



MOST AWARDED PENSION FUND IN THE INDUSTRY

The Natal Joint Municipal Pension/Provident Funds (NJMPF) is a leader amongst its peers in the industry. It has gained recognition for its consistent excellence, amongst others; in governance, communications and education/training practices, treating customers fairly and investment performance/practices. Over the years, NJMPF has notched up a commendable list of **Awards** in the industry, both locally and internationally. The following is a summary of more than twenty Awards won by NJMPF, the Pension Fund of choice in Kwa-Zulu Natal.

Communications Awards

The aim was to identify the Fund that communicated pension legislation, policies and Trustee decisions affecting members in a clear informative style, to ensure that key stakeholders were well informed of current developments and future changes affecting their retirement benefits.

The Institute of Retirement Funds Africa (IRFA), a non-profit body representing the interests of the retirement industry in Southern Africa has awarded NJMPF with a series of Communication awards during; 2011, 2012, 2013, 2014 and 2015. Note the consistency of winning this award.

Trustee Development Awards

The Pension Fund Act has prescribed a number of “fit and proper requirements for trustees.” The aim of the award was to acknowledge the Pension Fund that had shown the greatest commitment and practical demonstration of its roll out of education programmes to develop trustees.

IRFA awarded NJMPF with the Trophy/Industry winner for excellence in Trustee Development as well as a Merit Certificate in Trustee Training, both in 2015.

Treating Customers Fairly (TCF) Awards

South Africa is moving towards a “twin peaks” model as the basis for regulation of regulated financial institutions. The two peaks are prudential (financial) regulation and market conduct regulation. TCF forms a key pillar of this model and applies equally to pensions funds. The award recognizes the Fund which has made the most progress in embedding TCF in its culture.

IRFA awarded NJMPF with a Merit certificate for Treating Customers Fairly for Internal Training in 2015.

Legal and Technical Compliance Awards

Protecting the 'nest egg' is a key responsibility of the Pension Fund. Trustees have a duty to act with due care, diligence and in good faith and take all reasonable steps to ensure that the interests of members in terms of the rules of the fund and the provisions of the Act are protected at all times. The Award recognizes the Fund that has a well-developed culture of compliance with the statutory requirements including good corporate governance structures

IRFA awarded NJMPF with Legal and Technical Compliance awards in 2013 and 2014.

This is further supported by the Funds subscription to the Institute of Directors Governance Assessment Instrument. The assessment criterion is based on the principals and recommendations contained in King III and a measure and an enabler of good corporate governance structures, policies and procedures. In this regard the Fund has achieved an overall score of AAA, which is the highest application possible.

Financial Control, Knowledge and Understanding Awards

A recent campaign promoted by the Council of Retirement Funds South Africa (Batseta), which is a non-political body looking after the interests of retirement funds stakeholders is promoting member education on financial literacy. Batseta awards excellence by retirement funds and allow for Funds to show how they educate their members using practical easy to implement financial tools. Batseta has awarded NJMPF with the following awards, viz. Trophy/Industry winner for member education in Financial Control; and Trophy/Industry winner for member education in Financial Knowledge and Understanding in 2015.

Batseta awarded NJMPF Industry Winner for Financial Knowledge and Understanding for member education in 2016 this being the second year in a row the Fund is receiving the award in this category. The award this year was for the aggressive roll out of the Fund's interactive website which included four easy-to-use Financial Calculators and breakdown of the Net Replacement Ratio. You can go to the website; www.njmpf.co.za to view the financial tools.

Investment Performance Award

All Pension Funds have a key objective of earning superior, above average returns for their members on a sustained basis. This award recognizes the Pension Fund that has been achieving this objective on a consistent basis.

IRFA awarded NJMPF with a Trophy/Industry winner for Investment Performance and Merit Certificate for SRI (Socially Responsible Investing) and ESG (Environmental, Social & Governance) in 2014.

Good investment performance has resulted in improved benefits for NJMPF members and pensioners over the past 5 years, as the following record shows:

- Superannuation Fund benefits have improved by 78%. This means NJMPF has been able to provide pension increases of 36.59% plus bonuses/13th cheques of 41.65%.
- Retirement Fund benefits have improved by 65% and NJMPF has been able to give pension increases of 39.97% and bonuses/13th cheques of 24.99%.

- In 2015, NJMPF provided benefits totalling 22.73% to pensioners, which consisted of a 14.40% increase as well as a 13th cheque of 8.33%.
- The Provident Fund is consistently ranked in the top quartile because of the good investment performance. This makes the Provident Fund one of the country's top investment managers. If one had invested an amount of R1 million in the year 2000 in the Provident Fund the investment earnings would have increased significantly by eightfold, to be worth more than R 9 million in the year 2016 (after costs).

Special Award

NJMPF has aggressively sought to change the demographic profile of its workforce, policies and procedures to be more representative of its membership and IRFA awarded NJMPF with a Merit certificate for Excellence in Alignment of Previously Disadvantaged Fund to the Previously Advantaged Fund in 2015. This award showed the conduct by the Fund to eliminate past weaknesses.

African Pension Fund Initiative of the year Award

The NJMPF was declared the winner of the "African Pension Fund Initiative of the year" at the prestigious Africa investor Capital Market Index Series Awards in 2015.

The awards are based on the Africa investor Index Series and they are designed to recognize Africa's best performing stock exchanges, listed companies, investment banks, research teams, regulators, socially responsible companies and fund managers.

The awards were presented at the leading international investment and communications group Africa investor Summit during September 2015, a unique African Capital Markets event. Supporting partners for the event included the New York Stock Exchange, World Bank, Thompson Reuters, Office of the Special Advisor on Africa and the World Pension Council.

International Awards

Capital Finance International (CFI.co), a London based print journal and online resource reporting on business, economics and finance aims to reward best practice found anywhere in the world through its Awards Programme. It awarded NJMPF with the following awards, viz.

- Best Retirement Services South Africa 2016, and
- Best Corporate Governance Pension Funds South Africa 2016.

Judge's comments: "Transparency, efficiency, loyalty, diligence, and excellence: The guiding principles of, and daily practice at, the Natal Joint Municipal Pension Fund (NJMPF). Whilst some may not consider the administration of pension funds the most thrilling of financial pursuits, protecting and growing the savings of subscribers over extended timespans is one of the more exacting branches of the financial services industry.

Operating in a dynamic economic environment, the NJMPF Board of Trustees has deftly and expertly managed to identify long-term trends and pick the winners worthy of investment. With exquisitely

balanced and prudent risk profiles that blend stability to long-term growth, the fund's experienced managers succeeded in outperforming the broader market time and again."

The European Banking & Finance is a distribution network that includes some of the most senior decision makers around the world. The European is a syndicated news partner of Thomson Reuters and is committed to the very highest level of journalism, bringing together the collective thinking of the most respected business personalities of our time. The European Banking & Finance has awarded the following award to NJMPF, viz.

- Best Performing Pension Fund Of The Year - South Africa 2016.

Conclusion

The accolades bestowed upon NJMPF speak for themselves. Internationally and locally, NJMPF has distinguished itself as a pension fund where 'best practice' is keenly embraced and has become part of its culture. NJMPF truly lives up to its mission to provide a superior retirement service and benefits to its members, beneficiaries and pensioners. With its record in the industry, NJMPF is well positioned to play a leading role in South Africa's retirement industry.

Organisations which recognized NJMPF

