RFLAUN

Retirement Fund for Local Authorities and Utility Services in Namibia

NEWSLETTER

NOVEMBER 2025

WHAT'S INSIDE?

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DISCLAIMER

EDITOR'S DESK:

CHARTING THE FUTURE – RFLAUN'S STRATEGIC PLANNING SESSION FOR 2026–2030

In a pivotal moment for the future of the Fund, the Board of Trustees recently convened with senior staff for a comprehensive strategic planning session aimed at shaping the roadmap for 2026 to 2030. This high-level engagement marked a significant milestone in reaffirming the Fund's commitment to its mission, values, and long-term sustainability.

The session held over a series of focused workshops and collaborative discussions, brought together the collective wisdom and experience of the Trustees, who hold the fiduciary and accountability responsibilities of the Fund, and the operational insights of senior management. The objective was clear: to craft a forward-looking strategy that responds to emerging challenges, leverages new opportunities, and aligns with the evolving needs of our stakeholders.

The strategic plan under development is not merely a document, it is a vision for transformation. It will guide decision-making, resource allocation, and performance measurement across all areas of the Fund's operations. Key themes explored during the session included:

- Strengthening governance and accountability frameworks
- Enhancing member value and service delivery
- Driving innovation and digital transformation
- Ensuringfinancial sustainability and risk resilience
- Deepening stakeholder engagement and transparency

Once finalized and formally adopted by the Board of Trustees, the strategic plan will be communicated to all stakeholders through appropriate engagement channels. This will include tailored briefings, member updates, and collaborative forums to ensure that every voice is heard and every stakeholder is aligned with the Fund's new direction.

As we look ahead to 2026 and beyond, this strategic planning process reaffirms RFLAUN's dedication to excellence, integrity, and inclusive growth. We thank all participants for their invaluable contributions and look forward to sharing the full strategic framework in the coming months.

Stay tuned for more updates as we embark on this exciting journey together.

Mr. Julianus Rukamba
The Editor

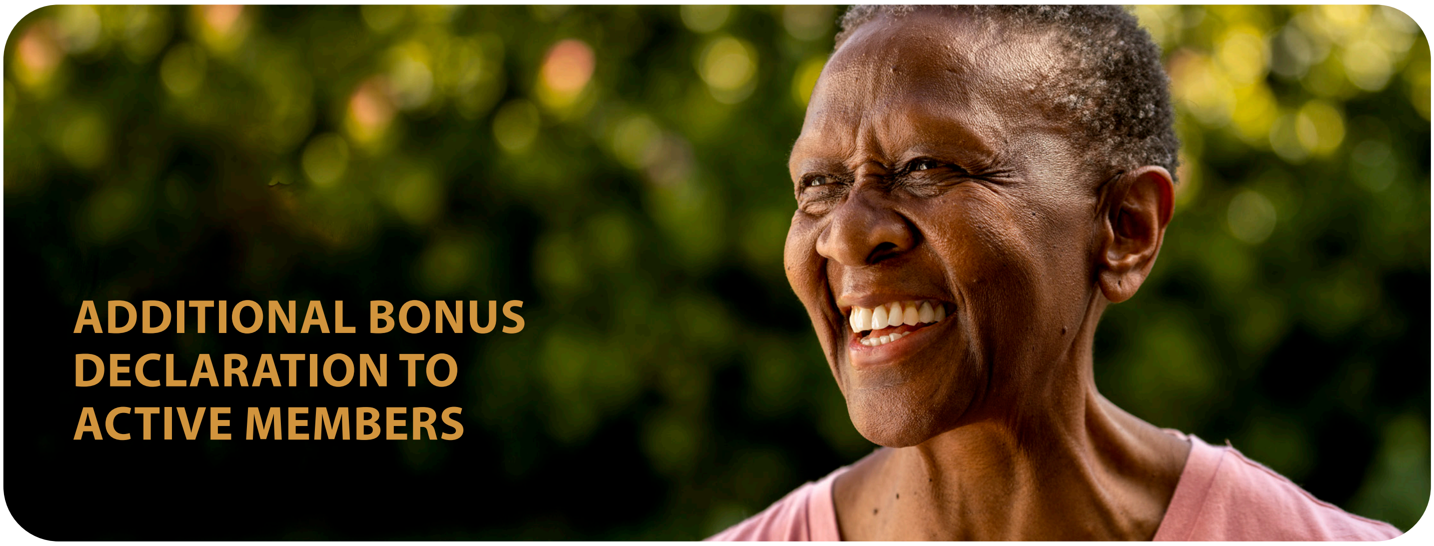
NEW PARTICIPATING EMPLOYER JOINED THE FUND

Please join us in welcoming **Mariental Municipality** to the RFLAUN family. The council joined the Fund on 1 July 2025. The new addition of the council tallies the total number of participating employers in the Fund to 58.

PENSION INCREASES

Considering the excellent returns the Fund achieved on its underlying assets for the Fund year ended 31 December 2024, the Trustees based on recommendations received from the Fund`s valuator, approved a **pensioner increase effective the 1st of July 2025 of 4%**.

Please note that in order to protect the long-term financial stability of the Fund, a 13th bonus was not considered this year. The Fund`s financial position will again be reviewed next year and based on the results, the Trustees will again be guided by the actuary in terms of any potential bonus payments to the pensioners that could be considered.



ADDITIONAL BONUS DECLARATION TO ACTIVE MEMBERS

Following the exceptional investment returns the Fund achieved over the previous financial year ended 31 December 2024 **(12.9%)** and based on a recommendation received from the Fund`s actuary in this regard, the Trustees decided to grant a further **0.10% enhancement to all active members Fund values** to be funded from the Fund`s current reserves.

This meant that your credit in the Fund was increased by 0.10%.

COMPLETION OF BENEFICIARY NOMINATION FORMS

The Trustees are guided in their decision in terms of the distribution of the benefits to the financial beneficiaries by the provisions of the Pension Fund`s Act, as well as the information contained on the beneficiary nomination forms. It is therefore crucial that the information on this form is up to date and as correct as possible at all times.

Please make sure that certified copies of all relevant information like marriage certificates and full birth certificates are on your personnel file with your Employer. In the unfortunate event that something might happen to you, the availability of these documents will expedite the payment to your beneficiaries.

<u>In order to ensure that your loved ones are taken care of in the event of your death, please complete an up to date nomination form in full and submit it to your personnel office as soon as possible.</u>

IT IS IMPORTANT TO ENSURE THAT YOUR TAX AFFAIRS WITH NAMRA ARE UP TO DATE

Any benefit payable or transferable by the Fund first needs to be cleared by NamRA who issues a directive in terms of the amount of tax to be deducted on any benefits payable / transferable.

NamRA is not going to issue any tax directive if your annual assessments are not up to date, or if you owe outstanding taxes, and without the said directive the Fund cannot pay any benefits in your favour - not to you nor to your beneficiaries/dependents.

The Fund have instances where the finalization of payments is delayed because members did not submit their annual tax returns for assessment during formal employment, or they still owed some money in terms of taxes payable.

It is therefore not only in your own, but also in your family`s interest that you are in good standing with NamRA and that all your tax returns are submitted regularly as required by the Income Tax Act.

ANNUAL INVESTMENT RETURNS

The Funds' total assets as at 30 September 2025 amounted to **N$8,927,278,379** which comprises of the portfolios below:

Market Value Portfolio
N$8,125,162,980

Capital Protection Portfolio (CPO 1) (Old Mutual)
N$2,854,220

Capital Protection Portfolio (CPO 2) (Sanlam, Old Mutual, & Momentum)
N$799,261,179

The table below provides an indication of the monthly investment returns earned in the respective portfolios for the Fund year from 1 January 2025 to 30 September 2025.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD 2025
Market Value Portfolio	1.8	-0.1	0.3	1.9	2.7	2.1	1.9	1.3	2.7	**15.6%**
CPO 1	0.7	0.7	0.7	0.7	0.7	2.3	0.6	0.8	0.7	**8.3%**
CPO 2	0.7	0.7	0.7	0.7	0.7	1.5	0.9	0.9	1.0	**8.7%**

MARKET COMMENTARY Q3 2025

Abraham Lincoln once said that: ***"The best thing about the future is that it comes one day at a time"***

It is however just amazing how fast time passes, one day we're ringing in a New Year, and before we know it, another year is almost over with the usual festive decorations already appearing in the shops.

Since President Trump took office in January, global markets experienced increased volatility, largely due to the impact of trade tariffs on economies worldwide. Namibia was not spared with tariffs of 15% now being imposed on all goods being exported to the United States of America.

Fortunately, America IS not our biggest trading partner, but where the impact of tariffs will be felt will be in terms of the secondary effects and fallout of tariffs due to the fact that almost all countries trading with the United States now have to reassess their own economic environments and policies. These secondary effects can potentially result in job losses that can be ill afforded due to Namibia`s already alarming high unemployment figures. Namibia`s vulnerability is further exposed due our "economic dependency" on South African both from a monetary policy, as well as currency perspective.

Improving / deteriorating sentiment towards South Africa due to political uncertainty within the Government of National Unity will further unfortunately also impacts us directly. As highlighted Namibia's economy is highly vulnerable and exposed to developments in South Africa.

Relations between the United States and South Africa faced challenges involving several issues, such as the Land Expropriation Act, South Africa's criminal case against Israel and the docking of the Lady R in Simon's Town in 2022 to name but a few. Additionally, the United States recently granted refugee status to a handful of South Africans who left the Country.

President Ramaphosa's recent visit to the White House also did not go as planned. Any further escalation of these existing simmering tensions can result in currency depreciation with the potential of foreign direct investment outflows.

Continuous tensions within the Government of National Unity also did not bode well from an investor confidence perspective which can further increase pressure on the currency as well as local markets.

With President Trump in the White House market volatility and uncertainty will continue for the duration of his term of office. This is again evident in the recent escalation of trade tensions between the United States and China. Wider implications will however also be his position and reaction the next couple of years to existing and new geo-political tensions and conflicts.

As also highlighted in the previous edition of the newsletter from a fiscal perspective Namibia is in a much better position than South Africa with expected GDP growth in excess of 4% over the next couple of years.

It would further seem that the oil exploration initiatives along the Namibian coast are again gaining momentum with announcements expected early next year from some of the major oil companies whether they will go into production or not and which has the potential to change the Namibian economic landscape forever.

The issue of rising Government debt levels was also highlighted in the previous edition of the newsletter as a concern. However, as indicated the said debt will be raised domestically, thereby mitigating the risk of currency fluctuations that could have arisen if it were raised for instance in US Dollars.

Market momentum continues to track upwards with the Fund achieving a return 12.6% on the market value portfolio for the first eight months of the 2025 financial year. It is further estimated that the Fund`s total assets as at 30 September 2025 were very close to the N$ 9 billion mark – what an incredible achievement!

To put this in perspective, as at 30 April 2025 the Fund`s total assets amounted to N$ 8,1 billion.

RFLAUN ELSEWHERE

Stay up to date on the latest ***events, news, and fund-related information***. We also answer any ***questions or queries*** you may have via our ***Facebook and Twitte***r pages.

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This newsletter has a dual purpose, firstly to keep the members up to date on the developments of the Fund and secondly, it serves as an educational tool. As a member or pensioner of the Fund, you are invited to forward comments, suggestions and contributions to **Marketing@rflaun.com.na.**