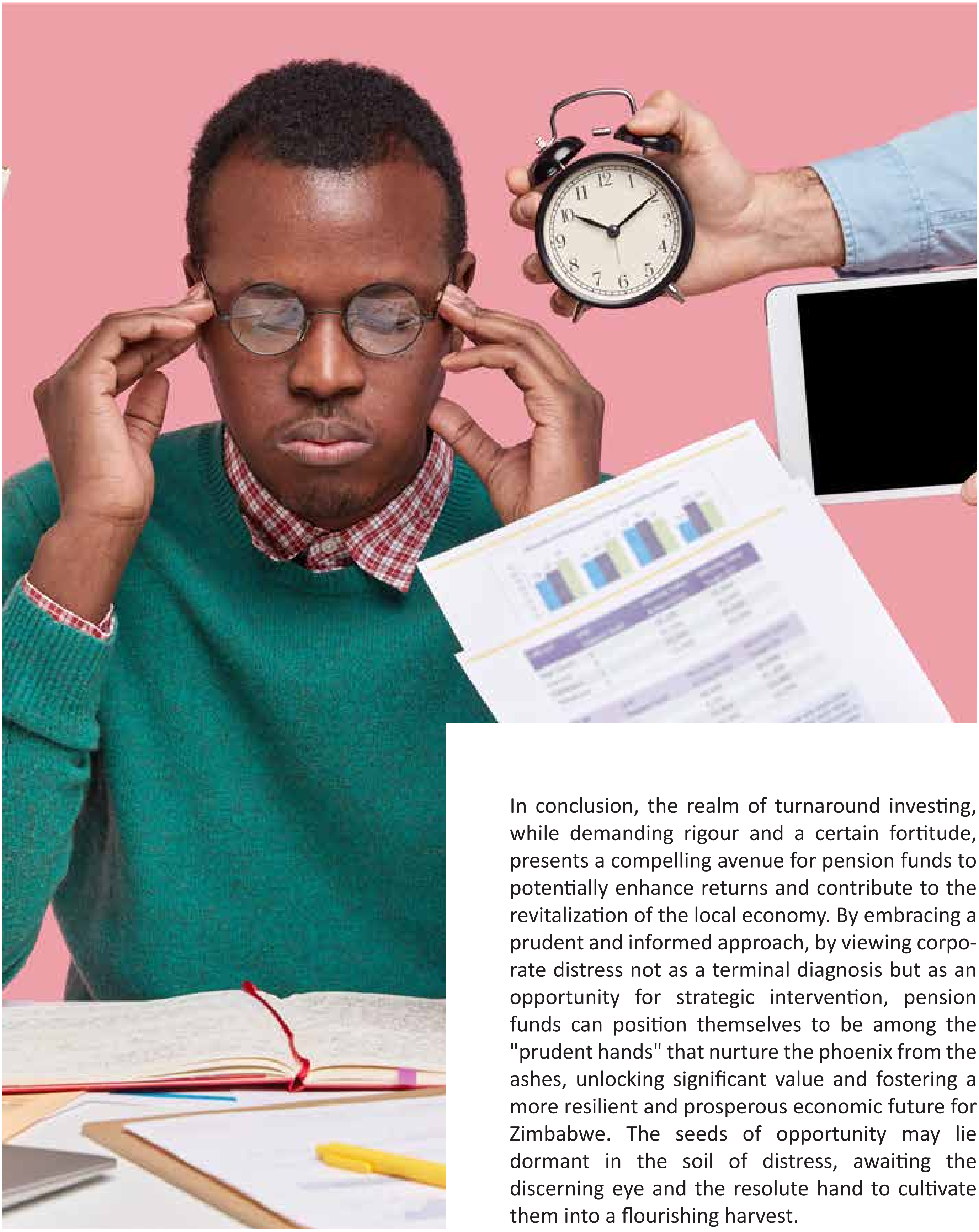
2. Developing a Robust Due Diligence Framework: Establishing clear guidelines and processes for assessing the viability of turnaround investments, focusing on factors such as the underlying business fundamentals, the quality of management and the feasibility of the proposed restructuring plan.

3. Strategic Partnerships: Collaborating with reputable and experienced turnaround funds, both local and international, to leverage their expertise and track record. This can mitigate risk and enhance the likelihood of successful outcomes.

4. Advocacy for a Supportive Regulatory Environment: Engaging with policymakers to create a regulatory framework that facilitates efficient and effective corporate restructuring processes.

5. Long-Term Perspective: Recognizing that turnaround investments often require a longer investment horizon and a patient approach to value creation.

6. Ethical Considerations: Prioritizing investments in turnaround situations where there is a clear plan to create sustainable value and minimize negative social impacts.



In conclusion, the realm of turnaround investing, while demanding rigour and a certain fortitude, presents a compelling avenue for pension funds to potentially enhance returns and contribute to the revitalization of the local economy. By embracing a prudent and informed approach, by viewing corporate distress not as a terminal diagnosis but as an opportunity for strategic intervention, pension funds can position themselves to be among the "prudent hands" that nurture the phoenix from the ashes, unlocking significant value and fostering a more resilient and prosperous economic future for Zimbabwe. The seeds of opportunity may lie dormant in the soil of distress, awaiting the discerning eye and the resolute hand to cultivate them into a flourishing harvest.

ILLUMINATING THE PATH

THE INDISPENSABLE LUMINESCENCE OF VIBRANT INVESTMENT RESEARCH IN ZIMBABWE'S CAPITAL MARKETS

Article Authored by Nomsa Ndlovu – Research Consultant

Hark, esteemed custodians of futures, guardians of legacies and architects of prosperity! Gather around the flickering embers of our nascent capital markets, where the whispers of potential mingle with the rustling leaves of uncertainty. In this vibrant, yet often perplexing, ecosystem, a beacon of clarity is not merely desirable; it is the very lodestar that guides our ships of investment through the turbulent seas of economic vagaries towards the tranquil harbors of sustainable growth. We speak, dear stakeholders of Zimbabwe's financial tapestry, of the profound value and the unassailable need for a vibrant, dynamic, and deeply insightful investment research landscape.

Imagine, if you will, a lone prospector venturing into the heart of the Mazowe Valley, his eyes scanning the ochre earth for glimmers of gold.

Without the seasoned eye of a geologist, without the meticulous maps charting hidden veins, his efforts are akin to casting seeds upon stony ground – a hopeful endeavor, perhaps, but one fraught with inefficiency and the high probability of barren returns.

Similarly, navigating the intricate terrain of our capital markets without the incisive lens of robust investment research is to wander in a labyrinth, where shadows dance and mirages shimmer, often leading to the parched lands of dissipated capital.

As the venerable Confucius wisely proclaimed, "Real knowledge is to know the extent of one's ignorance." In the realm of investment, this ancient wisdom resonates with particular poignancy. A vibrant research ecosystem acts as our collective cartographer, diligently charting the contours of risk and reward, illuminating the hidden valleys of opportunity, and warning us of the precipitous cliffs of potential loss. It is the intellectual scaffolding upon which sound investment decisions are erected, transforming speculation from a reckless gamble into a calculated stride towards prosperity.

Consider the tale of the legendary Mbuya Nehanda, whose astute wisdom and unwavering resolve guided our people through times of profound upheaval. Her insight was not born of chance, but of keen observation, deep understanding, and the ability to discern the underlying currents of change. In much the same way, vibrant investment research empowers us to understand the fundamental forces shaping our economy, to discern the genuine value beneath the surface fluctuations of the market, and to make informed choices that honor the trust placed upon us.

Our capital markets, like a fledgling Great Zimbabwe bird taking its first tentative flights, possess immense potential. Yet, without the steady wings of informed analysis, its ascent risks being faltering and directionless. Investment research acts as the aerodynamic force, providing lift, stability, and the crucial navigational intelligence to soar to greater heights. It is the lifeblood that nourishes the arteries of our financial system, ensuring efficient capital allocation, fostering transparency, and ultimately, catalyzing sustainable economic development.

One might argue, with a wry smile, that in a market as dynamic and sometimes unpredictable as ours, the pronouncements of analysts can feel as reliable as predicting the erratic flight of a hungwe bird in a whirlwind. Yet, this very volatility underscores the imperative for rigorous research. It is precisely amidst the swirling uncertainties that the steady hand of informed analysis becomes most crucial, sifting through the noise to identify the underlying signals, separating the ephemeral froth from the enduring substance.

Imagine a pension fund trustee, entrusted with the sacred duty of securing the future of countless beneficiaries. Without access to diligent research, their decisions become akin to navigating a moonless night without a compass – a perilous journey where the potential for missteps is amplified. Vibrant research provides them with the data-driven insights to discern between a fleeting fad and a fundamental value proposition, between a house built on sand and a fortress hewn from granite. It empowers them to fulfill their fiduciary responsibilities with confidence and foresight, ensuring the hard-earned savings of our people are stewarded with wisdom and prudence.

Globally, the correlation between robust capital markets and a thriving investment research culture is undeniable. From the bustling exchanges of New York and London to the burgeoning markets of Southeast Asia, the presence of independent, insightful analysis has been a cornerstone of investor confidence and market efficiency. These mature markets understand that research is not a cost, but an investment – an investment in market integrity, in investor sophistication, and ultimately, in long-term growth. As the African proverb eloquently states, "If you want to go fast, go alone. If you want to go far, go together." In the context of our capital markets, vibrant research fosters this collective wisdom, enabling us to journey towards prosperity together, with shared understanding and informed conviction.

Consider a hypothetical scenario: A promising Zimbabwean agricultural technology company seeks to raise capital on the local bourse to expand its innovative irrigation solutions, which hold the key to bolstering our nation's food security. Without thorough research, potential investors – including our pension funds – might struggle to accurately assess the company's true potential, its competitive advantages, and the sustainability of its business model. A vibrant research report, however, would delve into the intricacies of the technology, analyze the market demand, scrutinize the management team, and project future earnings, providing investors with the crucial information needed to make an informed decision. This, in turn, allows capital to flow efficiently towards productive enterprises, fueling innovation and creating tangible economic benefits for the nation.

The need for this intellectual engine extends beyond the realm of listed equities. As our capital markets evolve to encompass a wider array of asset classes, including fixed income instruments, real estate investment trusts, and potentially even private equity, the demand for sophisticated research across these domains will only intensify. Just as a skilled mbira player coaxes a symphony of notes from a seemingly simple instrument, insightful research can unlock the hidden value and potential within these diverse investment avenues.

One might quip that the only certainty in the stock market is uncertainty itself. While this holds a kernel of truth, vibrant research acts as a powerful antidote to this very uncertainty. It provides a framework for understanding the underlying probabilities, for assessing the potential impact of various economic scenarios, and for constructing resilient portfolios that can weather the inevitable storms. It transforms the unpredictable tides of the market into navigable currents, guided by the compass of informed analysis. Let us not forget the crucial role of research in fostering market transparency and accountability. By shining a light on the financial performance and corporate governance practices of listed companies, diligent analysts contribute to a more level playing field for all investors.

Their independent scrutiny acts as a vital check and balance, promoting ethical behavior and deterring the shadowy practices that can erode investor confidence and undermine market integrity. As the old Zimbabwean saying goes, "Chokwadi chinotevera nzendo," meaning "truth follows the journey." Vibrant research embarks on this journey of discovery, diligently seeking the truth behind the numbers and narratives, and presenting its findings with clarity and impartiality.

Consider the allegory of the baobab tree, a majestic symbol of resilience and longevity in our landscape. Its deep roots anchor it firmly against the strongest winds, allowing it to weather countless seasons. Vibrant investment research serves as the deep root system for our capital markets, providing the stability and resilience needed to withstand economic turbulence and to support long-term growth. Without these deep roots of knowledge, our financial ecosystem remains vulnerable to the capricious winds of speculation and misinformation.

One might jest that economic forecasts are only accurate in hindsight. While the future remains shrouded in a veil of uncertainty, robust research provides us with the best possible lenses through which to peer into the murkiness. It equips us with the analytical tools and frameworks to assess probabilities, to identify potential risks and opportunities, and to make strategic decisions based on the most informed perspectives available. It transforms us from passive bystanders in the unfolding economic drama into active participants, capable of shaping our own destinies.

The path forward is clear. We must collectively cultivate a fertile ground for investment research to flourish in Zimbabwe. This requires a concerted effort from all stakeholders – listed companies embracing greater transparency, regulators fostering a supportive environment for research providers, institutional investors actively engaging with and valuing insightful analysis, and a new generation of talented analysts being nurtured and empowered.

Let us foster a culture where rigorous analysis is not seen as a luxury, but as a fundamental necessity – the very bedrock upon which a prosperous and sustainable capital market is built. Let us illuminate the path forward with the bright and unwavering light of vibrant investment research, guiding our nation towards a future of shared prosperity and enduring financial strength. For in the intricate dance of capital allocation, knowledge is not merely power; it is the very rhythm that guides our steps towards a more secure and prosperous tomorrow.

THE LOWING OF FORTUNE

CONTEMPLATING CATTLE AS A RETIREMENT CORNERSTONE

Article Authored by Dr Tendai Mapfumo – Veterinary Practitioner

Imagine, if you will, a Zimbabwean elder, the furrows on their brow mirroring the well-ploughed fields of their youth, leaning on a gnarled staff, their gaze sweeping across a herd of sleek Brahman cattle grazing under the cerulean Zimbabwean sky. Is this a picture of pastoral serenity, a tangible manifestation of a lifetime's prudent investment, a veritable "cow-pital" for their golden years? Or is it a vista fraught with unforeseen vicissitudes, a gamble as unpredictable as the African weather?

The notion of anchoring one's retirement to the rhythmic chewing and gentle lowing of cattle is not a novel one. Indeed, in many cultures, particularly those with deep agrarian roots, cattle have long been more than mere livestock; they are walking, mooing repositories of wealth, a living bank account that reproduces and appreciates (in theory, at least). In Zimbabwe, where "lobola" or bride price is often measured in cattle, their cultural and economic significance is deeply ingrained. To consider them as a cornerstone of one's retirement portfolio is to tap into this ancient understanding of their inherent value.

The Pastures of Potential: Advantages of Bovine Investment

Let us first graze upon the lush meadows of the advantages. Investing in cattle can offer a hedge against the capricious currents of inflation that can erode the purchasing power of fiat currency like relentless termites devouring timber.

As the cost of living rises, so too, generally, does the price of beef and, consequently, the value of the cattle themselves. They are, in essence, a tangible asset, a bulwark against the ephemeral nature of digital wealth.

Furthermore, unlike static investments languishing in bank accounts, cattle are biologically predisposed to multiplication. A well-managed herd can naturally expand, offering a form of organic growth that does not rely on the vagaries of the bank charges. This "biological dividend," if you will, can provide a steady stream of income through the sale of offspring or mature animals. As the old adage goes, "Nature's bounty is a gift that keeps on giving," and in the realm of cattle, this rings particularly true.

Consider the anecdote of Mr. Tembo from Mashonaland Central, a retired teacher who, instead of solely relying on his pension, invested a portion of his savings in a small herd of Nguni cattle. Over the years, his herd flourished, providing him with not only a supplementary income but also a sense of profound satisfaction."These beasts," he once remarked with a twinkle in his eye, "are my living pension. They don't send me quarterly statements filled with jargon; they simply grow and multiply, a language I understand."

Moreover, cattle ownership can offer a degree of autonomy and control that other investment avenues may lack. The investor is not beholden to the fluctuating fortunes of corporations or the often-opaque machinations of the financial markets. They are the steward of their own wealth, directly influencing its growth through diligent husbandry and informed decisions. This resonates deeply within a cultural context where self-sufficiency and tangible assets are highly valued.

On a global scale, the demand for beef and dairy products continues to rise, driven by population growth and evolving dietary preferences in many parts of the world.2 This underlying demand provides a fundamental support for the value of cattle, making them a potentially resilient asset in the long term. It is akin to having a stake in an ever-growing global feast.

The Thorny Thickets of Trouble: Disadvantages and Challenges

However, let us now navigate the thorny thickets of the disadvantages, the potential pitfalls that can turn a seemingly idyllic pastoral scene into a landscape of financial anxiety. Investing in cattle is not without its considerable risks and requires a level of expertise and dedication that may not be universally accessible.

One of the most significant challenges is the inherent vulnerability of livestock to disease and the vagaries of nature. A sudden outbreak of foot-and-mouth disease or a prolonged drought can decimate a herd in a matter of days, wiping out a substantial portion of an investor's retirement savings. This is akin to a sudden market crash, but with the added emotional toll of witnessing the suffering and loss of living creatures. As the Zimbabwean proverb cautions, "Ukama igasva hunozadziswa nekudya," (Relationships are like an empty pot, they are filled by eating), implying the constant need for sustenance and care, a principle equally applicable to a herd of cattle.

Furthermore, the management of cattle requires significant time, effort and knowledge. Grazing land needs to be secured and maintained, water sources must be reliable, and the animals require regular health checks and vaccinations. This is not a passive investment; it demands active participation and a genuine understanding of animal husbandry. For a retiree seeking a life of leisure, the demands of cattle ownership might prove to be an unwelcome burden.

Consider the hypothetical scenario of Mr. and Mrs. Ncube, who, in their retirement, invested heavily in a herd of cattle, only to be confronted with a severe drought that withered their pastures and left their animals emaciated and vulnerable to disease. The cost of supplementary feeding and veterinary care soared, eroding their capital and causing immense stress. Their dream of a peaceful retirement funded by their bovine brethren turned into a nightmare of logistical and financial challenges.

Theft is another significant concern, particularly in regions where resources are scarce. A well-tended herd can be a tempting target for rustlers, leading to sudden and substantial losses. This adds a layer of security risk that is absent in most conventional investment portfolios.

Moreover, the liquidity of cattle as an investment can be a constraint. Unlike stocks or bonds that can be bought and sold with relative ease, converting cattle into cash can be a time-consuming and potentially loss-making endeavor, especially if one needs to sell quickly during unfavorable market conditions or a personal emergency. It is akin to trying to sell a large, immovable asset in a hurry.

Weaving the Tapestry: Local Wisdom and Global Insights

Zimbabwean folklore is replete with tales that underscore both the value and the risks associated with cattle ownership. Stories of prosperous families built on the foundation of their herds are juxtaposed with cautionary tales of those who lost everything due to disease or mismanagement. These narratives, passed down through generations, offer a rich tapestry of wisdom regarding the bovine investment landscape. Globally, different cultures have varying perspectives on cattle as a form of wealth. In some East African communities, cattle are central to social and economic life, representing status, security and a medium of exchange.3 In contrast, more industrialized nations tend to view cattle primarily as a commodity within the agricultural sector, with investment decisions driven by market forces and commodity prices.

A Witty Aside and a Thought-Provoking Query

One might quip that relying solely on cattle for retirement is putting all one's eggs in one... pasture. While this witty remark highlights the importance of diversification, it also prompts a deeper question: In a context where traditional financial institutions may be less accessible or trustworthy for some, do tangible assets like cattle offer a more relatable and secure form of long-term savings?

Hypothetical Horizons and Clear Conclusions

Let us consider a hypothetical scenario: A pension fund in Zimbabwe, recognizing the cultural significance and potential of cattle as an asset class, explores the possibility of incorporating a carefully managed cattle ranch into its investment portfolio. This would not be about individual retirees managing their own herds, but rather a collective investment overseen by professionals with expertise in animal husbandry and agricultural economics. This approach could potentially mitigate some of the individual risks associated with disease, drought, and theft through diversification across a larger herd and professional management practices.

However, even in such a scenario, rigorous due diligence, careful risk assessment and a clear understanding of the cyclical nature of the agricultural sector would be paramount. The fund would need to invest in infrastructure, veterinary care and skilled personnel, and develop robust strategies for managing market fluctuations and potential environmental challenges.

In conclusion, while the romantic notion of a retirement funded by a contented herd of cattle holds a certain rustic appeal, relying solely on this asset class in the Zimbabwean context presents a complex interplay of advantages and significant disadvantages. The advantages, such as acting as an inflation hedge, offering biological growth and providing a tangible asset with inherent cultural value, are undeniable. However, these are counterbalanced by the considerable risks associated with disease, drought, the demands of management, the threat of theft, and the potential for illiquidity.

A clear way forward for the pension industry would be to advocate for a nuanced and informed perspective on cattle as part of a broader retirement strategy. Rather than viewing it as a standalone solution for individual retirees, the focus could shift towards:

1. Educating members on the potential benefits and significant risks associated with direct cattle ownership as a retirement asset.
2. Exploring the feasibility of institutional investment in professionally managed agricultural funds or ranches as a diversified component of larger pension portfolios, thereby mitigating individual risks.
3. Promoting financial literacy and diversification among pension fund members, emphasizing the importance of a balanced portfolio that includes a range of asset classes beyond traditional financial instruments, where appropriate and feasible.
4. Facilitating access to reliable information and resources on best practices in animal husbandry and risk management for those who choose to invest in cattle.

Ultimately, the lowing of fortune can be a sweet melody indeed, but it must be approached with caution, knowledge and a clear understanding of the inherent rhythms and potential storms of the agricultural landscape. For the individual retiree, a small, well-managed herd might supplement their pension and provide a sense of connection to the land. However, as the sole pillar of one's twilight years, it remains a high-stakes gamble. Agricultural experts have a crucial role to play in guiding its members towards informed decisions that ensure a secure and dignified retirement, perhaps with a few well-chosen cattle grazing contentedly on the periphery of their financial landscape, but never as the sole foundation of their future prosperity.

VENTURE PHILANTHROPY AT THE CONFLUENCE OF PROFIT AND PURPOSE

Authored by Jane Mandinzira Corporate Social Responsibility Consultant]

In the traditional realm of investments, the compass needle invariably points towards the lodestar of financial returns. Risk is a carefully calibrated dance, and the bottom-line reigns supreme. Corporate Social Responsibility (CSR), often perceived as a separate tributary, meanders through the landscape of ethical obligations, a commendable yet sometimes peripheral endeavor. Venture philanthropy, however, dares to fuse these two powerful currents into a single, surging river. It recognizes that societal well-being and economic prosperity are not mutually exclusive domains, but rather intertwined threads in the grand fabric of human progress.

Think of it as planting not just any seed, but a seed with the genetic code for both robust yield and the ability to enrich the very soil it draws sustenance from. A traditional investor might scrutinize the projected harvest in monetary terms alone. A purely philanthropic donor might focus solely on the number of hungry mouths fed by the yield.

The venture philanthropist, however, assesses both – the financial viability that ensures longevity and scalability, and the social impact that ripples outwards, creating waves of positive change.

The Prudent Patriarch and the Compassionate Caregiver: Two Sides of the Same Coin

Consider the archetype of the prudent patriarch within a Zimbabwean family. He diligently manages the family's resources, ensuring their security and future prosperity. Simultaneously, he embodies the role of a compassionate caregiver, deeply invested in the well-being and advancement of his kin. Venture philanthropy embodies this duality. It demands the rigor of investment analysis – due diligence as sharp as a hawk's gaze, metrics as precise as a weaverbird's intricate patterns, and a keen understanding of market dynamics.1 Yet, it is also imbued with the empathetic heart of a caregiver, driven by a genuine desire to uplift communities, address pressing social challenges, and foster a more equitable world.

As the wise Shona proverb goes, "Ukama igasva hunozadziswa nokudya" – Relationships are like an empty granary, filled by sharing. Venture philanthropy understands this fundamental truth. It is not about a one-time handout, a fleeting act of generosity that leaves no lasting imprint. Instead, it is about forging meaningful partnerships, sharing knowledge and resources, and empowering social enterprises to become self-sustaining engines of progress.

Beyond the Balance Sheet:

Measuring the Multiplier Effect

The metrics of traditional investment are often confined to the stark realities of the balance sheet – profit margins, return on equity, and discounted cash flows. While these remain crucial in venture philanthropy, the evaluation extends far beyond mere monetary gains. The venture philanthropist seeks to quantify the social return on investment (SROI) – the tangible and intangible benefits that accrue to society as a result of the enterprise's activities.2

Imagine a social enterprise in Zimbabwe that provides affordable solar lighting to rural households. A traditional investor might primarily focus on the company's revenue growth and profitability. The venture philanthropist, while certainly interested in financial sustainability, will also meticulously assess the impact on education (children having more hours to study), health (reduced respiratory illnesses from kerosene fumes), and economic empowerment (new business opportunities arising from access to reliable energy). This holistic perspective recognizes that true wealth lies not just in coffers overflowing with currency, but in the flourishing of human potential and the strengthening of the social fabric.

Anecdotes from the African Savannah: Seeds of Change Taking Root

Let us consider a hypothetical, yet entirely plausible, scenario in Zimbabwe. A group of young, tech-savvy entrepreneurs develops a mobile platform that connects smallholder farmers directly with markets, eliminating exploitative middlemen and providing access to fair prices and agricultural best practices. A traditional investor might deem this too risky, the rural market too fragmented. However, a venture philanthropist, recognizing the immense social and economic potential, might provide not only seed funding but also mentorship, technological expertise, and access to networks.

Years later, this once-fledgling enterprise blossomed into a thriving agricultural ecosystem, empowering thousands of farmers, boosting food security, and contributing significantly to the national economy. The initial investment, though perhaps carrying a higher perceived risk, has yielded a manifold return – not just in financial terms, but in the lives transformed and the communities uplifted.

This echoes the African folktale of the small seed that, when nurtured with care and patience, grows into a mighty tree providing shelter and sustenance for generations. Venture philanthropy is about planting such seeds of change, understanding that their growth may be gradual but their impact can be profound and enduring.

The Global Tapestry: Diverse Threads, Common Purpose

Globally, the landscape of venture philanthropy is as diverse as the cultures that embrace it. In Silicon Valley, it might manifest as funding for disruptive technologies aimed at solving global challenges. In the bustling cities of India, it could involve investing in scalable models for affordable healthcare and education. In the Mbare, it might focus on empowering marginalized communities through entrepreneurship.

Despite these varied expressions, the underlying ethos remains consistent: the strategic application of investment principles to achieve social good.4 Organizations like the Skoll Foundation, the Omidyar Network and various local Zimbabwean initiatives are demonstrating the power of this approach, proving that financial sustainability and social impact are not mutually exclusive aspirations.

Stirring the Intellectual Pot

One might quip that venture philanthropy is where the head of a Wall Street wolf meets the heart of a Mother Teresa. While perhaps a touch irreverent, it highlights the unique blend of pragmatism and passion that defines this field.

Consider this: if we can meticulously analyze the potential returns of a gold mine, can we not apply the same rigor to assessing the potential returns of investing in human capital or environmental sustainability? If we celebrate the ingenuity of a disruptive technology that generates billions in profit, should we not equally champion the innovation of a social enterprise that eradicates poverty or provides access to clean water?

These are the questions that venture philanthropy compels us to confront. It challenges the traditional dichotomy between profit-seeking and altruism, suggesting that a more integrated and impactful approach is not only possible but essential in an increasingly interconnected and complex world.

Imagine Trustees Zimbabwean pension funds, custodians of significant capital, strategically allocating a portion of their portfolio to venture philanthropic endeavors. This could take various forms:

• Direct Investment:
Providing growth capital and expertise to promising Zimbabwean social enterprises addressing critical needs in areas such as education, healthcare, agriculture, and renewable energy.

• Fund-of-Funds:
Investing in specialized venture philanthropy funds with a proven track record of supporting impactful ventures in the region.

• Impact Bonds:
Participating in innovative financing mechanisms where returns are linked to the achievement of specific social outcomes.

The benefits of such an approach extend beyond mere financial returns. It positions the pension funds as catalysts for positive social change, enhancing their reputation and demonstrating a commitment to the long-term well-being of the communities they serve. It also unlocks opportunities for diversification, accessing potentially high-growth sectors driven by social innovation.

Furthermore, by actively engaging with and nurturing social enterprises, the pension funds can gain valuable insights into emerging market trends, foster local innovation and contribute to a more resilient and inclusive economy – a Zimbabwe where the baobab of prosperity provides shade and sustenance for all.

A Clear Way Forward: Cultivating a Culture of Impact

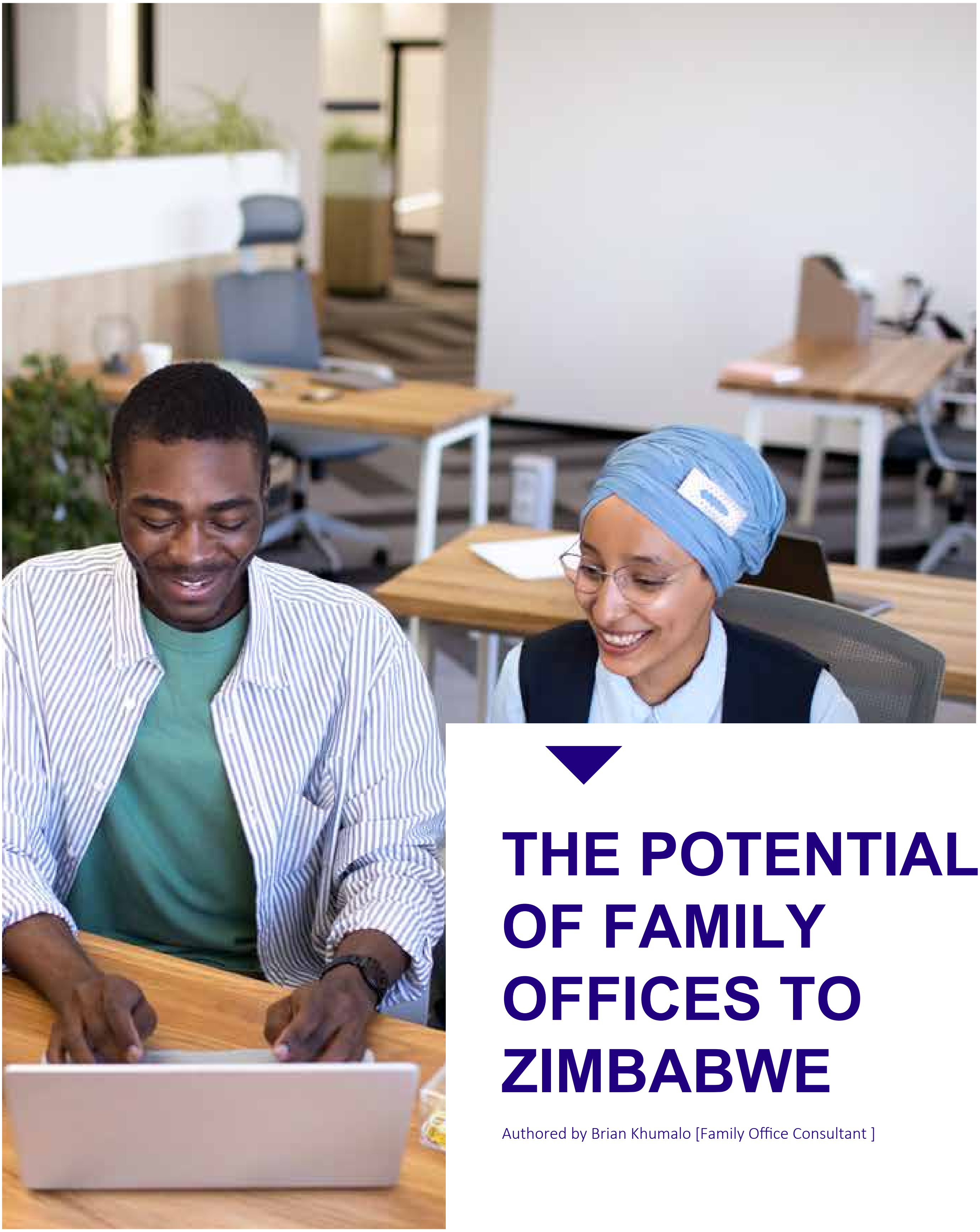
For Zimbabwean pension funds, the path forward involves:

1. Education and Awareness: Hosting workshops, seminars, and knowledge-sharing sessions to educate members about the principles and practices of venture philanthropy.
2. Strategic Allocation: Exploring the feasibility of allocating a dedicated portion of investment portfolios to impact-focused ventures, guided by rigorous due diligence and social impact assessment frameworks.6
3. Partnership and Collaboration: Engaging with local and international venture philanthropy organizations, social enterprise networks, and government agencies to identify promising investment opportunities and leverage collective expertise.
4. Impact Measurement and Reporting: Developing robust metrics to track and report on both the financial and social returns of venture philanthropic investments, ensuring transparency and accountability.7
5. Championing Local Innovation: Actively seeking out and supporting Zimbabwean social entrepreneurs who are developing innovative solutions to the nation's most pressing challenges.

CONCLUSION

In conclusion, venture philanthropy is not a fleeting trend but a paradigm shift – a recognition that the pursuit of profit and the pursuit of purpose can be powerful allies in building a more sustainable and equitable future. For the Zimbabwe Association of Pension Funds, embracing this approach is not merely an act of corporate social responsibility; it is a strategic investment in a brighter tomorrow, a testament to the enduring wisdom of the baobab tree – strong roots, expansive reach, and a legacy of nurturing growth for generations to come. Let the seeds of impact be sown, and let us cultivate a future where prosperity and purpose flourish in harmonious abundance.


NIVTEIL CAPITAL
Resource Mobilisation & Capital Raising
Investment Opportunities & Extra Income Facilitation
Business idea, Plan and Proposal crafting
Board Placement, Recruitment, Recommendation Evaluation & Independent Trustees
Investor Relations
Regulatory Compliance and Business Licensing
CONTACT DETAILS
+263 8644 287664
+263 779 331 300
info@nivteil.co.zw
ZIMBABWEAN OFFICE
12th Floor Cnr Jason Moyo & Julius Nyerere, Harare, Zimbabwe
SOUTH AFRICAN OFFICE
155 west street, Sandton, Gauteng Province, South Africa



THE POTENTIAL OF FAMILY OFFICES TO ZIMBABWE

Authored by Brian Khumalo [Family Office Consultant]

To articulate the profound value and multifaceted benefits of Family Offices for both the venerable institutions of family wealth and the dynamic currents of capital markets requires a discourse painted with the rich pigments of language, seasoned with the spice of anecdote, and illuminated by the wisdom of ages. Let us embark on this expedition, destined for the discerning readership of the ZAPF Pension Magazine.

For the Family: A Bastion of Bespoke Stewardship

At its very essence, a Family Office transcends the mere management of financial assets. It is a bespoke ecosystem meticulously crafted to serve the unique needs, aspirations, and intricate dynamics of a single family or a closely knit group of families. Unlike conventional wealth management firms, which often adopt a one-size-fits-all approach, the Family Office operates on the principle of profound personalization, akin to a Savile Row tailor crafting a suit that fits the client's form and preferences with exquisite precision. Consider the hypothetical scenario of the Moyo family, prominent Zimbabwean entrepreneurs who, over generations, have cultivated a diversified portfolio spanning agriculture, mining, and burgeoning technology ventures. Their complexities extend beyond balance sheets and investment strategies. They grapple with intricate succession planning, the education and guidance of the next generation, philanthropic pursuits aligned with their deeply held values, and the delicate dance of preserving family harmony amidst substantial wealth.4 A Family Office, tailored to their specific contours, can navigate these multifaceted challenges with nuanced expertise.

> **"Wealth is not about having a lot of money; it's about having a lot of options," as the sagacious American entrepreneur Chris Rock aptly noted.**

A well-structured Family Office unlocks these options, providing a holistic framework that encompasses:

• Bespoke Investment Management: Moving beyond generic asset allocation models, the Family Office crafts investment strategies that reflect the family's risk appetite, long-term objectives, and even their ethical considerations. They can explore niche investment opportunities, including impact investing in Zimbabwean enterprises that uplift local communities, thereby weaving the family's financial success with the nation's progress. Imagine the opportunity to invest in a Zimbabwean renewable energy startup, not only generating returns but also contributing to a greener future for the nation – a tangible manifestation of values-driven capital.

• Comprehensive Financial Planning: Encompassing everything from tax optimization and estate planning to cash flow management and insurance solutions, the Family Office acts as the family's Chief Financial Officer. They navigate the intricacies of Zimbabwean tax laws and international regulations, ensuring the preservation and efficient transfer of wealth across generations.8 This is akin to a seasoned mariner charting a course through turbulent waters, ensuring the family's financial ship sails smoothly towards its intended harbor.

• Next Generation Education and Development: Recognizing that wealth stewardship is not an innate skill, Family Offices often play a pivotal role in educating and preparing the rising generation to become responsible and capable custodians of the family's legacy.9 This can involve mentorship programs, financial literacy workshops, and guidance in pursuing their individual passions while understanding their responsibilities. Think of it as passing down the ancient art of storytelling around the fire, where wisdom and values are carefully imparted to the next custodians of the flame.

• Philanthropic Guidance: For families with a desire to give back to society, the Family Office can provide strategic guidance in identifying impactful philanthropic endeavors, structuring charitable foundations, and ensuring their philanthropic efforts align with their values and create meaningful change, whether supporting local schools in rural Zimbabwe or contributing to wildlife conservation efforts.

• Family Governance and Administration: As families grow and become more dispersed, establishing clear governance structures becomes paramount. The Family Office can facilitate family meetings, develop communication protocols, and even help draft family constitutions that outline shared values, decision-making processes, and conflict resolution mechanisms. This is akin to establishing the sacred covenants that bind a community together, ensuring harmony and shared purpose.

For Capital Markets: A Catalyst for Sophistication and Growth

The benefits of Family Offices extend far beyond the individual families they serve, rippling outwards to invigorate and enrich the broader capital markets, both within Zimbabwe and on the global stage.

• Increased Sophistication and Diversification: Family Offices, with their access to specialized expertise and a long-term investment horizon, often explore a wider range of asset classes and investment strategies than traditional retail investors.13 This can inject greater sophistication and diversification into capital markets, fostering innovation and efficiency. Consider the potential for a Zimbabwean Family Office to invest in a local private equity fund that supports emerging businesses, thereby fueling economic growth and creating employment opportunities.

• Long-Term Capital and Stability: Unlike institutional investors who may be subject to quarterly reporting pressures and short-term performance benchmarks, Family Offices often have a multi-generational investment horizon. This patient capital can provide stability to markets, particularly during periods of volatility, and support long-term growth initiatives.14 It is like the steady and reliable flow of the Zambezi River, providing sustenance and stability to the surrounding ecosystem.

• Direct Investment and Entrepreneurship: Family Offices are increasingly engaging in direct investments in private companies and entrepreneurial ventures, both locally and internationally.15 This can provide crucial funding and expertise to promising startups, fostering innovation and job creation.16 Imagine a Zimbabwean tech entrepreneur receiving seed funding from a local Family Office, enabling them to develop a groundbreaking mobile payment solution that revolutionizes financial inclusion.

• Enhanced Governance and Transparency: As

sophisticated investors, Family Offices often demand high standards of corporate governance and transparency from the companies they invest in. This can contribute to overall market integrity and attract further investment. It is akin to the watchful eyes of the elders in a community, ensuring that traditions are upheld and ethical conduct prevails.

• Facilitating Cross-Border Capital Flows: Family Offices with international exposure can act as conduits for cross-border capital flows, attracting foreign investment into Zimbabwe and facilitating Zimbabwean investments abroad. This can foster economic integration and knowledge transfer. Think of it as the vibrant trade routes of old, bringing new ideas and resources to the land.

Navigating the Zimbabwean Landscape: Opportunities and Considerations

The development of a robust Family Office ecosystem in Zimbabwe presents both significant opportunities and unique considerations. The nation's rich history of entrepreneurship, coupled with a growing pool of high-net-worth individuals and families, provides fertile ground for the establishment and growth of such entities. However, navigating the specific regulatory landscape, developing local expertise in specialized areas like trust law and estate planning, and fostering a culture of transparency and In African culture. relationships are like a calabash that is filled by sharing food. Similarly, the growth of Family Offices in Zimbabwe will be nurtured by collaboration, knowledge sharing, and the development of a supportive ecosystem that benefits both families and the nation's economic prosperity.

Conclusion: Charting a Course Towards Enduring Prosperity

In conclusion, the value and benefits of Family Offices are manifold and profound. For families, they offer a sanctuary of bespoke stewardship, ensuring the preservation, growth, and responsible deployment of their wealth in alignment with their unique values and aspirations.17 For capital markets, they act as catalysts for sophistication, stability, and long-term growth, fostering innovation and contributing to overall economic vitality.

As Zimbabwe continues its journey of economic development, fostering an environment conducive to the establishment and flourishing of Family Offices can serve as a powerful engine for both private wealth management and national prosperity. By embracing the principles of tailored expertise, long-term vision, and responsible stewardship, Zimbabwe can cultivate a financial landscape where family legacies thrive and capital markets flourish, painting a vibrant and prosperous future for generations to come.

Let us, therefore, champion the growth of this vital sector, recognizing that the diligent tending of family wealth can indeed blossom into a garden of national economic well-being. The time is ripe to cultivate this fertile ground, ensuring that the seeds of prosperity sown by Zimbabwean families yield a bountiful harvest for the entire nation.

THE PENSION TIME BOMB

DEFUSING IT BEFORE IT'S TOO LATE

Authored by Musawenkosi Dzheka [Financial Analyst]

William Winter once remarked that "self-expression is the dominant necessity of human nature." Why, then, can't we apply the same psychology to business dealings, particularly in the pensions industry? When we develop pension products, instead of imposing them on our target audience, why not involve them in the creation process? If they feel ownership of these financial solutions, they will be more inclined to embrace them. This principle is especially relevant in Zimbabwe, where the pensions industry faces the challenge of remaining relevant in a rapidly evolving economic landscape.

A critical question that industry professionals must ask themselves is whether post-retirement benefit products are still packaged in a way that resonates with today's workforce. Are these products future-proof? Will Generation Z and the informal sector embrace the current offerings when their time comes? These are not trivial concerns. If we are committed to ensuring the sustainability of our institutions, we must proactively address these issues.

The State of the Pensions Industry in Zimbabwe

The Zimbabwean pensions sector has long been structured around formal employment, with traditional schemes relying on employer-employee contributions. However, economic shifts have led to the expansion of the informal sector, which now accounts for a significant portion of the working population. According to the Insurance and Pensions Commission (IPEC), a considerable number of Zimbabweans do not have retirement savings, leaving them vulnerable in old age.

To address this, IPEC introduced micro-pensions, targeting informal sector workers, self-employed individuals, and low-income earners. These schemes allow for flexible contributions, recognizing the unpredictable income streams of this demographic. While this is a step in the right direction, adoption rates remain low. Why? The answer lies in engagement and innovation.

Innovation in Pension Product Development

The future of pensions in Zimbabwe hinges on our ability to innovate. Micro-pension frameworks exist, but they must be structured in a way that aligns with modern financial behaviours. Here are some critical areas that require attention:

1.Technology-Driven Solutions: Mobile money has revolutionized transactions in Zimbabwe. Pension funds should fully integrate with mobile wallets, allowing contributors to make micro-contributions seamlessly. Additionally, digital platforms can be used to educate users on the benefits of long-term savings.

2. Financial Literacy and Consumer Education: Many individuals in the informal sector do not understand the importance of pensions. The success of micro-pension schemes depends on widespread financial literacy campaigns,

conducted in multiple languages and through accessible channels. This can also be achieved by adding financial planning services as complimentary packages to the existing products.

3. Flexible and Customizable Plans: Traditional pension schemes have rigid structures, often discouraging participation. Micro-pension products should be designed to accommodate irregular income flows, allowing members to contribute varying amounts at different times.

4. Incentivization and Government Support: To boost adoption, incentives such as tax breaks or matching contributions from the government or financial institutions could be introduced. In other countries, governments play a role in ensuring pension inclusivity by offering co-contributions or subsidies.

5. Engaging Younger Generations: Gen Z values transparency, digital access, and financial independence. Pensions must be marketed in a way that appeals to them, emphasizing how small contributions today can lead to financial security tomorrow. There has to be a present-day incentive to lure the younger generations. That is how all those ponzi schemes, forex trading and cryptocurrency trading manage to grab Gen Zs attention. Whether we like it or not, there has to be a present-day incentive in structuring retirement products.

Overcoming Resistance to Change

If innovation has been introduced, why are pension products still struggling to gain acceptance? The answer may lie in trust deficits and lack of engagement. The Zimbabwean pensions industry has, in the past, suffered from credibility issues due to inflationary losses and the erosion of pension values. To rebuild trust, pension administrators must ensure transparency, provide regular updates, and actively engage members in decision-making.

Moreover, pension solutions should not be developed in isolation. Industry professionals should collaborate with workers, financial institutions, and policymakers to co-create products that meet the needs of all stakeholders.

The Road Ahead

The sustainability of Zimbabwe's pension industry depends on adaptability. If we do not evolve, we risk irrelevance. The key to securing buy-in from informal sector workers and future generations lies in making them feel part of the solution. When individuals see pensions not as imposed financial obligations but as tools they have helped shape, they will embrace them more readily.

First, we must arouse an eager want a desire to save for the future. He who can do this has the whole world with him. He who cannot walks a lonely way.

Musawenkosi Dzheka is a financial analyst. He is a holder of a Bachelor of Technology Honours Degree in Financial Engineering from the Harare Institute of Technology. He writes in his personal capacity and can be reached on 0772688574/0733358154 or raychiwawa@gmail.com

THE ADVENT OF SOLOPRENEURS

Authored by Stalin Rinifati [Operations and Research Engineer – Nivteil Capital]

The contemporary landscape, both here in our vibrant Zimbabwe and across the global expanse, is increasingly adorned with these self-propelled dynamos. No longer content to be mere cogs in a larger machine, individuals are embracing the mantle of entrepreneurship, carving their own destinies with ingenuity as their compass and passion as their fuel. This is not merely a trend; it is a profound societal shift, a recalibration of the very essence of work and ambition.

Consider, for a moment, the tale of Mai Simba, a Harare-based artisan who, armed with nimble fingers and an ancestral knowledge of intricate beadwork, transformed her humble craft into a thriving online enterprise. Her story, replicated in countless iterations across the nation – the software developer in Bulawayo crafting bespoke applications, the agricultural consultant in Mutare offering specialized advice – paints a vivid picture of this burgeoning movement. These are not just individuals seeking self-employment; they are architects of their own economic empires, each a solitary star illuminating their unique corner of the market.

Globally, the statistics resonate with this local narrative. Reports suggest a significant surge in the number of independent workers, a figure that continues its upward trajectory. This is not a fleeting fancy; it is a deeply rooted desire for autonomy, for the freedom to align one's vocation with one's values, a yearning that transcends geographical boundaries and cultural nuances. As the Roman philosopher Seneca eloquently stated,

"Every new beginning comes from some other beginning's end." The end of rigid, hierarchical employment structures, for many, has heralded the dawn of this self-directed era.

The Symphony of Solitude and Success

But let us not romanticize the journey unduly. The path of the solopreneur is not always a sun-drenched savanna; it can, at times, resemble a dense forest, fraught with challenges. The lone wolf, while enjoying the exhilaration of independent hunting, must also bear the sole responsibility for securing its sustenance. The buck stops, quite literally, with them.

Yet, within this very solitude lies a potent alchemy. Unburdened by bureaucratic inertia or the cacophony of committee meetings, solopreneurs can often move with the agility of a nimble impala, seizing opportunities with swiftness and adapting to market shifts with remarkable resilience.2 They are the virtuoso performers in the orchestra of commerce, each playing their unique instrument with passion and precision.

Think of the hypothetical scenario: a large corporation, mired in layers of approval processes, takes months to launch a new product. In contrast, a solopreneur, with a flash of inspiration and a burst of focused energy, can often bring a similar innovation to market in a fraction of the time. This nimbleness, this ability to pivot and iterate with speed, is a significant competitive advantage in today's rapidly evolving landscape.

Navigating the Labyrinth: Challenges and Triumphs

However, the solitary path is not without its thorns. The solopreneur often wears multiple hats – CEO, marketing manager, customer service representative, and janitor, all rolled into one.3 This can lead to burnout, a phenomenon as insidious as the silent creep of rust.4 The lack of a built-in support system can also feel isolating, a stark contrast to the camaraderie found within larger organizations. Here, perhaps, lies a crucial insight for pension fund trustees. As these independent ventures mature and flourish, their founders will increasingly look towards securing their future. Understanding the unique needs and challenges of solopreneurs in terms of retirement planning and financial security will be paramount. Tailored solutions, recognizing the often-fluctuating income streams and the absence of traditional employer-sponsored benefits, will be essential.

Consider the African proverb, "If you want to go fast, go alone; if you want to go far, go together." While solopreneurs often start their journey alone, the potential for collaboration and community is immense. Networking events, online forums, and mentorship programs can provide invaluable support, transforming the solitary journey into a collective ascent.

The Zimbabwean Situation: A Unique Hue

In Zimbabwe, the rise of solopreneurship carries its own distinct flavor. Driven by a spirit of resilience and a deep-seated entrepreneurial heritage, many Zimbabweans have long embraced self-reliance. The informal sector, a vibrant testament to this ingenuity, has often served as a fertile training ground for future solopreneurs. The challenges of the formal economy have, in many ways, catalyzed this movement, forcing individuals to innovate and create their own opportunities.

Think of the ubiquitous and resourceful cross-border traders, the skilled artisans whose creations adorn marketplaces – these are all manifestations of a deeply ingrained entrepreneurial spirit. The formalization and support of these individual endeavors can unlock significant economic potential for the nation.

Witty Musings and Thought-Provoking Queries in a World Being Influenced by Automation and Artificial Intelligence

Why did the solopreneur break up with the corporation? Because they wanted more space to grow! (A little levity to punctuate our discourse.)

But on a more serious note, consider this: In a world increasingly shaped by automation and artificial intelligence, does solopreneurship represent a vital pathway for human ingenuity and adaptability to thrive? As traditional jobs evolve or even disappear, the ability to create one's own economic niche, to leverage unique skills and passions, may become increasingly crucial for individual and societal well-being.

A Parable of the Lone Weaver

Imagine a lone weaver, sitting at their loom. They choose the threads, they design the pattern, and they meticulously weave each strand into a unique tapestry. This tapestry is not mass-produced; it bears the mark of the individual's skill, their creativity, their very soul. This, in essence, is the beauty and the power of solopreneurship. Each venture is a unique creation, reflecting the vision and dedication of its founder.

Charting the Course Ahead: A Compass for Pension Funds

For trustees of pension funds, understanding and engaging with this burgeoning demographic is not merely an option; it is an imperative. As solopreneurs mature and their businesses gain traction, they will increasingly seek avenues for long-term financial security.

Here are some potential pathways to consider:
• Tailored Pension Products: Develop pension schemes that cater specifically to the fluctuating income patterns of solopreneurs, perhaps offering flexible contribution options and investment strategies.
• Financial Literacy Initiatives: Implement educational programs that equip solopreneurs with the knowledge and tools to manage their finances effectively and plan for their retirement.
• Partnerships and Collaborations: Explore partnerships with organizations that support small and medium-sized enterprises (SMEs) and solopreneurs, offering bundled services that include pension planning.
• Awareness Campaigns: Launch targeted campaigns to raise awareness among solopreneurs about the importance of retirement planning and the available options.
• Adapting Regulatory Frameworks: Advocate for regulatory adjustments that facilitate pension savings for non-traditional workers.

A Concluding Cadence: Embracing the Independent Spirit

The rise of solopreneurship is not a fleeting trend; it is a fundamental shift in the world of work, driven by a desire for autonomy, creativity, and purpose.7 In Zimbabwe, this movement is particularly resonant, fueled by a spirit of resilience, innovation and reduced opportunities for formal employment. For Zimbabwean Pension Funds, embracing this burgeoning demographic presents a unique opportunity to expand the reach and provision of vital financial security to a growing segment of the economy.

Let us not view the solopreneur as a lone entity, but rather as an integral thread in the rich and evolving tapestry of our national economy. By understanding their unique needs and offering tailored solutions, we can empower these independent spirits to not only build successful businesses but also secure a dignified and prosperous future. As the Zimbabwean saying goes, "Ukama igasva hunozadziswa," meaning "Relationships are like a calabash, they need to be filled." Let us fill the calabash of opportunity for our solopreneurs, ensuring their journey is not only one of individual triumph but also one of collective prosperity for our nation.

INVESTING IN START-UPS VERSUS INVESTING IN SCALER-UPS

Imagine, if you will, the investment landscape as a sprawling Zimbabwean savanna. Here, two distinct botanical wonders beckon the discerning eye of the pension fund manager: the tender, hopeful sprout of the startup, and the more established, yet still vigorously growing, scale-up. Both offer sustenance, yet their fruits and shadows differ vastly.

Investing in startups is akin to nurturing a seed, a kernel of an idea brimming with potential. It is an act of profound faith, a bet on the ingenuity of the human spirit and the disruptive power of innovation. Like the fabled "beanstalk" that Jack climbed to otherworldly riches, a well-chosen startup can ascend to unimaginable heights, yielding exponential returns that can make even the most seasoned investor's heart flutter like a hummingbird's wings.

Consider the anecdote of a young Zimbabwean innovator in Mbare who, with a mere pittance of capital, conceived a mobile platform connecting local artisans directly with customers. This fledgling enterprise, initially operating from a humble backroom, held the promise of revolutionizing the informal sector. Early investors, those with the foresight to see the sapling's potential, stood to reap the bountiful harvest as the idea took root and began to blossom.

However, the path of a startup is fraught with peril, akin to a trek through the thorny undergrowth of the savanna. The mortality rate is high; many brilliant ideas wither before they can truly flourish. Statistics whisper a sobering truth: a significant percentage of startups fail within their first few years, their dreams like morning mist dissipating under the harsh glare of reality.1

Investing in a scale-up, on the other hand, is akin to cultivating a young tree that has already weathered its initial storms and is now extending its branches towards the sky. The roots are deeper, the trunk sturdier, and the initial uncertainties have begun to subside. Scale-ups have demonstrated a viable business model, have garnered a loyal customer base, and are now poised for significant expansion. They are the cheetahs of the business world, lean, fast, and hungry for growth.

Think of a Zimbabwean company that initially focused on providing solar energy solutions to rural households. Having proven its technology and business model in a specific region, it now seeks capital to expand its operations nationwide, illuminating countless more homes and empowering communities. Investing in such a scale-up offers a tangible sense of progress and a clearer trajectory for future success.

Yet, even the most vigorous young tree faces its challenges. The winds of competition can buffet its branches, and the droughts of economic downturn can parch its growth. While the risks associated with scale-ups are generally lower than those

of startups, the potential for truly astronomical returns may also be more tempered. As the English adage goes, "The early bird catches the worm," suggesting that the most significant gains often lie in identifying and nurturing potential early on.

The Allure of the Untamed and the Security of the Established

The allure of startups lies in their untamed potential, their capacity to disrupt existing markets and create entirely new paradigms. They are the audacious Davids challenging the Goliath incumbents, armed with nothing but ingenuity and a burning desire to innovate. Investing in them is an act of participating in the very genesis of value creation, a chance to be part of something truly transformative. As the visionary Steve Jobs once said, "The people who are crazy enough to think they can change the world are the ones who do."2 Startups embody this very spirit of audacious possibility.3However, this very dynamism comes with inherent uncertainties. The path forward is often unpaved, requiring investors to navigate ambiguity and embrace the possibility of failure. It demands a tolerance for risk, a belief in the long-term vision, and the patience of a seasoned gardener nurturing a delicate bloom.

Scale-ups, conversely, offer a more predictable journey. They have navigated the initial turbulent waters and possess a degree of operational maturity. Their growth trajectory, while perhaps not as meteoric as a runaway startup, tends to be more sustainable and predictable. Investing in them is akin to backing a seasoned marathon runner who has already proven their stamina and is now aiming for the finish line.

Yet, the very stability of a scale-up can sometimes mask underlying challenges. Bureaucracy can creep in, innovation might stagnate, and the agility that defined its early days could become a distant memory. Investors must remain vigilant, ensuring that the scale-up retains its entrepreneurial spirit and continues to adapt to the ever-evolving market landscape.

A Global Tapestry Woven with Local Threads

The dynamics of startup and scale-up investment are not confined to the borders of Zimbabwe; they resonate across the globe. Silicon Valley's legendary successes, from the garage-born dreams of tech giants to the disruptive force of social media platforms, serve as potent reminders of the transformative power of early-stage investment.4 Similarly, the burgeoning tech ecosystems in Nairobi, Lagos, and Cape Town showcase the vibrant potential of African innovation. However, the Zimbabwean context presents its own unique nuances. Access to capital can be more constrained, and the regulatory landscape can pose its own set of challenges. Yet, within this environment, a resilient spirit of entrepreneurship thrives. Zimbabweans, known for their ingenuity and resourcefulness, are conceiving and building businesses that address local needs and offer solutions tailored to the unique challenges and opportunities of the nation. Consider the rise of mobile money platforms in Zimbabwe, a testament to local innovation addressing a specific need in a market with limited access to traditional banking infrastructure. Early investors who recognized the potential of these platforms have witnessed their exponential growth and their profound impact on the lives of ordinary Zimbabweans.

Lessons from the Investment Savanna

Let us consider a parable. Imagine two hunters venturing into the savanna. One, drawn by the faint rustling in the tall grass, chooses to track a young, swift gazelle – a startup. The potential reward is great; a successful hunt could yield a significant bounty. However, the gazelle is elusive, and the hunter risks returning empty-handed.

The other hunter, more cautious, chooses to follow the well-worn tracks of a young buffalo – a scale-up. The buffalo is larger and more predictable, offering a more assured source of sustenance. While the potential reward might not be as spectacular as capturing the swift gazelle, the likelihood of a successful hunt is significantly higher.

Both strategies have their merits, and the wise investor, like a seasoned hunter, understands the risks and rewards associated with each. The optimal approach often involves a diversified portfolio, a strategic balance between the high-risk, high-reward potential of startups and the more stable growth of scale-ups.

Witty Remarks and Thought-Provoking Questions

Why did the startup cross the road? To disrupt the other side! (Perhaps with a more efficient and innovative way to get there).

Investing in a startup is like reading the first chapter of an epic novel – you sense the potential for greatness, but the ending is still unwritten. Investing in a scale-up is like picking up the story midway through – the plot is clearer, the characters are more developed, but the thrill of initial discovery might be slightly diminished.

The fundamental question for pension fund managers is this: What is the optimal blend of these investment "species" to ensure both robust long-term growth and prudent risk management for their beneficiaries? How can they identify the truly promising seeds and nurture their growth, while also supporting the continued expansion of those that have already taken root?

Hypothetical Situations and Folktales

Imagine a Zimbabwean diaspora member returning home with a groundbreaking agritech solution. Investing in their nascent startup could revolutionize local farming practices, boosting food security and creating employment. However, the risks associated with a new venture in a specific local context must be carefully assessed.
Consider the folktale of the hare and the tortoise. The startup, like the swift hare, might exhibit rapid initial growth, capturing market attention with its innovative offering. However, the scale-up, like the steady tortoise, might ultimately prevail through consistent execution and sustainable growth. The wise investor understands that speed is not always the ultimate determinant of success.

Clear Conclusions and a Way Forward for Trustees of Pension Funds

In conclusion, investing in both startups and scale-ups presents a unique set of advantages and disadvantages for pension funds.

Startups offer:

• High growth potential: The possibility of exponential returns and significant capital appreciation.

• Innovation and disruption: Exposure to cutting-edge technologies and business models that can reshape industries.6

• Early entry opportunities: The chance to be part of a transformative journey from its inception.

However, startups also entail:

• High risk of failure: A significant percentage of startups do not succeed.7

• Illiquidity: Exiting investments in early-stage companies can be challenging.

• Need for deep due diligence: Thorough assessment of the team, technology, and market is crucial.

Scale-ups offer:

• Lower risk profile: A proven business model and established market presence reduce uncertainty.

• More predictable growth: A clearer trajectory for expansion and revenue generation.

• Potential for significant returns: While perhaps not as astronomical as some startups, returns can still be substantial.

However, scale-ups may also present:

• Lower potential for exponential growth: The most significant gains might have already been realized.

• Risk of stagnation: Bureaucracy and a loss of agility can hinder future growth.8

• Higher valuation: Entry points might be more expensive compared to early-stage startups.

A Clear Way Forward:

For trustees of pension funds, a prudent approach likely involves a carefully calibrated allocation of capital to both startups and scale-ups. This strategy should be guided by:

• Thorough due diligence: Employing rigorous processes to evaluate the potential and risks of each investment opportunity.

• Diversification: Spreading investments across a portfolio of both startups and scale-ups to mitigate risk.

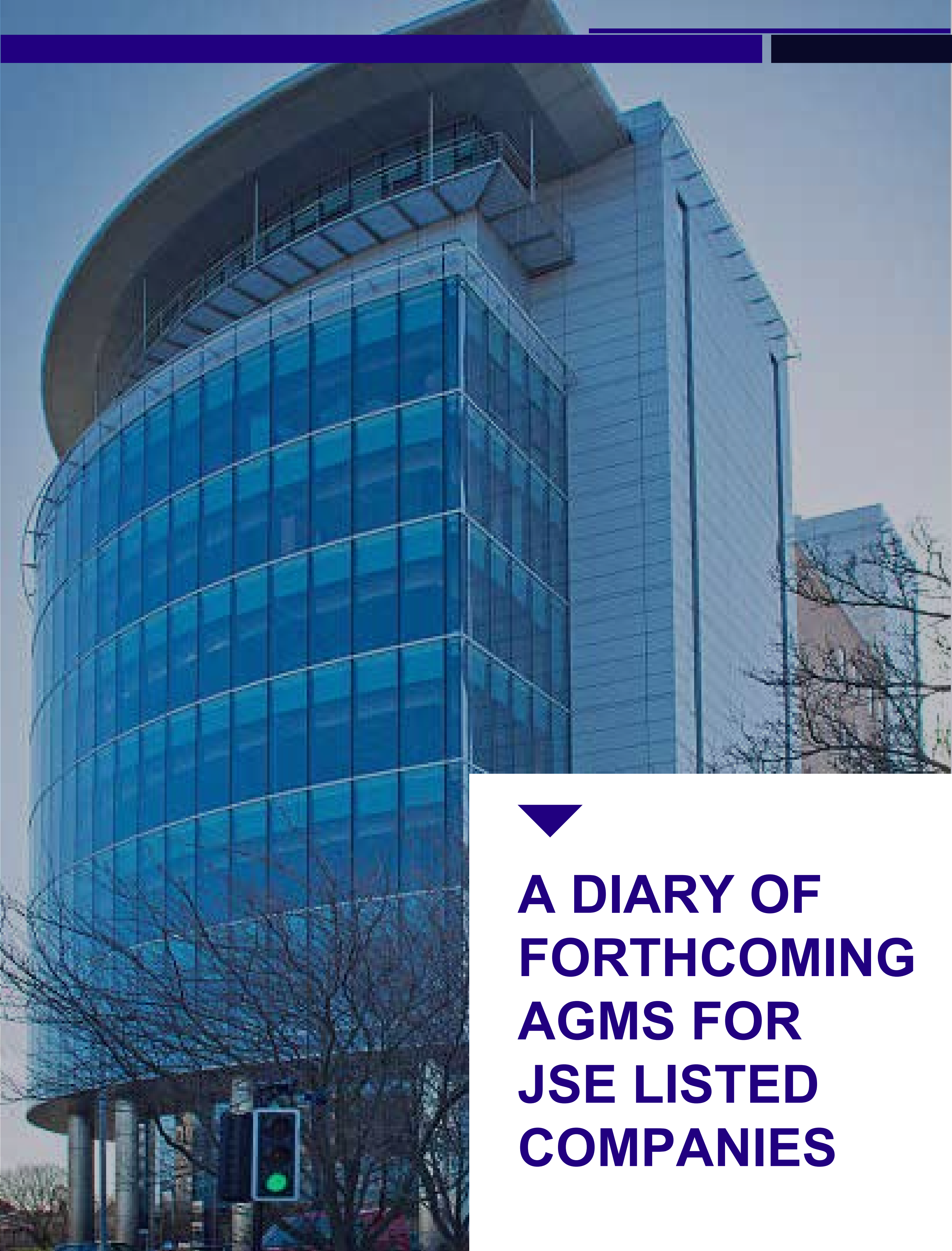
• Long-term perspective: Recognizing that both startup and scale-up investments often require a patient and enduring outlook.

• Local expertise: Leveraging local knowledge and networks to identify promising Zimbabwean ventures.

• Collaboration: Partnering with experienced venture capital firms and angel investors to access deal flow and expertise.

• Impact assessment: Considering the potential social and economic impact of investments, aligning with the broader development goals of Zimbabwe.

By embracing a balanced and discerning approach, trustees of pension funds can harness the dynamic potential of both the budding promise of startups and the branching canopy of scale-ups, fostering robust returns for their beneficiaries and contributing to the vibrant growth of the Zimbabwean economy. Let us cultivate this investment garden with wisdom, foresight, and a touch of the audacious spirit that fuels all great endeavors.



A DIARY OF FORTHCOMING AGMS FOR JSE LISTED COMPANIES

JSE code	Company name	AGM date	Status	AGM format	Disclosure of minutes of previous AGM
BYI	Bytes Technology Group Plc	2/07/2025	Confirmed	2025 AGM: in person only	-
VOD	Vodacom Group Limited	17/07/2025	Confirmed	2025 AGM: hybrid	-
CPI	Capitec Bank Holdings Limited	18/07/2025	Confirmed	2025 AGM: hybrid	-
NY1	Ninety One Limited	23/07/2025	Confirmed	2025 AGM: electronic-only	Not publicly available on company website
N91	Ninety One Plc	23/07/2025	Confirmed	2025 AGM: hybrid	Not publicly available on company website
AFT	Afrimat Limited	23/07/2025	Confirmed	2025: in person-only	-
KST	PSG Financial Services Limited	24/07/2025	Confirmed	2025 AGM: electronic-only	-
DCP	Dis-Chem Pharmacies Limited	31/07/2025	Confirmed	2025 AGM: electronic-only	Not publicly available on company website
INL	Investec Limited	08/08/2025	TBC	2024 AGM: hybrid	Minutes of 2023 AGM
INP	Investec Plc	08/08/2025	TBC	2024 AGM: hybrid	Minutes of 2023 AGM
EQU	Equites Property Fund Limited	17/08/2025	TBC	2023 AGM: hybrid	-
PRX	Prosus NV	20/08/2025	Confirmed	2025 AGM: electronic-only	-
TKG	Telkom SA SOC Limited	20/08/2025	Confirmed	TBC	-
NPN	Naspers Limited	21/08/2025	Confirmed	2024 AGM: electronic-only	-
PIK	Pick n Pay Stores Limited	27/08/2025	TBC	2024 AGM: electronic-only	Minutes of 2023 AGM
MCG	MultiChoice Group Limited	28/08/2025	TBC	2023 AGM: in person-only	-
HCI	Hosken Consolidated Investments Limited	29/08/2025	TBC	2024 AGM: hybrid	-
MRP	Mr Price Group Limited	29/08/2025	TBC	2024 AGM: hybrid	Not publicly available on company website
RNI	Reinet Investments	30/08/2025	TBC	TBC	-
VKE	Vukile Property Fund Limited	01/09/2025	Confirmed	TBC	-
TFG	The Foschini Group Limited	04/09/2025	Confirmed	TBC	Not publicly available on company website
CFR	Compagnie Financière Richemont SA	07/09/2025	TBC	TBC	-
OMN	Omnia Holdings Limited	21/09/2025	TBC	TBC	-
TSG	Tsogo Sun Gaming Limited	21/09/2025	TBC	TBC	-
NPH	Northam Platinum Holdings Limited	25/10/2025	TBC	TBC	-
S32	South32 Limited	27/10/2025	TBC	TBC	-
NHM	Northam Platinum Limited	28/10/2025	TBC	TBC	-
IMP	Impala Platinum Holdings Limited	30/10/2025	TBC	TBC	-
AVI	AVI Limited	31/10/2025	TBC	TBC	-
BHG	BHP Group Limited	11/01/2025	TBC	TBC	-
KAP	KAP Industrial Holdings Limited	11/01/2025	TBC	TBC	-
MTH	Motus Holdings Ltd	11/02/2025	TBC	TBC	-
TRU	Truworths International Limited	07/03/2025	TBC	2024 AGM: electronic-only	Not publicly available on company website
RMI	Rand Merchant Investment Holdings Limited	11/08/2025	TBC	TBC	-
ITE	Italtile Limited	11/11/2025	TBC	TBC	-
SHP	Shoprite Holdings Limited	10/11/2025	Confirmed	2025 AGM: electronic-only	Minutes of 2024 AGM
SOL	Sasol Limited	15/11/2025	TBC	2024 AGM: electronic-only	Not publicly available on company website
BID	Bid Corporation Limited	16/11/2025	TBC	TBC	-
RCL	RCL Foods Limited	16/11/2025	TBC	TBC	-
WHL	Woolworths Holdings Limited	24/11/2025	Confirmed	2025 AGM: hybrid	Minutes of 2024 AGM

DSY	Discovery Limited	21/11/2025	TBC	TBC	Not publicly available on company website
PAN	Pan African Resources plc	23/11/2025	TBC	TBC	-
WBO	Wilson Bayly Holmes-Ovcon Limited	23/11/2025	TBC	TBC	-
MTM	Momentum Metropolitan Holdings Limited	24/11/2025	TBC	TBC	-
HYP	Hyprop Investments Limited	25/11/2025	TBC	TBC	-
BVT	The Bidvest Group Limited	25/11/2025	TBC	TBC	-
OUT	OUTsurance Holdings Limited	26/11/2025	TBC	TBC	-
SPG	Super Group Limited	28/11/2025	TBC	TBC	-
DRD	DRDGOLD Limited	29/11/2025	TBC	TBC	-
GRT	Growthpoint Properties Limited	29/11/2025	TBC	TBC	-
HAR	Harmony Gold Mining Company Limited	29/11/2025	TBC	TBC	-
FSR	FirstRand Limited	29/11/2025	TBC	2024 AGM: hybrid	Not publicly available on company website
REM	Remgro Limited	30/11/2025	TBC	TBC	-
ARI	African Rainbow Minerals Limited	01/12/2025	TBC	TBC	-
FFA	Fortress REIT Limited	01/12/2025	TBC	TBC	-
MSP	MAS Real Estate Inc	07/12/2025	TBC	TBC	-
APN	Aspen Pharmacare Holdings Limited	07/12/2025	TBC	TBC	-
CLS	Clicks Group Limited	30/01/2026	TBC	2025 AGM: hybrid	Not publicly available on company website
NTC	Netcare Limited	07/02/2026	TBC	2025 AGM: Electronic-only	-
SAP	Sappi Limited	05/02/2026	TBC	2025 AGM: Hybrid	-
OCE	Oceana Group Limited	06/02/2026	TBC	2025 AGM: in-person only	-
BAW	Barloworld Limited	21/02/2026	TBC	2025 AGM: Electronic-only	-
RDF	Redefine Properties Limited	13/02/2026	TBC	2025 AGM: Electronic-only	-
CML	Coronation Fund Managers	18/02/2026	TBC	2025 AGM: Electronic-only	Not publicly available on company website
SPP	SPAR Group Limited	28/02/2026	TBC	2025 AGM: Hybrid	Minutes of 2024 AGM
LHC	Life Healthcare Group Holdings Limited	22/02/2026	TBC	2025 AGM: electronic-only	-
TCP	Transaction Capital Limited	09/03/2026	TBC	2025 AGM: electronic-only	-
RLO	Reunert Limited	22/02/2026	TBC	2025 AGM: electronic-only	-
TBS	Tiger Brands Limited	22/02/2026	TBC	2025 AGM: hybrid	-
PPH	Pepkor Holdings Limited	07/03/2026	TBC	2025 AGM: electronic-only	-
LTE	Lighthouse Properties Plc	23/04/2026	TBC	2025 AGM: in-person only	-
AGL	Anglo American Plc	30/04/2026	TBC	2025 AGM: hybrid	-
ANH	Anheuser-Busch InBev SA/NV	30/04/2026	TBC	TBC	-
SUI	Sun International Limited	07/05/2026	TBC	2025 AGM: in-person only	-
MNP	Mondi Plc	08/05/2026	TBC	2025 AGM: hybrid	-
AMS	Anglo American Platinum Limited	08/05/2026	TBC	2025 AGM: hybrid	-
SSW	Sibanye Stillwater Limited	09/05/2026	TBC	TBC	-
JSE	JSE Limited	14/05/2026	TBC	2025 AGM: hybrid	Minutes of 2024 AGM
EXX	Exxaro Resources Limited	15/05/2026	TBC	2025 AGM: electronic	Not publicly available on company website
NRP	NEPI Rockcastle NV	15/05/2026	TBC	2025 AGM: hybrid	-
HMN	Hammerson Plc	15/05/2026	TBC	2025 AGM: in-person only	-

QLT	Quilter Plc	22/05/2026	TBC	2025 AGM: in-person only	-
ACL	ArcelorMittal South Africa Limited	23/05/2026	TBC	2025 AGM: hybrid	Not publicly available on company website
GLN	Glencore Plc	28/05/2026	TBC	2025 AGM: hybrid	-
MTN	MTN Group Limited	29/05/2026	TBC	2024 AGM: electronic-only	-
TXT	Textainer Group Holdings Limited	26/05/2025	TBC	TBC	-
ANG	Anglo Gold Ashanti Limited	27/05/2026	TBC	2025 AGM: hybrid	-
AFE	AECI Limited	27/05/2026	TBC	2025 AGM: hybrid	-
ADH	ADvTECH Limited	28/05/2026	TBC	TBC	-
GFI	Gold Fields Limited	28/05/2026	TBC	2025 AGM: hybrid	-
SNT	Santam Limited	30/05/2026	TBC	2025 AGM: electronic only	-
NED	Nedbank Group Limited	30/05/2026	TBC	2025 AGM: hybrid	Minutes of 2024 AGM
OMU	Old Mutual Limited	30/05/2026	TBC	2025 AGM: hybrid	Minutes of 2024 AGM
ABG	Absa Group Limited	03/06/2026	TBC	2025 AGM: hybrid	Not publicly available on company website
KIO	Kumba Iron Ore Limited	04/06/2026	TBC	2025 AGM: hybrid	-
SLM	Sanlam	04/06/2026	TBC	2025 AGM: electronic-only	-
TGA	Thungela Resources Limited	05/06/2026	TBC	2025 AGM: hybrid	Not publicly available on company website
SBK	Standard Bank Group Limited	9/06/2026	TBC	2025 AGM: electronic-only	Not publicly available on company website
APH	Alphamin Resources Corporation	18/06/2026	TBC	2025 AGM: in person	-
GTC	Globe Trade Centre S.A.	24/06/2026	TBC	2025 AGM: in person-only	-
RES	Resilient Reit Limited	25/06/2026	TBC	2025 AGM: hybrid	-
SRE	Sirius Real Estate Limited	27/06/2026	TBC	2025 AGM: hybrid	-

LISTED COMPANIES AT A GLANCE

Code	Short Name	Full Name	Year End	Next Results	Due (est)	Market Cap
SAC	SA CORP	SA Corporate Real Estate Ltd.	Dec	Jun 2025 (Interim)	12 Sep 2025	R 8.09bn
SZK	SABKABILI	SAB Zenzele Kabili Holdings (RF) Ltd.	Dec	Jun 2025 (Interim)	19 Sep 2025	R 1.50bn
SXM	SEAM	Sable Exploration and Mining Ltd.	Feb	Feb 2025 (Final)	4 Jul 2025	R 5.09m
SBP	SABCAP	Sabvest Capital Ltd.	Dec	Jun 2025 (Interim)	21 Aug 2025	R 3.72bn
SAR	SAFARI	Safari Investments RSA Ltd.	Jun	Jun 2025 (Final)	26 Sep 2025	R 1.78bn
SGP	SAIL MNG	Sail Mining Group Ltd. (s)	Feb	n/a	n/a	R 152.55m
SLG	SALUNGANO	Salungano Group Ltd. (s)	Mar	n/a	n/a	R 209.96m
SLM	SANLAM	Sanlam Ltd.	Dec	Jun 2025 (Interim)	30 Sep 2025	R 188.02bn
SNT	SANTAM	Santam Ltd.	Dec	Jun 2025 (Interim)	1 Sep 2025	R 49.44bn
SNV	SANTOVA	Santova Ltd.	Feb	Aug 2025 (Interim)	27 Oct 2025	R 1.20bn
SAP	SAPPI	Sappi Ltd.	Sep	Sep 2025 (Final)	7 Nov 2025	R 17.63bn
SOL	SASOL	Sasol Ltd.	Jun	Jun 2025 (Final)	20 Aug 2025	R 56.94bn
SOLBE1	BEE-SASOL	Sasol Ltd.	Jun	Jun 2025 (Final)	20 Aug 2025	R 300.74m
SCD	SERE	Schroder European Real Estate Investment Trust plc	Sep	Sep 2025 (Final)	6 Dec 2025	R 2.22bn
SHG	SEAHARVST	Sea Harvest Group Ltd.	Dec	Jun 2025 (Interim)	2 Sep 2025	R 2.94bn
SEB	SEBATA	Sebata Holdings Ltd.	Mar	Mar 2025 (Final)	31 Jul 2025	R 106.87m
SEP	SEPHAKU	Sephaku Holdings Ltd.	Mar	Sep 2025 (Interim)	7 Nov 2025	R 407.18m
SHC	SHBCAP	Shaftesbury Capital plc	Dec	Jun 2025 (Interim)	29 Jul 2025	R 73.44bn
SHP	SHOPRIT	Shoprite Holdings Ltd.	Jun	Jun 2025 (Final)	3 Sep 2025	R 167.34bn
SKA	SHUKA	Shuka Minerals plc	Dec	Dec 2020 (Interim)	18 Aug 2024	R 93.60m
SSW	SIBANYE-S	Sibanye Stillwater Ltd.	Dec	Jun 2025 (Interim)	25 Sep 2025	R 98.90bn
SRE	SIRIUS	Sirius Real Estate Ltd.	Mar	Sep 2025 (Interim)	18 Nov 2025	R 34.70bn
SOH	S.OCEAN	South Ocean Holdings Ltd.	Dec	Jun 2025 (Interim)	8 Aug 2025	R 355.73m
S32	SOUTH32	South32 Ltd.	Jun	Jun 2025 (Final)	28 Aug 2025	R 161.63bn
SDL	SOUTH PD	Southern Palladium Ltd.	Jun	Jun 2025 (Final)	30 Sep 2025	R 694.11m
SSU	SSU	Southern Sun Ltd.	Mar	Sep 2025 (Interim)	21 Nov 2025	R 11.97bn
SPP	SPAR	The SPAR Group Ltd.	Sep	Sep 2025 (Final)	28 Nov 2025	R 21.55bn
SEA	SPEARREIT	Spear REIT Ltd.	Feb	Aug 2025 (Interim)	24 Oct 2025	R 4.25bn
SUR	SPURCORP	Spur Corporation Ltd.	Jun	Jun 2025 (Final)	21 Aug 2025	R 3.09bn
SDO	STADIO	Stadio Holdings Ltd.	Dec	Jun 2025 (Interim)	26 Aug 2025	R 7.66bn
SBK	STANBANK	Standard Bank Group Ltd.	Dec	Jun 2025 (Interim)	15 Aug 2025	R 372.87bn
SBKP	STANBANK6.5	Standard Bank Group Ltd.	Dec	Jun 2025 (Interim)	15 Aug 2025	R 4.56m
SBPP	STANBANK-P	Standard Bank Group Ltd.	Dec	Jun 2025 (Interim)	15 Aug 2025	R 5.24bn
SSK	STEFSTOCK	Stefanutti Stocks Holdings Ltd.	Feb	Aug 2025 (Interim)	26 Nov 2025	R 742.92m
SSS	STOR-AGE	Stor-Age Property REIT Ltd.	Mar	Sep 2025 (Interim)	11 Nov 2025	R 7.54bn
SUI	SUNINT	Sun International Ltd.	Dec	Jun 2025 (Interim)	9 Sep 2025	R 12.17bn
SPG	SUPRGRP	Super Group Ltd.	Jun	Jun 2025 (Final)	11 Sep 2025	R 5.28bn
SRI	SUPR	Supermarket Income REIT plc	Jun	Dec 2025 (Interim)	11 Mar 2026	R 23.94bn
SYG	SYGNIA	Sygnia Ltd.	Sep	Sep 2025 (Final)	4 Dec 2025	R 4.76bn