



# Actuarial Valuation

as at

31 December 2025

Prepared by



## Table of Contents

|   |    |
|---|----|
| <b>1. Executive Summary</b> .....                         | 3  |
| <b>2. Introduction and Background</b> .....               | 15 |
| <b>3. Reliance and Limitations</b> .....                  | 22 |
| <b>4. Membership Data</b> .....                           | 23 |
| <b>5. Contributions and Benefits</b> .....                | 26 |
| <b>6. Methodology and Assumptions – Liabilities</b> ..... | 30 |
| <b>7. Assets</b> .....                                    | 34 |
| <b>8. Solvency Position of the Fund</b> .....             | 38 |
| <b>9. Associated Risks of the Fund</b> .....              | 45 |
| <b>10. Conclusions and Recommendations</b> .....          | 47 |
| <b>Appendix A: Revenue Account</b> .....                  | 50 |
| <b>Appendix B: Quantitative Impact Assessment</b> .....   | 51 |
| <b>Appendix C: IPEC’s Checklist Form</b> .....            | 52 |
| <b>Appendix D: Fund Rules</b> .....                       | 53 |
| <b>Appendix E: IPEC Certifications</b> .....              | 56 |

## **1. Executive Summary**

- 1.1. Claxon Actuaries have been tasked to carry out the Actuarial Valuation of the Mining Industry Pension Fund (hereafter referred to as "the Fund") as at 31 December 2025.
- 1.2. This Actuarial Valuation has been carried out to meet the following objectives:
  - 1.2.1 To assess the financial position of the Fund by comparing the available assets to liabilities as at 31 December 2025;
  - 1.2.2 To recommend the rate of interest to be credited to the Members' Accumulated Credits;
  - 1.2.3 To recommend the rate of Pension Increase to be awarded to current pensions in payment;
  - 1.2.4 To assess the sufficiency of current contribution rates towards meeting expenses and risk benefits;
  - 1.2.5 To recommend any amounts to be retained as reserves as at 31 December 2025;
  - 1.2.6 To comment on the risks that the Fund is exposed to; and
  - 1.2.7 To comment on any other pertinent issues to the Fund.
- 1.3. The following is an Executive Summary of the main findings and subsequent recommendations and conclusions.
- 1.4. The Insurance and Pension Commission ("IPEC") issued final guidelines terms of Section 3 (1) (a) of Statutory Instrument 69 of 2020 on May 31, 2021, on adjusting insurance and pension values in response to currency reforms and Revaluation Gains.
- 1.5. The Guidelines are still applicable, and the requirements of these Guidelines have been addressed fully in this actuarial valuation report as at 31 December 2025.

1.6. The Fund is made up of the following Sub Accounts:

1.6.1 **Sub Account 1:** which is equal to the account balance in ZWG on the valuation date plus any future credits to the account due to the revaluation gains, investment returns on the related assets, allocation from reserves, and contributions made after the valuation date. This account applies specifically to members who made contributions in ZWL (now ZWG) prior to 31 December 2018.

1.6.2 **Sub Account 2:** which is equal to the account balance in ZWG on the valuation date plus any future credits to the account due to the revaluation gains, investment returns on the related assets, allocation from reserves, and contributions made after the valuation date. This account applies to members who made contributions in ZWL (now ZWG) after 31 December 2018.

1.6.3 **Sub Account 3:** which is equal to the account balance in USD on the valuation date plus any future credits to the account due to investment returns on the related assets, allocation from reserves, and contributions made after the valuation date. This account consists of contributions and payments made in USD.

1.7. Separate reserves shall also be maintained for Sub Accounts 1, 2 and 3. Assets were also provided split into Sub Account 1,2 and 3.

## Previous Actuarial Valuation

### Actuarial Valuation as at 31 December 2024

1.8. The previous full year Actuarial Valuation was carried out as at 31 December 2024 by Stalwart Actuarial Consultants.

1.9. The following were the findings:

1.9.1 As at 31 December 2024, Sub Account 1 had accrued liabilities amounting to ZWG 1,817 million and assets valued at ZWG 3,444 million, resulting in a surplus of ZWG 1,627 million.

1.9.2 As at 31 December 2024, Sub Account 2 had accrued liabilities amounting to ZWG 782 million and assets valued at ZWG 1,279 million, resulting in a surplus of ZWG 497 million.

1.9.3 As at 31 December 2024, Sub Account 3 had accrued liabilities amounting to USD 39.8 million (ZWG 1,024 million) and assets valued at USD 41.5 million (ZWG 1,071 million), resulting in a surplus of USD 1.7 million (ZWG 47 million).

1.9.4 The funding levels were 190%, 163%, and 105% for Sub Accounts 1, 2, and 3, respectively.

1.10. The table below summarises the pension increases, and bonus awards recommended by the Actuary:

| Benefit awarded                        | Membership Categories                           | Sub Account 1 | Sub Account 2 | Sub Account 3 |
|--|---|---------------|---------------|---------------|
| <b>Bonus</b>                           | Active, Deferred, Preserved Members             |               |               |               |
|  | Outstanding benefits, Suspended pension arrears | 99.2%         | 85.4%         | 65%           |
| <b>Pension increase</b>                | Current and Suspended Pensioners                | 90.8%         | 77.8%         | 5.0%          |
| <b>Legacy Additional Death Benefit</b> | Active & Pensioners                             | 99.2%         | 85.4%         | n/a           |

1.11. ***The above recommendations were adopted by the Board of Fund.***

## Membership

1.12. This Actuarial Valuation is based on membership and financial statements provided by the Fund management team as at 31 December 2025.

1.13. The table below shows a breakdown of the membership of the Fund as at 31 December 2025 compared to the previous position as at 31 December 2024:

| Category           | 31-12-25      | 31-12-24      | Change       |
|--------------------|---------------|---------------|--------------|
| Active Members     | 27,383        | 27,356        | 27           |
| Deferred Members   | 41,442        | 39,383        | 2,059        |
| Preserved Members  | 6,854         | 6,986         | (132)        |
| Unclaimed Benefits | 4,533         | 4,945         | (412)        |
| <b>Total</b>       | <b>80,212</b> | <b>78,670</b> | <b>1,542</b> |

*Table 1.1: Membership Data*

1.14. The table below shows a detailed summary of the Active and Suspended Pensioners' data statistics:

| Category  |                              | Sub Account 1<br>(ZWG) | Sub Account 2<br>(ZWG) | Sub Account 3<br>(USD) |
|-----------|------------------------------|------------------------|------------------------|------------------------|
| Actives   | Total annual pension         | ZWG 30,722,604         | ZWG 1,896,103          | USD 24,059             |
|           | Average annual pension       | ZWG 3,435              | ZWG 1,764              | USD 802                |
|           | Pension weighted average age | 68.45                  | 61.13                  | 60.10                  |
|           | Number                       | 8,944                  | 1,075                  | 30                     |
| Suspended | Total pension                | ZWG 10,143,942         | ZWG 37,194             | -                      |
|           | Average pension              | ZWG 2,996              | ZWG 791                | -                      |
|           | Pension weighted average age | 83.67                  | 63.48                  | -                      |
|           | Number                       | 3,386                  | 47                     | -                      |

*Table 1.2: Pensioners Statistics*

1.15. The data was subjected to various checks for completeness, uniqueness, reasonability, and consistency.

## Contributions and Expenses

1.16. Total employee and Employer contributions invoiced were ZWG 843 million for the period from 01 January 2025 to 31 December 2025. The total unallocated contributions amounted to ZWG 7.64 million.

1.17. The following amounts were recorded as contributions from 01 January 2025 to 31 December 2025 as per the financial statements.

| Contributions                      | Sub Account 2      |               | Sub Account 3     |               |
|------------------------------------|--------------------|---------------|-------------------|---------------|
|                                    | ZWG                | % of salaries | USD               | % of salaries |
| Member Contributions               | 200,814,855        | 7.50%         | 10,456,103        | 7.50%         |
| Employer Contributions             | 173,092,927        | 5.00%         | 6,913,348         | 5.00%         |
| Additional Voluntary Contributions | 274,714            | -             | -                 | -             |
| Contributions Transfer In          | 1,813,651          | -             | 177,495           | -             |
| <b>Total</b>                       | <b>375,996,047</b> | <b>12.50%</b> | <b>17,546,946</b> | <b>12.50%</b> |

Table 1.3: Contributions for the period

1.18. Sub Account 1 applies only to members who made contributions in ZWL (now ZWG) before 31 December 2018; therefore, there are no contributions for the year of 2025.

1.19. The Fund also incurred the following non-investment expenses over the same period:

| Contributions                       | Sub Account 1    | Sub Account 2       | Sub Account 3  |
|-------------------------------------|------------------|---------------------|----------------|
|                                     | ZWG              | ZWG                 | USD            |
| Employer contributions for expenses | -                | 38,039,200          | 3,444,784      |
| Management Support Fees             | 23,256,122       | -                   | -              |
| Administration Expenses             | (20,880,985)     | (97,171,388)        | (2,524,442)    |
| <b>Expense (Shortfall)/ Surplus</b> | <b>2,375,137</b> | <b>(59,132,188)</b> | <b>920,342</b> |

Table 1.4: Expenses for the period

1.20. From the table above, the income to cover non-investment expenses for Sub-account 1 amounts to ZWG 23,256,122 in Management Support Fees.

1.21. Management Support Fees are a charge of 0.61% on Sub Account 1 assets. This amount covers administrative expenses and Board costs incurred under Sub Account 1. It was set in line with the limit in the Expenses Framework for administrative and Board expenses in non-contributory funds. This is covered in the Expenses Framework issued by IPEC in 2021.

- 1.22. Under Sub Account 2, there was an expense shortfall of ZWG 59.1 million. We recommend that the Fund implement measures to ensure expenses remain within the limits of current contributions for Sub Account 2 or balance the split of expenses paid in ZWG vs expenses paid in USD.

## Assets of the Fund

1.23. According to the financial statements, the Fund's ZWG asset market value increased from ZWG 4,550 million at 31 December 2024 to ZWG 5,560 million at 31 December 2025. The increase was largely driven by gains in the value of ordinary shares and net assets.

1.24. The Fund's USD asset market value as recorded in the financial statements increased from USD 29.9 million at 31 December 2024 to USD 41.0 million at 31 December 2025.

| Category  | 31-12-25             |                      |                     |                      | 31-12-24             |                      |                     |                      |
|---|----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
|   | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
| Operating Assets                                | 103,561,496          | 13,686,015           | 167,008             | 117,247,511          |                      |                      |                     |                      |
| Prescribed Assets- Long term                    | 78,738,792           | 341,729,564          | 2,350,000           | 932,310,591          | 142,700,000          | 327,700,000          | 21,342,326          | 1,024,888,569        |
| Old Mutual Guaranteed Fund                      | 33,783,072           | -                    | -                   | 33,783,072           | 32,700,000           | -                    | -                   | 32,700,000           |
| Quoted shares                                   | 1,251,130,703        | 1,072,046,012        | 5,871,227           | 2,478,139,893        | 842,000,000          | 657,300,000          | 1,945,850           | 1,549,854,545        |
| Unquoted shares                                 | 147,583,694          | 6,421,432            | 3,502,763           | 154,005,126          | 87,000,000           | -                    | -                   | 87,000,000           |
| Fixed Properties                                | 2,166,218,805        | 144,972,306          | 16,933,072          | 2,588,048,981        | 2,232,700,000        | 145,500,000          | 236,448             | 2,384,343,085        |
| Fixed Income Investments                        | 41,843,542           | 69,559,390           | 4,786,496           | 197,253,359          | 45,200,000           | 45,600,000           | 2,930,403           | 166,933,921          |
| Money Market & Commodities                      | 14,770,557           | 66,640,367           | 1,625,330           | 142,469,886          | 25,700,000           | 7,400,000            | 2,469,136           | 97,249,882           |
| Net Current Assets                              | (24,131,211)         | 32,130,966           | 5,768,814           | 129,265,984          | 15,566,816           | (56,678,559)         | 987,182             | (15,464,064)         |
| <b>Net Assets as per financials</b>             | <b>3,813,499,449</b> | <b>1,747,186,053</b> | <b>41,004,711</b>   | <b>6,772,524,402</b> | <b>3,423,566,816</b> | <b>1,126,821,441</b> | <b>29,911,345</b>   | <b>5,327,505,938</b> |
| Provision for contribution arrears and interest | 57,486               | 227,202,423          | 9,083,944           | 463,267,133          | -200                 | 120,500,000          | 11,200,000          | 411,483,840          |
| Benefits provisions                             | 1,098,307            | 34,008,215           | 12,039              | 35,419,304           | 5,300,000            | 27,200,000           |                     | 32,500,000           |
| Admin and ADB Reserve                           | 28,253,734           | 13,780,868           | 589,428             | 57,348,354           | 14,600,000           | 4,800,000            | 400,000             | 29,792,280           |
| <b>Restated assets</b>                          | <b>3,842,908,976</b> | <b>2,022,177,559</b> | <b>50,690,122</b>   | <b>7,328,559,193</b> | <b>3,443,466,816</b> | <b>1,279,321,441</b> | <b>41,511,345</b>   | <b>5,801,282,058</b> |

Table 1.5: Market Value of Assets

1.25. We estimated the investment return on the market value of the assets of the Fund for year ending 31 December 2025 to be 20.30% for Sub Account 1, 28.5% for Sub Account 2 and -2.12% for Sub account 3.

- 1.26. We also calculated the overall return on the assets of the Fund using the combined position provided in ZWG provided in the Financials as at 31 December 2025. The overall rate of return for the Fund's assets combined in ZWG was 20.26%.
- 1.27. Quoted shares and fixed properties formed 75% of the total assets for the combined ZWG position as at 31 December 2025, which is the asset allocation stipulated in the IPEC Investment Guideline which has a limit of 75% of the total assets.

## Financial Position as at 31 December 2025

- 1.28. As at 31 December 2025, Sub-Account 1 had a surplus of ZWG 573 million with a funding level of 117.54%, Sub-Account 2 had a surplus of ZWG 478 million with a funding level of 130.99%. Sub-Account 3 had a deficit of US\$0.97 million and had a funding level of 98%.
- 1.29. We confirm and certify that, based on the data we were provided to conduct this actuarial valuation, the Fund was financially sound as at 31 December 2025 for the combined ZWG position, before distribution of surplus.

| Solvency Position as at 31-Dec-2025 | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
|-------------------------------------|----------------------|----------------------|---------------------|----------------------|
| Accumulated Credit Fund: Actives    | 1,283,132,868        | 829,177,345          | 32,624,858          | 2,959,926,861        |
| Deferred Members                    | 790,381,945          | 148,504,125          | 3,391,391           | 1,026,996,782        |
| Preserved Members                   | 186,681,793          | 23,926,729           | 501,526             | 223,638,519          |
| Unclaimed Members                   | 45,990,082           | 4,040,182            | 47,706              | 51,269,699           |
| Pensioners' Liability               | 319,254,931          | 21,771,245           | 275,773             | 348,190,952          |
| Suspended Pensioners' Arrears       | 171,127,732          | 61,194               | -                   | 171,188,926          |
| Exited Members Reserve              | 176,620,089          | 29,631,508           | 414,735             | 217,026,702          |
| Additional Death Benefit Reserve    | 25,828,045           | 24,208,990           | 564,009             | 64,690,384           |
| Data Reserve                        | 32,956,500           | 15,438,126           | 315,063             | 56,580,183           |
| Contribution Arrears                | 58,767               | 362,780,248          | 12,428,460          | 685,739,106          |
| Compensation Reserve                | 38,193,712           | -                    | -                   | 38,193,712           |
| Contingency Reserve                 | 199,162,219          | 84,272,902           | -                   | 283,435,121          |
| Administration Expenses Reserve     | -                    | -                    | 1,098,403           | 28,537,279           |
| <b>Total Liability</b>              | <b>3,269,388,682</b> | <b>1,543,812,594</b> | <b>51,661,924</b>   | <b>6,155,414,225</b> |
| <b>Total Assets*</b>                | <b>3,842,908,974</b> | <b>2,022,177,559</b> | <b>50,690,121</b>   | <b>7,182,051,360</b> |
| <b>Surplus</b>                      | <b>573,520,293</b>   | <b>478,364,965</b>   | <b>(971,803)</b>    | <b>1,026,637,135</b> |
| <b>Funding Level</b>                | <b>117.54%</b>       | <b>130.99%</b>       | <b>98.12%</b>       | <b>116.68%</b>       |

\*Restated assets

Table 1.6: Solvency Position of the Fund before Interest

## Recommendations

1.30. Below is a summary of our recommendations as at 31 December 2025:

### Sub Account 1

1.30.1 Declare an interest of **19.86%** for the year ending 31 December 2025. This represents the returns passed over to the Accumulated Members Credits for the valuation period.

1.30.2 Award a pension increase of **18.32%** to the Pensioners' liability and Suspended Pensioners' arrears.

### Sub Account 2

1.30.3 Declare an interest of **47.76%** for the year ending 31 December 2025. This represents the returns passed over to the Accumulated Members Credits for the valuation period.

1.30.4 Award a pension increase of **39.42%** to the Pensioners' liability and Suspended Pensioners' arrears.

1.31. We recommend that no interest be awarded to the accumulated Member Credits and that no pension increase be granted to the pensioners' liabilities in respect of Sub Account 3.

1.32. Members in all the sub accounts who exited before the valuation date are entitled to, and have been awarded, pro-rated interest proportionate to the time that they were a part of the Fund during the year.

1.33. We recommend that suspended pensioners' arrears are awarded the same pension increase as that awarded to pensioners.

1.34. The table below shows the solvency position of the Fund as at 31 December 2025 after implementing the recommendations above:

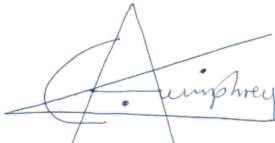
|                                  | 31-12-25             |                      |                     |                      |
|----------------------------------|----------------------|----------------------|---------------------|----------------------|
|                                  | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
| Accumulated Credit Fund: Actives | 1,537,407,752        | 1,193,611,772        | 32,624,858          | 3,578,636,172        |
| Deferred Members                 | 948,141,236          | 217,287,270          | 3,391,391           | 1,253,539,218        |
| Preserved Members                | 224,244,956          | 35,344,841           | 501,526             | 272,619,793          |
| Unclaimed Members                | 55,021,121           | 5,907,494            | 47,706              | 62,168,050           |
| Pensioners' Liability            | 377,731,217          | 30,352,608           | 275,773             | 415,248,600          |
| Suspended Pensioners' Arrears    | 202,472,319          | 85,314               | -                   | 202,557,633          |
| Exited Members Reserve           | 178,153,321          | 32,808,193           | 414,735             | 221,736,619          |
| Additional Death Benefit Reserve | 25,828,045           | 24,208,990           | 564,009             | 64,690,383           |
| Data Reserve                     | 32,956,500           | 15,438,126           | 315,063             | 56,580,183           |
| Contribution Arrears             | 58,767               | 362,780,248          | 12,428,460          | 685,739,106          |
| Compensation Reserve             | 38,193,712           | -                    | -                   | 38,193,712           |
| Contingency Reserve              | 199,162,219          | 84,272,902           | -                   | 283,435,121          |
| Administration Expenses Reserve  | -                    | -                    | 126,600             | 3,289,157            |
| <b>Total Liability</b>           | <b>3,819,371,162</b> | <b>2,002,097,759</b> | <b>50,690,121</b>   | <b>7,138,433,748</b> |
| <b>Total Assets</b>              | <b>3,842,908,974</b> | <b>2,022,177,559</b> | <b>50,690,121</b>   | <b>7,182,051,360</b> |
| <b>Surplus</b>                   | <b>23,537,812</b>    | <b>20,079,800</b>    | <b>-</b>            | <b>43,617,612</b>    |
| <b>Funding Level</b>             | <b>100.62%</b>       | <b>101.00%</b>       | <b>100%</b>         | <b>100.61%</b>       |

*Table 1.8 Solvency position after Interest*

- 1.35. We recommend that the Board of Fund continue to monitor the allocation of expenses across the sub-accounts to ensure equity and fairness in this regard.
- 1.36. We recommend that the Fund continuously engage IPEC on the issue of combining Sub Accounts 1 and 2 into Sub Account A and re-classifying Sub Account 3 as Sub Account B. This is to align with section 18.2 of the Currency Conversion Guideline issued by IPEC after 5 April 2024.
- 1.37. We recommend that the Board of Fund continuously monitor and mitigate the risks of the Fund detailed in Section 9 of this report.

## **Concluding Remarks**

- 1.38. We would like to thank the Board of Mining Industry Pension Fund for allowing us the opportunity to carry out this exercise.
- 1.39. We would be pleased to assist with any matters that may arise in respect of the interpretation of the content of this report or undertake any further analysis that may be required.

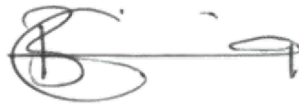


**Tafadzwa Chiduza**

FIA(UK), CERA(UK), MSc, BCom (Hons.)

**Statutory Actuary**

15 May 2026



**Blessing Chidiyiwa**

AIA(UK), BCom (Hons.) Actuarial Science

**Actuarial Director**

15 May 2026

## 2. Introduction and Background

- 2.1. Claxon Actuaries ("We") have been requested to undertake the actuarial valuation of the Mining Industry Pension Fund ("the Fund") as at 31 December 2025.
- 2.2. The Mining Industry Pension Fund ("the Fund") was established on 1 July 1952. It was created through a memorandum of agreement between the Chamber of Mines of Zimbabwe (the Employers' Organization) and the Associated Mine Workers Union of Zimbabwe together with the Mine Officials and Salaried Staff Association (the Trade Unions). The Agreement has Fund rules which are subject to IPEC's Pensions and Provident Funds Act.
- 2.3. These rules were first published in 1982 as Statutory Instrument 771 of 1982 and then these were changed in 2016. In 2018, IPEC raised a concern to the Fund citing the funding risks that the Fund had been facing. The Fund had an actuarial deficit from the period 2010 to 2018. The Fund rules at that time did not explicitly provide for a mechanism to absorb deficits emerging from time to time. In this regard, the Regulator advised the Fund to alter their benefit structure. The Fund then reviewed their rules in 2021.
- 2.4. Before 1 January 2021, the combined employee and Employer contributions were applied toward the purchase of deferred annuities, which became payable from the Normal Retirement Date and:
  - 2.4.1 The amounts of the deferred annuities purchased were determined by reference to a set of age and gender-dependent factors which were set out in the Rules of the Fund.
  - 2.4.2 Once contributions had been applied to purchase deferred pensions, the pensions so purchased became part of the accrued liabilities of the Fund.
  - 2.4.3 At each valuation of the Fund, bonuses were added to the existing accrued pensions and to pensions in payment, depending on the level of surplus available.
- 2.5. With effect from 1 January 2021, the Board of Fund resolved to:
  - 2.5.1 cease the accrual of future service benefits under the prevailing benefit structure and pension purchase factors,
  - 2.5.2 introduce a Defined Contribution ("DC") structure for future service pensions.

2.5.3 convert accrued Defined Benefit ("DB") pensions for non-pensions from DB to DC

2.5.4 retain the existing benefit structure for all pensions in payment (including suspended pensioners)

### **Reporting Currency**

2.6. Please note that all monetary amounts presented in this report are denominated in ZWG for Sub Account 1 and 2 and USD for Sub Account 3.

### **Contributions of the Fund**

2.7. Each employee member is required to contribute 7.5% of their basic wages or salary, which is credited to the Member's Accumulated Credits account.

2.8. Each Employer member shall make contributions on behalf of employee members as follows:

2.8.1 5.0% of employee members' basic wages or salaries, which is credited to the employee member's Accumulated Credit; and

2.8.2 2.25% employee members' basic wages or salaries, which is credited to the Expense Reserve Account to provide for administrative costs; and

2.8.3 0.25% of such employee members' basic wages or salaries, to provide for the cost of the Death-in-Service Benefit.

## Benefits purchased by contributions

2.9. The normal retirement age is 60 years. The accrued benefits under the Defined Contributions (DC) Scheme for active, deferred, and preserved members of the Fund shall comprise the aggregate of:

2.9.1 The opening liability in the DC Fund as at 1 January 2021 (set equal to the actuarial value of the benefits accrued under the previous benefits structure up to 31 December 2020, including all bonuses declared to 31 December 2020) plus;

2.9.2 Member contributions paid from 1 January 2021 to the valuation date plus;

2.9.3 Employer contributions paid from 1 January 2021 to the valuation date less;

2.9.4 any Fund interest declared from 1 January 2021 up to the valuation date

2.10. The Statutory Actuaries for the Mining Industry Pension Fund in the past 3 years are given below:

| Period           | Statutory Actuary |
|------------------|-------------------|
| 31 December 2022 | Mr Tigere Mutare  |
| 31 December 2023 | Mr Tigere Mutare  |
| 31 December 2024 | Mr Tigere Mutare  |

2.11. This report has been peer reviewed internally.

## **Valuation Date**

- 2.12. This actuarial valuation is carried out as at 31 December 2025 and covers the period 01 January 2025 to 31 December 2025.
- 2.13. This review is based on membership and assets as at 31 December 2025, provided by the Fund's Administrators.

## **Purpose of this Actuarial Valuation**

- 2.14. This actuarial valuation has been carried out as at 31 December 2025 and has the following objectives:
  - 2.14.1 To assess the financial position of the Fund by comparing the available assets to liabilities as at 31 December 2025;
  - 2.14.2 To recommend the rate of interest to be credited to the Members' Accumulated Credits.
  - 2.14.3 To recommend the rate of pension increase to be awarded to current pensions in payment;
  - 2.14.4 To assess the sufficiency of current contribution rates towards meeting expenses and risk benefits;
  - 2.14.5 To recommend any amounts to be retained as reserves as at 31 December 2025;
  - 2.14.6 To comment on the risks that the Fund is exposed to; and
  - 2.14.7 To comment on any other pertinent issues to the Fund.

## Developments during and subsequent to the inter-valuation period

### Previous Actuarial Valuation

2.15. The previous full year Actuarial Valuation was carried out as at 31 December 2024 by Mr. Tigere Mutare, the Consulting Actuary, on behalf of Stalwart Actuarial Consultants:

2.15.1 As at 31 December 2024, Sub Account 1 had accrued liabilities amounting to ZWG 1,817 million and assets valued at ZWG 3,444 million, resulting in a surplus of ZWG 1,627 million.

2.15.2 As at 31 December 2024, Sub Account 2 had accrued liabilities amounting to ZWG 782 million and assets valued at ZWG 1,279 million, resulting in a surplus of ZWG 497 million.

2.15.3 As at 31 December 2024, Sub Account 3 had accrued liabilities amounting to USD 39.8 million (ZWG 1,024 million) and assets valued at USD 41.5 million (ZWG 1,071 million), resulting in a surplus of USD 1.7 million (ZWG 47 million).

2.15.4 The funding levels were 190%, 163%, and 105% for Sub Accounts 1, 2, and 3, respectively.

2.16. The table below summarises the pension increases and bonus awards recommended by the Actuary:

| Benefit awarded                        | Membership Categories   | Sub Account 1 | Sub Account 2 | Sub Account 3 |
|--|---|---------------|---------------|---------------|
| <b>Bonus</b>                           | Active, Deferred, Preserved Members<br>Outstanding benefits, Suspended<br>pension arrears | 99.2%         | 85.4%         | 65%           |
| <b>Pension increase</b>                | Current and Suspended Pensioners  | 90.8%         | 77.8%         | 5.0%          |
| <b>Legacy Additional Death Benefit</b> | Active & Pensioners   | 99.2%         | 85.4%         | n/a           |

2.17. ***The above recommendations were adopted by the Board of Fund.***

## Market Overview

- 2.18. The ZSE All Share index was 217,58 points as at 31 December 2024 and 277.86 points as at 31 December 2025 reflecting a **27.70%** return on the index.
- 2.19. The VFEX stood at 104.09 points as at 31 December 2024 and then 167.90 points as at 31 December 2025, reflecting a **61.30%** return on the index.
- 2.20. The ZWG inflation over the calendar year 2025 was **15.04%**. USD inflation over the same period was **12.39%**.
- 2.21. The ZWG exchange rate to the USD moved from a rate of ZWG\$ 25.7985: USD1 as at 1 January 2025 to a rate of ZWG\$ 25.9807: USD1 as at 31 December 2025, a depreciation of **0.71%**.

## Regulatory Developments

- 2.22. The table below sets out some of the circulars and guidelines issued by the Regulator during the inter-valuation period. All circulars relevant to the valuation exercise were considered and applied accordingly.

| Circular                   | Issue Date | Content   |
|----------------------------|------------|---|
| <b>Circular 1 of 2025</b>  | 02-Jan-25  | Pension Funds Reporting Requirements.                                   |
| <b>Circular 4 of 2025</b>  | 07-Feb-25  | 2025 IPEC AML/CFT/CPF Industry Training Calendar.                       |
| <b>Circular 7 of 2025</b>  | 07-Mar-25  | Invitation to Participate in Digital Transformation Assessment.         |
| <b>Circular 8 of 2025</b>  | 27-Mar-25  | 2024 Financial Reporting.   |
| <b>Circular 9 of 2025</b>  | 28-Mar-25  | Directive on Revised Statutory Reporting Deadlines.                     |
| <b>Circular 10 of 2025</b> | 28-Mar-25  | Market Conduct Framework for The Insurance and Pensions Industry.       |
| <b>Circular 19 of 2025</b> | 27-Aug-25  | Revised Quarterly Return for Pension and Provident Funds                |
| <b>Circular 22 of 2025</b> | 04-Sep-25  | Guideline on Administrative Framework for Offshore Investments          |
| <b>Circular 23 of 2025</b> | 10-Sep-25  | Request for Comments and Input into the Guideline on Preservation Funds |
| <b>Circular 24 of 2025</b> | 10-Sep-25  | Guideline on Revised Reporting Requirements for Pension Funds           |
| <b>Circular 25 of 2025</b> | 16-Sep-25  | Board of Fund Members (Trustee) Toolkit                                 |
| <b>Circular 26 of 2025</b> | 15-Sep-25  | Guideline on Self-insurance and Underwriting of Annuities by DC Funds   |

## Governance and Compliance Matters

- 2.23. The Fund is a duly registered Fund in terms of the Pension and Provident Fund Act. The governing body is the Board of Fund, to whom this report is addressed. We have prepared this report with the knowledge that it will also be of relevance to the sponsoring Employers and any associated or subsidiary companies.
- 2.24. The report has been prepared in accordance with the instructions of the Board of Fund and in accordance with the pensions' legislation of the country.
- 2.25. On March 13, 2020, the Insurance and Pensions Commission (IPEC) issued GUIDELINE FOR THE INSURANCE AND PENSIONS INDUSTRY ON ADJUSTING INSURANCE AND PENSION VALUES IN RESPONSE TO CURRENCY REFORMS ("the IPEC Guidelines") which provides guidance on how pension funds should convert pension liabilities from USD to ZWL. These guidelines were updated on the 31<sup>st</sup> of May 2021, and this report has been prepared in compliance with these Guidelines.
- 2.26. On the 5<sup>th</sup> of April 2024 the government issued Statutory Instrument (S.I.) 60 of 2024, which was accompanied by the INSURANCE & PENSIONS GUIDELINE ON CONVERSION OF VALUES FROM ZWL TO ZIMBABWE GOLD (ZIG). These guidelines have been applied to the opening values for the actuarial valuation as 31 December 2025.
- 2.27. This Actuarial Valuation has been carried out based on information and data provided by Mining Industry Pension Fund (MIPF), the Fund's Administrators.
- 2.28. This report, its opinions and conclusions are for the use of the Board of Fund. This report should not be distributed, copied or otherwise furnished to any other party without our prior written consent.

### 3. Reliance and Limitations

- 3.1 Reliance is placed on, but not limited to, the accuracy of the following:
- 3.1.1 Membership data for Actives, Pensioners, Pending Exits and Paid Exits.
  - 3.1.2 Schedule of payments made during the inter-valuation period.
  - 3.1.3 Debtor and Claim Provision Schedules as at the valuation date
  - 3.1.4 Financial Statements of the Fund as at 31 December 2025.
  - 3.1.5 Final actuarial valuation report as at 31 December 2024.
  - 3.1.6 Final conversion report as at 5 April 2024.
- 3.2 In cases where data was not available but was of no material consequence to the financial position of the Fund, we have made necessary assumptions.
- 3.3 This report has been prepared in accordance with Actuarial Professional Standards (APSs) issued by the Faculty and Institute of Actuaries and the Technical Actuarial Standards (TAS) issued by the Financial Reporting Council current at the date of signing this report. These standards set out the minimum requirements of an actuarial valuation report to meet the standards of the actuarial profession.

## 4. Membership Data

- 4.1 The data required for the valuation has been obtained from records which are maintained by the Fund, the Mining Industry Pension Fund (MIPF).
- 4.2 We were provided with the following information for the purpose of conducting the Actuarial Valuation:
- 4.2.1 Mining Industry Pension Fund Membership and Pensioners' Data as at 31 December 2025;
  - 4.2.2 Mining Industry Pension Fund Actuarial Valuation Report as at 31 December 2024;
  - 4.2.3 Mining Industry Pension Fund Conversion Report as at 5 April 2024;
  - 4.2.4 Mining Industry Pension Fund financial statements;
  - 4.2.5 Mining Industry Pension Fund Registered Rules;
  - 4.2.6 Mining Industry Pension Fund Asset Managers' Valuation Reports 2025; and
  - 4.2.7 Mining Industry Pension Fund Membership Schedules as at 31 December 2024.

### Membership Definitions

- 4.3 Below are the categories represented in the membership data:
- 4.3.1 **Active Members** – members currently in employment that are currently contributing to the Fund:
  - 4.3.2 **Deferred Members** – former active members who have left employment but have retained their benefits in the Fund as paid-up deferred pensions, payable at retirement:
  - 4.3.3 **Preserved Members** – former active members whose benefits (or a portion thereof) are retained in the Fund in line with preservation requirements, to be paid at a later stage:
  - 4.3.4 **Unclaimed Benefits** – members of the Fund who have not claimed their benefits, or members who have benefits in the Fund and are above the age of 65.

4.3.5 **Pensioners** – these are former active members or their beneficiaries who are entitled to a pension paid by the Fund.

### Key Membership Statistics

4.4 The following summarizes the membership data provided as at the current valuation date and the previous year:

| Category           | 31-12-25 | 31-12-24 | Change |
|--------------------|----------|----------|--------|
| Active Members     | 27,383   | 27,356   | 0%     |
| Deferred Members   | 41,442   | 39,383   | 5%     |
| Preserved Members  | 6,854    | 6,986    | -2%    |
| Unclaimed Benefits | 4,533    | 4,945    | -8%    |

**Table 4.1 Membership**

4.5 The table below shows a detailed summary of Active and Suspended Pensioners' data statistics:

| Category  |                              | Sub Account 1<br>(ZWG) | Sub Account 2<br>(ZWG) | Sub Account 3<br>(USD) |
|-----------|------------------------------|------------------------|------------------------|------------------------|
| Actives   | Total annual pension         | ZWG 30,722,604         | ZWG 1,896,103          | USD 24,059             |
|           | Average annual pension       | ZWG 3,435              | ZWG 1,764              | USD 802                |
|           | Pension weighted average age | 68.45                  | 61.13                  | 60.10                  |
|           | Number                       | 8,944                  | 1,075                  | 30                     |
| Suspended | Total pension                | ZWG 10,143,942         | ZWG 37,194             | -                      |
|           | Average pension              | ZWG 2,996              | ZWG 791                | -                      |
|           | Pension weighted average age | 83.67                  | 63.48                  | -                      |
|           | Number                       | 3,386                  | 47                     | -                      |

**Table 4.2 Pensioners statistics**

4.6 The data was subjected to various checks for completeness, uniqueness, reasonability and consistency.

4.7 The accuracy of this valuation depends on the accuracy of the information provided. Should there be changes to circumstances and information provided, the results will need to be updated.

## 5. Contributions and Benefits

### Contributions

- 5.1 Contributions by active members to the Fund are being made at the rate of 7.5% of Pensionable Salary and at the rate of 7.5% of such salary by the Employer. Provision is also made under the Fund Rules for Members to make Additional Voluntary Contributions to the Fund.
- 5.2 We further understand that in practice the Employer's contributions are split as follows:
- 5.2.1 5.0% of the employee's basic salary is allocated to the employee's Accumulated Credit account.
- 5.2.2 2.25% of the employee's basic salary is allocated to the Expense Reserve Account to cover administrative expenses.
- 5.2.3 0.25% of the employee's basic salary is allocated to cover the cost of the Additional Death Benefit.
- 5.3 Total employee and Employer contributions invoiced were ZWG 868 million for the period from 01 January 2025 to 31 December 2025.
- 5.4 The total unallocated contributions amounted to ZWG 24.91 million.
- 5.5 The following amounts were recorded as contributions from 01 January 2025 to 31 December 2025 as per the financial statements.

| Contributions                      | Sub Account 2      |               | Sub Account 3     |               |
|------------------------------------|--------------------|---------------|-------------------|---------------|
|                                    | ZWG                | % of salaries | USD               | % of salaries |
| Member Contributions               | 200,814,855        | 7.50%         | 10,456,103        | 7.50%         |
| Employer Contributions             | 173,092,927        | 5.00%         | 6,913,348         | 5.00%         |
| Additional Voluntary Contributions | 274,714            | -             | -                 | -             |
| Contributions Transfer In          | 1,813,651          | -             | 177,495           | -             |
| <b>Total</b>                       | <b>375,996,047</b> | <b>12.50%</b> | <b>17,546,946</b> | <b>12.50%</b> |

*Table 5.1: Contributions for the period*

- 5.6 Sub Account 1 applies only to members who made contributions in ZWL (now ZWG) before 31 December 2018; therefore, there are no contributions for the year of 2025.

5.7 The Fund also incurred the following non-investment expenses over the same period:

| Contributions                       | Sub Account 1    | Sub Account 2       | Sub Account 3  |
|-------------------------------------|------------------|---------------------|----------------|
|                                     | ZWG              | ZWG                 | USD            |
| Employer contributions for expenses | -                | 38,039,200          | 3,824,778      |
| Management Support Fees             | 23,256,122       | -                   | -              |
| Administration Expenses             | (20,880,985)     | (97,171,388)        | (2,524,442)    |
| <b>Expense (Shortfall)/ Surplus</b> | <b>2,375,137</b> | <b>(59,132,188)</b> | <b>920,342</b> |

*Table 5.2: Expenses for the period*

5.8 From the table above, the income to cover non-investment expenses for Sub-account 1 amounts to ZWG 23,256,122 in Management Support Fees.

5.9 Management Support Fees are a charge of 0.61% on Sub Account 1 assets. This amount covers administrative expenses and Board costs incurred under Sub Account 1. It was set in line with the limit in the Expenses Framework for administrative and Board expenses in non-contributory funds. This is covered in the Expenses Framework issued by IPEC in 2021.

5.10 Under Sub Account 2, there was an expense shortfall of ZWG 59.1 million. We recommend that the Fund implement measures to ensure expenses remain within the limits of current contributions for Sub Account 2 or balance the split of expenses paid in ZWG vs expenses paid in USD.

## Fund Benefits

5.11 The Fund provides the following benefits:

5.11.1 **Normal Retirement benefit** – This is accessible when a member reaches Normal Retirement Age.

5.11.2 **Late Retirement Benefit** – This is accessible when a member reaches Normal Retirement Age, with the latest possible retirement date being up to five years after the Normal Retirement Date.

5.11.3 **Death Benefit** – This is accessible when a member dies whilst in the Service of the Employer, prior to Normal Retirement Age.

5.11.4 **Withdrawal Benefit** – This is accessible when a member withdraws from Service prior to Normal Retirement Age and is not entitled to any other benefit in terms of any other Rule.

5.11.5 **Retrenchment and Reorganization Benefit** – This is accessible to the Member when he/she is discharged from the Service of the Employer.

5.12 A more detailed breakdown of the Fund's benefits is provided in Appendix D of the report.

### **Risk Benefits**

5.13 The Fund retains certain benefits of a Defined Benefit nature. Specifically, it provides the following:

5.13.1 Pension payments which, once determined, are guaranteed by default and are paid directly from the Fund.

5.13.2 In the event of the death of an Active Member or a Pensioner, the Fund Rules provide for the payment of an Additional Death Benefit to assist with funeral expenses, with the amount determined by the Board of Fund.

5.13.3 The Rules of the Fund were amended during 2023, providing for a salary linked Death-In-Service Benefit funded by Employer contributions. This applies to sub accounts 2 and 3.

5.13.4 From the December 2024 report, we understand that there are matters still under discussion concerning details of how the Death-in-Service benefit will be applied to the membership.

### **Additional Death Benefit**

5.14 Prior to conversion of benefits from Defined Benefit to Defined Contribution, separate actuarial reserves were established for Sub-account 1 and Sub-account 2 to meet the cost of the additional death benefits. These legacy reserves have been retained under the new defined contribution structure.

5.14.1 The legacy Additional Death Benefit reserve for Sub-account 1 is in respect of active members and pensioners who contributed to the Fund during the period to 31 December 2018.

- 5.14.2 The legacy Additional Death Benefit reserve for Sub-account 2 is in respect of all active members and pensioners who contributed to the Fund from 1 January 2019 to 31 December 2020.
- 5.14.3 This means that, for Sub Account 2, there are:
- 5.14.4 an Employer funded Death-In-Service Benefit, which is linked to the member's salary, and
- 5.14.5 the legacy Additional Death Benefit, which is unfunded and grows in line with returns earned on the Sub Account assets.
- 5.15 The previous approach for Sub Account 2 was to put them together under one heading of Additional Death Benefits. We will separate the two reserves in the next valuation to trace the movement of the respective reserves over time.
- 5.16 The Additional Death Benefit reserve has been increased by the investment return earned on Fund assets during the valuation period.

## 6. Methodology and Assumptions – Liabilities

- 6.1 The Fund's liabilities are made up of Members' Accumulated Credits, Pensioners' Capital Values and Reserves.
- 6.2 This section describes the methodology and assumptions adopted for valuing the Fund liabilities.

### Member's Accumulation for Past Service Liability

- 6.3 A member's accumulation for past service liability is made up of the following:
- 6.4 The accrued liabilities for active, deferred, unclaimed, and preserved members of the Fund were determined as the total of the following components:
  - 6.4.1 The opening Defined Contribution (DC) fund liability as at 1 January 2021, which was set equal to the actuarial value of benefits earned under the previous benefit structure up to 31 December 2020, including all bonuses declared up to that date;
  - 6.4.2 Plus, member contributions received from 1 January 2021 to the valuation date;
  - 6.4.3 Plus, Employer contributions received over the same period;
  - 6.4.4 Less, any benefits paid between 1 January 2021 and the valuation date;
  - 6.4.5 Plus, any Fund interest declared from 1 January 2021 up to the valuation date.
- 6.5 The aggregate balances of Members' Accumulation form part of the Fund's liabilities.

### Pensioners Liability

- 6.6 The liability for Pensions is determined, using actuarial assumptions, by projecting pensions in payments over the expected future lifetimes of the Pensioners and contingent Beneficiaries, and discounting the projected payments back to the present.
- 6.7 Actuarial assumptions are the estimates of the variables that will determine the ultimate cost of providing Pension benefits. The main actuarial assumptions allowed for include the discount rate (The rate used to discount projected pension payments) and the mortality (deaths) expected of the pensioners.

6.8 It is important to understand that the valuation results indicate the expected cost of providing the benefits using the chosen method and assumptions. The actual cost of providing the benefits will depend on the actual experience.

### **Pensioners' post-retirement valuation assumptions**

6.9 The key factors underlying the pensioners' valuation basis are the investment return achieved on the assets, the assumed rate at which accrued pensions increase, and the mortality assumptions applied.

### **Discount rate**

6.10 The discount rate reflects the time value of money and the estimated timing of benefit payments - normally determined by reference to the expected long-term investment return from the Fund's assets. However, the current adverse and volatile investment climate and lack of long-term bonds make it difficult to determine an objective long-term expected return.

6.11 The net discount rate assumption adopted at the previous valuation as at 31 December 2024 was 5.69%. We assessed the discount rate to be applicable to the current valuation as well. We will continue to monitor macroeconomic developments in future to ascertain whether the discount rate remains suitable for the purpose of discounting pensioner benefits.

6.12 In the absence of reliable long-term market indicators, adopting a cautious assumption aligned with actual investment returns helps minimise the risk of underfunding, while still enabling pensioners to receive increases that reflect the Fund's actual performance.

### **Mortality rates**

6.13 The post-retirement mortality assumptions are used to estimate the anticipated remaining lifespans of pensioners and their contingent beneficiaries.

6.14 We have retained the post-retirement mortality assumption for pensioners to be in line with 85% of the a(55) Ultimate mortality tables.

6.15 We are aware that the Fund carries out mortality investigations every 5 years, with the most recent investigation having been carried out in 2023. We will review this assumption in line with the investigation that we will carry out in future.

## Zimbabwe Mortality Tables

- 6.16 In July 2023, IPEC commissioned mortality tables that were prepared for the Zimbabwe population. Through Circular 23 of 2024, the Regulator instructed that life offices and pension funds begin to assess the quantitative impact of adopting these mortality rates on reserves and liabilities.
- 6.17 The Circular stipulates adoption of the tables by 1 January 2030. Circular 1 of 2026 requires that we include, in this valuation report, an assessment of the financial impact of adopting the Zimbabwe tables. We have provided the same in **Appendix B** of this report.

### Expense Assumptions

- 6.18 It has been assumed that the administrative expenses relating to Sub Account 1 will be met directly out of Fund resources, as there are no Employer contributions being made in respect of expenses for the sub account.
- 6.19 However, administrative expenses for Sub Account 2 and Sub Account 3 are funded from Employer contributions. We have assumed that there are no contribution arrears in respect of contributions towards Fund expenses.
- 6.20 For the valuation of post-retirement Spouse's benefits, it has been assumed that each male member is married to a spouse who is five years younger at retirement, and each female member is married to a spouse who is five years older at retirement. This assumption remains the same as that used in the previous valuation.
- 6.21 The table below summarises the assumptions adopted for the previous and current valuation:

| Assumption                      | 31-Dec-24          | 31-Dec-25          |
|---------------------------------|--------------------|--------------------|
| Net Discount Rate               | 5.69%              | 5.69%              |
| Post-Retirement Mortality Rates | 85% of a(55) Ult   | 85% of a(55) Ult   |
| Spouse Age Difference           | Male 5 years older | Male 5 years older |

### Interest and Pension Increase Declaration

- 6.22 The primary activity that we perform in declaring interest is to determine how investment returns will be accrued to individual Member and Pensioner accounts across the period since the last review such that the Fund is financially sound.

- 6.23 Any Surpluses or Strains should be distributed amongst members in a manner which is equitable between classes of membership and is consistent with the nature of the Surplus or Strain and ensures that the liabilities will not exceed the assets.
- 6.24 Any strain arising in the Fund (whether from a drop in the value of the assets or an increase in expenses) will be passed on to members where appropriate, and such strain will not conflict with the reasonable benefit expectations of members.
- 6.25 The interest to be declared to Members' Accumulated Credits will be derived from the value of the year end Accumulated Credit surplus or deficit, such that there will not be an Accumulated Credit surplus/deficit after declaration of interest.
- 6.26 It should be noted that the interest declared is not guaranteed and, in that regard, it is possible for Members' Accumulated Credits to be reduced if the Fund earns negative returns. However, this does not apply to pensions in payment, which cannot be reduced once pension increases are applied and are, in effect, guaranteed payments.

Pension increases can only be awarded if there is a sustainable Pensioners' surplus or a positive Reserve account.

#### **Reserve for unpaid or overdue contribution liabilities**

- 6.27 The membership data reflects accrued benefits from contributions received only, excluding any deferred benefits from contributions invoiced but not yet received.
- 6.28 The IPEC Revaluation Guideline requires contribution arrears to be included as part of the assets of the Fund.

## **7. Assets**

- 7.1 Section 12.1 of the IPEC guidelines on Currency Reforms require that the assets on the balance sheet be held at fair value where fair value is generally the price that would be received from the sale of an asset in an orderly market in an arms-length transaction between buyer and seller. In addition, the requirements of International Financial Reporting Standards 13 (IFRS 13), should be considered in determining fair value.
- 7.2 The assets of the Fund were measured at market value in the financial statements, and we have considered the market value of the assets as a fair value of the Fund's assets. We have relied on the financial statements of the Fund for the year ended 31 December 2025.
- 7.3 A breakdown by assets class of the Fund held at market value at the review date is given below:
- .

| Category  | 31-12-25             |                      |                     |                      | 31-12-24             |                      |                     |                      |
|---|----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
|   | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
| Operating Assets                                | 103,561,496          | 13,686,015           | 167,008             | 117,247,511          |                      |                      |                     |                      |
| Prescribed Assets- Long term                    | 78,738,792           | 341,729,564          | 2,350,000           | 932,310,591          | 142,700,000          | 327,700,000          | 21,342,326          | 1,024,888,569        |
| Old Mutual Guaranteed Fund                      | 33,783,072           | -                    | -                   | 33,783,072           | 32,700,000           | -                    | -                   | 32,700,000           |
| Quoted shares                                   | 1,251,130,703        | 1,072,046,012        | 5,871,227           | 2,478,139,893        | 842,000,000          | 657,300,000          | 1,945,850           | 1,549,854,545        |
| Unquoted shares                                 | 147,583,694          | 6,421,432            | 3,502,763           | 154,005,126          | 87,000,000           | -                    | -                   | 87,000,000           |
| Fixed Properties                                | 2,166,218,805        | 144,972,306          | 16,933,072          | 2,588,048,981        | 2,232,700,000        | 145,500,000          | 236,448             | 2,384,343,085        |
| Fixed Income Investments                        | 41,843,542           | 69,559,390           | 4,786,496           | 197,253,359          | 45,200,000           | 45,600,000           | 2,930,403           | 166,933,921          |
| Money Market & Commodities                      | 14,770,557           | 66,640,367           | 1,625,330           | 142,469,886          | 25,700,000           | 7,400,000            | 2,469,136           | 97,249,882           |
| Net Current Assets                              | (24,131,211)         | 32,130,966           | 5,768,814           | 129,265,984          | 15,566,816           | (56,678,559)         | 987,182             | (15,464,064)         |
| <b>Net Assets as per financials</b>             | <b>3,813,499,449</b> | <b>1,747,186,053</b> | <b>41,004,711</b>   | <b>6,772,524,402</b> | <b>3,423,566,816</b> | <b>1,126,821,441</b> | <b>29,911,345</b>   | <b>5,327,505,938</b> |
| Provision for contribution arrears and interest | 57,486               | 227,202,423          | 9,083,944           | 463,267,133          | -                    | 120,500,000          | 11,200,000          | 411,483,840          |
| Benefits provisions                             | 1,098,307            | 34,008,215           | 12,039              | 35,419,304           | 5,300,000            | 27,200,000           |                     | 32,500,000           |
| Admin and ADB Reserve                           | 28,253,734           | 13,780,868           | 589,428             | 57,348,354           | 14,600,000           | 4,800,000            | 400,000             | 29,792,280           |
| <b>Restated assets</b>                          | <b>3,842,908,976</b> | <b>2,022,177,559</b> | <b>50,690,122</b>   | <b>7,328,559,193</b> | <b>3,443,466,816</b> | <b>1,279,321,441</b> | <b>41,511,345</b>   | <b>5,801,282,058</b> |

7.4 According to the financial statements, the Fund's ZWG asset market value increased from ZWG 4,550 million at 31 December 2024 to ZWG 5,560 million at 31 December 2025. The increase was largely driven by gains in the value of ordinary shares and net assets.

7.5 The Fund's USD asset market value as recorded in the financial statements increased from USD 29.9 million at 31 December 2024 to USD 41.0 million at 31 December 2025.

7.6 The investment return earned on the Fund for each sub account is shown below:

| 31-12-25          | Sub Account 1 (ZWG) | Sub Account 2 (ZWG) | Sub Account 3 (USD) |
|-------------------|---------------------|---------------------|---------------------|
| Investment Return | 20.30%              | 28.53%              | -2.12%              |

7.7 We also calculated the overall return on the assets of the Fund using the combined position in ZWG provided in the audited financial statements as at 31 December 2025. The overall rate of return for the Fund's assets combined in ZWG was 20.26%.

7.8 Quoted shares and fixed properties formed 75% of the total assets for the combined ZWG position as at 31 December 2025.

7.9 Prescribed assets were 13.76% of the total assets for the combined ZWG position as at 31 December 2025.

7.10 A summary of the Fund's Revenue Statement for the inter-valuation period is provided in **Appendix A.**

## Outstanding Contributions

- 7.11 With effect from 1 January 2020, the revised IPEC Revaluation Guideline requires outstanding contributions to be charged interest at the unsecured overdraft lending rate of the pension Fund's bank.
- 7.12 We have assumed that the amounts carried in the financial statements with respect to contribution arrears have been accumulated with the correct interest rates.
- 7.13 For the calendar year 2025, total contributions of ZWG 396 million for Sub Account 2 and USD17.5 million for Sub Account 3 were invoiced by the Fund.
- 7.14 Outstanding contributions amounted to ZWG183 million for sub account 2 (ZWG268 million with interest) and USD15.9 million for Sub Account 3 (USD17.9 million with interest) as at 31 December 2025.
- 7.15 According to the financial statements, the Fund set provisions for bad debts in respect of contributions amounting to ZWG247 million for Sub Account 2 and USD17.8 million for Sub Account 3.

## Investment Strategy

- 7.16 The Fund has a significant allocation to growth assets, with 38% invested in fixed properties and 37% in quoted equities. This indicates a strong focus on capital appreciation and long-term return generation.
- 7.17 While this asset mix may enhance long-term returns, it also exposes the Fund to:
- 7.17.1 Property market risk
  - 7.17.2 Equity market volatility
  - 7.17.3 Liquidity constraints (particularly from the high property allocation).
- 7.18 The relatively high concentration in property suggests limited liquidity, which may pose challenges in meeting short-term benefit payments.

## 8. Solvency Position of the Fund

- 8.1 The solvency position of the Fund is determined by comparing the value of the Fund assets with the total value of the Fund's liabilities.
- 8.2 A Fund is termed solvent when the value of the assets exceeds or equals the maximum liabilities of the Fund, i.e., when the Fund reflects a funding level of 100% or greater. The funding level is the ratio of the Fund assets to the Fund liabilities.
- 8.3 The solvency position of the Fund as at 31 December 2025, before allocation of interest to Member Accumulated Credits and before granting of pension increases to pensioners, is as follows:

| Solvency Position as at 31-Dec-2025 | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
|-------------------------------------|----------------------|----------------------|---------------------|----------------------|
| Accumulated Credit Fund: Actives    | 1,283,132,868        | 829,177,345          | 32,624,858          | 2,959,926,861        |
| Deferred Members                    | 790,381,945          | 148,504,125          | 3,391,391           | 1,026,996,782        |
| Preserved Members                   | 186,681,793          | 23,926,729           | 501,526             | 223,638,519          |
| Unclaimed Members                   | 45,990,082           | 4,040,182            | 47,706              | 51,269,699           |
| Pensioners' Liability               | 319,254,931          | 21,771,245           | 275,773             | 348,190,952          |
| Suspended Pensioners' Arrears       | 171,127,732          | 61,194               | -                   | 171,188,926          |
| Exited Members Reserve              | 176,620,089          | 29,631,508           | 414,735             | 217,026,702          |
| Additional Death Benefit Reserve    | 25,828,045           | 24,208,990           | 564,009             | 64,690,384           |
| Data Reserve                        | 32,956,500           | 15,438,126           | 315,063             | 56,580,183           |
| Contribution Arrears                | 58,767               | 362,780,248          | 12,428,460          | 685,739,106          |
| Compensation Reserve                | 38,193,712           | -                    | -                   | 38,193,712           |
| Contingency Reserve                 | 199,162,219          | 84,272,902           | -                   | 283,435,121          |
| Administration Expenses Reserve     | -                    | -                    | 1,098,403           | 28,537,279           |
| <b>Total Liability</b>              | <b>3,269,388,682</b> | <b>1,543,812,594</b> | <b>51,661,924</b>   | <b>6,155,414,225</b> |
| <b>Total Assets</b>                 | <b>3,842,908,974</b> | <b>2,022,177,559</b> | <b>50,690,121</b>   | <b>7,182,051,360</b> |
| <b>Surplus</b>                      | <b>573,520,293</b>   | <b>478,364,965</b>   | <b>(971,803)</b>    | <b>1,026,637,135</b> |
| <b>Funding Level</b>                | <b>117.54%</b>       | <b>130.99%</b>       | <b>98.12%</b>       | <b>116.68%</b>       |

*Table 8.1 Solvency position before interest*

- 8.4 As at 31 December 2025, Sub Account 1 had accrued liabilities amounting to **ZWG 3,269 million** and assets valued at **ZWG 3,842 million**, resulting in a surplus of **ZWG 573 million**.
- 8.5 As at 31 December 2025, Sub Account 2 had accrued liabilities amounting to **ZWG 1,543 million** and assets valued at **ZWG 2,022 million**, resulting in a surplus of **ZWG 478 million**.
- 8.6 As at 31 December 2025, Sub Account 3 had accrued liabilities amounting to **USD 51.7 million** and assets valued at **USD 50.7 million**, a deficit of **US\$0.97 million**.
- 8.7 The funding levels were **117.54%**, **130.99%**, and **98.12%** for Sub Accounts 1, 2, and 3, respectively. For the overall ZWG position, the funding level was **116.68%**.
- 8.8 The Fund is therefore financially sound on an overall ZWG basis as at 31 December 2025.

### Analysis of Surplus

- 8.9 We have also performed an analysis of the factors that led to the surplus in each of the sub-accounts before distribution of the surplus.
- 8.10 The table below shows the Analysis of surplus for Sub Account 1:

| ANALYSIS OF SURPLUS                   | ZWG                |
|---------------------------------------|--------------------|
| <b>Surplus as at 31 December 2024</b> | -                  |
| Data Adjustments                      | 59,415,502         |
| Return on Investments                 | 672,090,914        |
| Asset Adjustment                      | 34,788,654         |
| Variance between Data and Financials  | (19,585,697)       |
| Investment return to reserves         | (61,005,193)       |
| Interim Interest                      | (11,751,596)       |
| Change in Pensioner Liability         | 171,026,480        |
| Transfer to/from surplus              | (49,821,144)       |
| Pension Benefits Paid                 | (212,752,923)      |
| Miscellaneous gains/losses            | (8,884,703)        |
| <b>Surplus as at 31 December 2025</b> | <b>573,520,293</b> |

### Data adjustments

- 8.11 Data adjustments relate to the differences in the opening balances of the accumulated amounts; the closing amounts recommended in the previous valuation. This has contributed **ZWG59,415,502** to the surplus.

### Net Return on investment

- 8.12 The Fund earned net investment returns totalling **ZWG 672,090,914** mainly driven by gains in the fair values of equities, fixed properties and rental income.

### Investment return to reserves

- 8.13 Before surplus distribution an amount of **ZWG61,005,193** (*part of investment income*) has been allocated to the reserves.

### Interim Interest

- 8.14 When benefits paid are greater than the opening Fund credit and the total contributions for each member the difference is termed the interim interest, and it is the amount of overpayment.
- 8.15 Sub Account 1 has incurred overpayments totalling **ZWG 11,751,596** and this has taken up part of the surplus available for distribution.

### Change in Pensioner Liability

- 8.16 This is the change in the Sub Account 1 pensioner liability during the period.
- 8.17 The Liability has reduced by **ZWG171,026,480**, resulting in an increase in the surplus.

### Transfer to/from Surplus

- 8.18 An amount of **ZWG49,821,144** has been transferred from the Surplus to fund the Administrative Expenses and the Compensation reserve for Sub Account 1.

### Residual

8.19 The residual of **(ZWG 8,884,703)** corresponds to miscellaneous losses arising which have not been explicitly defined.

### Sub Account 2

8.20 The table below shows the Analysis of Surplus for Sub Account 2:

| ANALYSIS OF SURPLUS                   | ZWG                |
|---------------------------------------|--------------------|
| <b>Surplus as at 31 December 2024</b> | -                  |
| Data Adjustments                      | 23,020,606         |
| Return on Investments                 | 359,843,713        |
| Asset Adjustment                      | 127,302,524        |
| Variance between Data and Financials  | 241,116,758        |
| Investment return to reserves         | (186,417,862)      |
| Change in Pensioner Liability         | (2,577,760)        |
| Transfer to/from surplus              | (93,322,386)       |
| Residual                              | 9,399,371          |
| <b>Surplus as at 31 December 2025</b> | <b>478,364,965</b> |

### Net Return on investment

8.21 The Fund earned net investment returns totalling **ZWG 359,843,713** mainly driven by gains in the fair values of equities and debt instruments.

### Investment return to reserves

8.22 Before surplus distribution an equivalent of **ZWG186,417,862** (*part of investment income*) has been allocated to the reserves.

### Residual

8.23 The residual of **ZWG9,399,371** corresponds to miscellaneous losses arising which have not been explicitly defined.

### Sub Account 3

8.24 The table below shows the Analysis of Surplus for Sub Account 3.

| ANALYSIS OF SURPLUS                   | US\$        |
|---------------------------------------|-------------|
| <b>Surplus as at 31 December 2024</b> |             |
| Data Adjustments                      | 1,429,411   |
| Return on Investments                 | (760,762)   |
| Assets Adjustment                     | (2,010,758) |
| Variance between Data and Financials  | 2,077,091   |
| Investment return to reserves         | 304,985     |
| Change in Pensioner Liabilities       | (142,294)   |
| Fund Expenses                         | (2,524,442) |
| Transfer from reserves                | 971,803     |
| Residual                              | 654,966     |
| <b>Surplus as at 31 December 2025</b> | -           |

### Net Investment Return

8.25 Fund had a net investment loss of **USD\$760,762**.

### Transfer from reserves

8.26 Transfer of **USD\$971,803** corresponds to amount transferred from the Administrative Expenses Reserve to expunge the deficit.

### Cash-in-lieu of Pension Increases

8.27 It has been the recent practice of the Fund to make cash disbursements in lieu of part of the recommended pension increase. It is our understanding that the Fund seeks to move away from this practice, in favour of awarding full pension increases on pensions in payment and then converting the amounts at the official rate to USD. The USD amounts would then be paid to pensioners monthly.

8.28 We give our high-level considerations regarding the proposal as follows:

8.28.1 **Managing pensioner expectations** – it has to be communicated clearly to pensioners that policy is subject to variation from time to time as circumstances change.

8.28.2 **Liquidity position** – the Fund must consider, and assess regularly, whether there is sufficient liquidity available to sustain the payments.

- 8.28.3 **Fairness and equity considerations** – other member categories exiting the Fund from the ZWG sub accounts may expect to be paid in USD as well.
- 8.28.4 **Potential Asset and Liability mismatch** – the Fund will be creating an obligation in USD that is backed by assets valued in ZWG. The Fund may need to revisit its investment strategy to cover this risk.
- 8.28.5 **Movement of the exchange rate** – if the alternative market rate should deteriorate markedly compared to the official rate, the pensions in USD may be significantly overstated, resulting in the Fund paying unsustainable amounts.
- 8.29 We have prepared a paper separately to discuss these matters further for the Board's consideration.

### Recommendations

- 8.30 In view of the surplus in respect of Sub Account 1 and 2, we recommend the following:

#### Sub Account 1

8.30.1 Declare an interest of **19.86%** for the year ending 31 December 2025. This represents the Revaluation Gains passed over to the Accumulated Members Credits for the valuation period.

8.30.2 Award a pension increase of **18.32%** to the Pensioners' liability and Suspended Pensioners' arrears.

#### Sub Account 2

8.30.3 Declare an interest of **47.76%** for the year ending 31 December 2025. This represents the Revaluation Gains passed over to the Accumulated Members Credits for the valuation period.

8.30.4 Award a pension increase of **39.42%** to the Pensioners' liability and Suspended Pensioners' arrears.

- 8.31 We recommend that no interest be awarded to the accumulated Member Credits and that no pension increase be granted to the pensioners' liabilities in respect of Sub Account 3.

8.32 The table below shows the solvency position of the Fund as at 31 December 2025 after implementing the recommendations above:

|                                  | 31-12-25             |                      |                     |                      |
|----------------------------------|----------------------|----------------------|---------------------|----------------------|
|                                  | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) | Combined (ZWG)       |
| Accumulated Credit Fund: Actives | 1,537,407,752        | 1,193,611,772        | 32,624,858          | 3,578,636,172        |
| Deferred Members                 | 948,141,236          | 217,287,270          | 3,391,391           | 1,253,539,218        |
| Preserved Members                | 224,244,956          | 35,344,841           | 501,526             | 272,619,793          |
| Unclaimed Members                | 55,021,121           | 5,907,494            | 47,706              | 62,168,050           |
| Pensioners' Liability            | 377,731,217          | 30,352,608           | 275,773             | 415,248,600          |
| Suspended Pensioners' Arrears    | 202,472,319          | 85,314               | -                   | 202,557,633          |
| Exited Members Reserve           | 178,153,321          | 32,808,193           | 414,735             | 221,736,619          |
| Additional Death Benefit Reserve | 25,828,045           | 24,208,990           | 564,009             | 64,690,383           |
| Data Reserve                     | 32,956,500           | 15,438,126           | 315,063             | 56,580,183           |
| Contribution Arrears             | 58,767               | 362,780,248          | 12,428,460          | 685,739,106          |
| Compensation Reserve             | 38,193,712           | -                    | -                   | 38,193,712           |
| Contingency Reserve              | 199,162,219          | 84,272,902           | -                   | 283,435,121          |
| Administration Expenses Reserve  | -                    | -                    | 126,600             | 3,289,157            |
| <b>Total Liability</b>           | <b>3,819,371,162</b> | <b>2,002,097,759</b> | <b>50,690,121</b>   | <b>7,138,433,748</b> |
| <b>Total Assets</b>              | <b>3,842,908,974</b> | <b>2,022,177,559</b> | <b>50,690,121</b>   | <b>7,182,051,360</b> |
| <b>Surplus</b>                   | <b>23,537,812</b>    | <b>20,079,800</b>    | <b>-</b>            | <b>43,617,612</b>    |
| <b>Funding Level</b>             | <b>100.62%</b>       | <b>101.00%</b>       | <b>100%</b>         | <b>100.61%</b>       |

*Table 8.3 Solvency position after interest*

## 9. Associated Risks of the Fund

### Benefits before retirement

- 9.1. The Fund is structured as a defined contribution pension fund and faces a variety of risks.
- 9.2. Members of the Fund are therefore exposed to the following risks:

#### Longevity Risk:

- 9.3. Pensions are paid from within the Fund and so carry the obligation to pay Pensioners regular pensions till death, which poses longevity risk. This is the risk that the Fund will have obligations on the books for a longer time than had been reserved for according to the actuarial assumptions.
- 9.4. We recommend the Fund to continue to carry out mortality investigations in order to align mortality assumptions with the experience of the Fund.

#### Mortality Risk

- 9.5. As the Fund is effectively self-insured with regards to the Death-in-Service benefit, the Fund is exposed to the risk that death benefits exceed contributions made by the Employer if the number of deaths is higher than assumed.

The Fund can mitigate against this risk by monitoring the death experience closely to ensure that the Employer contributions are sufficient to meet the death benefits as they are required.

#### Investment Risk:

- 9.6. Poor investment returns or a fall in market prices of the investments is a risk that the Fund is exposed to. The Fund is concentrated in real investments like property and equities, which carry a higher risk as compared to the other types of investments the Fund has made.
- 9.7. The Fund maintains a contingency reserve to smoothen distribution of the returns in the event that the Fund's assets under-perform.

**Expense risk:**

- 9.8. The current source of the expense risk is the level of expenses exceeding the current contributions by the Employer to meet the cost of non-investment expenses. To control this the Fund maintains an Administration Expenses Reserve intended to meet all non-investment expenses.

**Compliance Risk:**

- 9.9. The source of this risk is the failure to comply with legal and regulatory requirements. The Fund can mitigate this by keeping abreast of all regulation and any legislative changes that arise and aligning with these accordingly.

**Currency and inflation risk**

- 9.10. The Fund is exposed to a reduction in the real value of monetary assets held due to the risk of higher inflation and the depreciation of the local currency.

To mitigate this risk, the Fund has to continue to have as high a proportion of the assets as is possible invested in assets that retain real value, e.g. tradable equities, fixed property and property-related investments like REITs.

## 10. Conclusions and Recommendations

10.1 We have carried out the Actuarial Valuation for the Mining Industry Pension Fund as at 31 December 2025 in line with the "Guideline for The Insurance and Pensions Industry on Adjusting Insurance and Pension Values in Response to Currency Reforms" by Insurance and Pensions Commission (IPEC) issued on 31 May 2021 and Circular 1 of 2025.

10.2 We have also considered all other relevant guidelines, statutory instruments and legislation in preparing our report.

10.3 Below is a summary of our recommendations:

### Sub Account 1

10.3.1 Declare an interest of **19.86%** for the year ending 31 December 2025. This represents the Revaluation Gains passed over to the Accumulated Members Credits for the valuation period.

10.3.2 Award a pension increase of **18.32%** to the Pensioners' liability and Suspended Pensioners' arrears.

### Sub Account 2

10.3.3 Declare an interest of **47.76%** for the year ending 31 December 2025. This represents the Revaluation Gains passed over to the Accumulated Members Credits for the valuation period.

10.3.4 Award a pension increase of **39.42%** to the Pensioners' liability and Suspended Pensioners' arrears.

10.3.5 We recommend that no interest be awarded to the accumulated Member Credits and that no pension increase be granted to the pensioners' liabilities in respect of Sub Account 3.

10.4 Members in all the sub accounts who exited before the valuation date are entitled to, and have been awarded, pro-rated interest proportionate to the time that they were a part of the Fund during the year.

- 10.5 We recommend that the Board of Fund continue to monitor the allocation of expenses across the sub-accounts to ensure equity and fairness in this regard.
- 10.6 We recommend that suspended pensioners' arrears are awarded the same pension increase as that awarded to pensioners.
- 10.7 We recommend that the Board of Fund continuously monitor and mitigate the risks of the Fund stated in Section 9 of this report.

### **Concluding Remarks**

- 10.8 We would like to thank the Board of Mining Industry Pension Fund for allowing us the opportunity to carry out this exercise.
- 10.9 We would be pleased to assist with any matters that may arise in respect of the interpretation of the content of this report or undertake any further analysis that may be required.

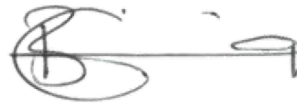


**Tafadzwa Chiduzwa**

FIA(UK), CERA(UK), MSc, BCom (Hons.)

**Statutory Actuary**

15 May 2026



**Blessing Chidiwa**

AIA(UK) BCom (Hons.) Actuarial Science

**Actuarial Director**

15 May 2026

## Appendix A: Revenue Account

| Revenue Account                         | Sub account 1 (ZWG)<br>31-12-25 | Sub account 2 (ZWG)<br>31-12-25 | Sub account 3 (USD)<br>31-12-25 |
|---|---------------------------------|---------------------------------|---------------------------------|
| <b>Fund @ beginning of period</b>       | <b>3,433,538,436</b>            | <b>1,149,961,186</b>            | <b>29,815,177</b>               |
| Member Contributions                    | -                               | 201,089,569                     | 10,456,103                      |
| Employer Contributions                  | 8,650                           | 270,276,343                     | 8,978,566                       |
| Transfer from Other Funds               | -                               | 1,813,651                       | 177,495                         |
| Employer contributions towards expenses | -                               | 38,039,200                      | 3,824,778                       |
| Interest                                | 31,419,288                      | 14,272,259                      | 1,449,370                       |
| Dividends                               | 60,761,730                      | 43,614,038                      | 86,443                          |
| Rental income                           | 117,621,849                     | 9,447,470                       | 440,738                         |
| Other income                            | 33,554,027                      | 4,361,314                       |                                 |
| <b>Total Income</b>                     | <b>243,365,544</b>              | <b>582,913,844</b>              | <b>25,413,492</b>               |
| <b>EXPENDITURE</b>                      |                                 |                                 |                                 |
| Benefits paid                           | 289,222,645                     | 59,916,429                      | 1,885,185                       |
| Consultancy and legal fees              | 385,398                         | 1,793,480                       | 39,403                          |
| Provisions set                          | 8,737,721                       | 121,111,106                     | 7,077,019                       |
| Admin Expenses                          | 20,495,587                      | 95,377,908                      | 2,485,040                       |
| Investment Costs                        | 76,853,778                      | 2,588,921                       | 48,543                          |
| Loss on Sale of Investments/Assets      | 984,743                         | -                               | -                               |
| <b>Total Expenditure</b>                | <b>396,679,872</b>              | <b>280,787,844</b>              | <b>11,535,189</b>               |
| Fair value adjustment gains             | 536,341,974                     | 295,435,756                     | (2,688,769)                     |
| Realised exchange gains                 | (3,066,635)                     | (336,890)                       | -                               |
| <b>Fund at the end of period</b>        | <b>3,813,499,447</b>            | <b>1,747,186,052</b>            | <b>41,004,711</b>               |

## Appendix B: Quantitative Impact Assessment

- B1. As of 2023, IPEC published the Zimbabwe mortality tables. According to the initial Circular 23 of 2024 and Circular 1 of 2026, insurance companies and pension funds are required to include a section showing the impact of using the Zimbabwean mortality tables. This is to be done in preparation for the adoption of the tables by the industry by 1 January 2030.
- B2. Since the only class of member liabilities affected by the change in mortality rates are the pensioners, we have assessed the impact on their values only exclusive of the other member categories, which are not affected by the directive.
- B3. The table below shows the pensioner liabilities using our current mortality assumptions as set out in the report and what they would be if we had used the Zimbabwe mortality tables:

|                               | Current Mortality Assumptions | Zimbabwe Mortality Table | % Change     |
|-------------------------------|-------------------------------|--------------------------|--------------|
| Sub Account 1 (ZWG)           | 319,254,931                   | 395,083,176              | 23.8%        |
| Sub Account 2 (ZWG)           | 21,771,245                    | 23,765,879               | 9.2%         |
| Sub Account 3 (USD)           | 275,773                       | 297,768                  | 8.0%         |
| <b>Overall Combined (ZWG)</b> | <b>348,190,952</b>            | <b>426,585,268</b>       | <b>22.5%</b> |

- B4. The pension liability in respect of all the sub accounts increases by 23.8%, 9.2% and 8.0% for Sub Account 1,2 and 3 respectively. The overall impact on the combined ZWG value of the pensioner liabilities is an increase of 22.5%. This is due to the Zimbabwe tables having lighter mortality compared to the a (55) tables.
- B5. According to the results of the latest mortality investigation carried out by the Fund's previous actuary, the Zimbabwe mortality tables were not found to be a good fit for the Fund's experience, as the Fund's experience showed heavier mortality than the Zimbabwe mortality tables.
- B6. We recommend that measures be put in place to prepare for the adoption of the Zimbabwe mortality tables by conducting a mortality investigation closer to the date of adoption.
- B7. The next mortality investigation, which is due in the next two years, will better inform the experience of the Fund, and allow for any adjustments to the Zimbabwe mortality tables that may be required to produce a better fit to the actual mortality experience of the Fund.

## Appendix C: IPEC's Checklist Form

| Actuarial Requirement                              | Information   | Reference   |
|--|---|---|
| Valuation date and objectives                      | <ul style="list-style-type: none"> <li>State the previous Actuarial Valuation date</li> <li>State the name of the previous Actuary</li> <li>State the current Actuarial Valuation date</li> </ul>   | <ul style="list-style-type: none"> <li>Section 2.2</li> <li>Section 2.2</li> <li>Section 2.1</li> </ul> |
| Relevant developments since the previous valuation | <ul style="list-style-type: none"> <li>List out any discretionary benefits awarded and comment on whether they were supported by the Fund's assets</li> <li>Outline any extraordinary changes in membership</li> <li>State whether there was a significant change in the investment strategy</li> <li>State any amendments made to the Rules</li> </ul> | <ul style="list-style-type: none"> <li>Section 2.8</li> <li>None</li> <li>None</li> <li>None</li> </ul> |
| Summary of Benefits and Contribution rates         | <ul style="list-style-type: none"> <li>State the proportion of contributions that is channelled to meet retirement benefits, expenses and insurance benefits.</li> <li>State the level of expenses in proportion to contributions</li> </ul>  | <ul style="list-style-type: none"> <li>Section 5</li> <li>Section 6</li> </ul>                          |
| Summary of membership data                         | <ul style="list-style-type: none"> <li>Detail the membership data summaries</li> </ul>  | <ul style="list-style-type: none"> <li>Sections 4.3 and 4.4</li> </ul>                                  |
| Summary of Assets                                  | <ul style="list-style-type: none"> <li>State the asset composition by asset class</li> </ul>  | <ul style="list-style-type: none"> <li>Section 7.3 and 7.7</li> </ul>                                   |
| Investment Strategy                                | <ul style="list-style-type: none"> <li>State out the Investment strategy of the Fund</li> </ul>   | <ul style="list-style-type: none"> <li>Section 7.3</li> </ul>   |
| Investment Return                                  | <ul style="list-style-type: none"> <li>State the return rate earned on assets</li> </ul>  | <ul style="list-style-type: none"> <li>Section 7.2</li> </ul>   |
| Valuation Methodology and Assumptions              | <ul style="list-style-type: none"> <li>State methodology used to value assets</li> <li>State methodology used to value liabilities</li> </ul>   | <ul style="list-style-type: none"> <li>Section 6</li> </ul>   |
| Reserving  | <ul style="list-style-type: none"> <li>State the level of reserves set for each contingency</li> </ul>  | <ul style="list-style-type: none"> <li>Section 6.24 – 6.30</li> </ul>                                   |
| Valuation Results                                  | <ul style="list-style-type: none"> <li>Outline the total liability per category</li> <li>State the Funding level (Assets/Liabilities)</li> </ul>  | <ul style="list-style-type: none"> <li>Section 8</li> <li>Section 8</li> </ul>                          |
| Actuary's Qualifications and Capacity              | <ul style="list-style-type: none"> <li>Clearly state the Actuary's qualification and the capacity in which he has signed the report.</li> </ul>   | <ul style="list-style-type: none"> <li>Appendix E</li> </ul>  |

## **Appendix D: Fund Rules**

A summary of the redrafted Rules of 2021 is set out below:

### **Normal Retirement Age**

Age 60 years.

### **Normal Retirement Date**

The First day of the month which next follows or coincides with the Member's attainment of Normal Retirement Age, except for females who were members of the Fund on 1 August 1982, who can retire at age 55.

### **Pension**

A series of regular payments payable to a retired Member or former Member or spouse or dependent.

### **Pension benefit on normal retirement**

The amount of pension at retirement age shall be determined by the aggregate Employer and employee contributions. The aggregate contributions will be accumulated with bonuses declared by the Fund up to the retirement date. The factors used to convert accumulated contributions into an immediate pension amount are based on a member's gender and age at the retirement date. The pension purchase factors shall be determined by the Actuary from time to time.

### **Pension benefit on voluntary early retirement**

The calculation of the pension amount at early retirement will be as for pension benefit on normal retirement date. However, the factors used to convert accumulated contributions into an immediate pension amount are based on the member's gender and age at the early retirement date.

### **Pension benefit on ill-health early retirement**

The higher of the actuarial reserve and the refund of contributions plus interest.

### **Pension benefit on late retirement**

The calculation of the pension amount at early retirement will be as for pension benefit on normal retirement date. However, the factors used to convert accumulated contributions into

an immediate pension amount are based on the member gender and age at the late retirement date.

### **Death in service before Normal Retirement Age**

If a member dies in service before attaining Normal Retirement Age, a benefit of the aggregate of contributions made plus Fund interest is payable to the member's spouse/ beneficiaries. Plus, An Additional Death Benefit at the discretion of the Board of Fund, subject to actuarial advice, will be payable.

### **Death in service after Normal Retirement Age**

If an employee dies in service leaving a widow, the widow will be entitled to a pension as if the member had elected a joint and survivorship pension unless the member had made other elections. If an employee dies in service leaving no widow, then the commuted value of a pension guaranteed for 5 years and thereafter for life will be paid. Plus An Additional Death Benefit at the discretion of the Board of Fund, subject to actuarial advice, will be payable.

### **Death after retirement**

The benefit payable to beneficiaries will depend on the member's option elected at retirement. Retiring member can opt for;

- A guarantee period of 5 or 10 years,
- A single life pension or joint and survivorship pension

If death occurs during the guarantee period, according to the member's election, the beneficiaries will receive a monthly pension up to the end of the guarantee period. If pensioner had opted for a joint and survivorship pension, the pension will be paid for lifetime of chosen beneficiary. Plus An Additional Death Benefit at the discretion of the Board of Fund, subject to actuarial advice

### **Death of a former employee member**

The death benefit due is the same as the benefits for member who dies in service. However, no Additional Death Benefit is payable if death occurs after 6 months of termination of employment.

### **Benefits on Retrenchment and Reorganization**

If a Member who has not attained the Normal Retirement Age is discharged from the Service of the Employer owing to a general scheme for a reduction or reorganization of staff, to

facilitate improvements in efficiency, or to retrenchment generally, he shall be entitled to his Allocation Account.

### **Pension Increases**

Pensions in payment and deferred pensions during the period of deferment may be increased by such amounts as the Board of Fund, after consultation with the Actuary, decide.

### **Contributions**

Contributions by Active members to the Fund are being made at the rate of 7.5% of Pensionable Salary and at the rate of 7.5% of such salary by the Employer. Provision is also made under the registered Fund Trust Deed and Rules for Members to make Additional Voluntary Contributions to the Fund.

### **Accumulated Contributions**

This is the aggregate of:

- The Contributions made by the Member and Employer to the Allocation Account in terms of the Rules with Interest and Bonuses thereon; and
- The portion of any amount transferred to the Allocation Account from another Scheme or arrangement and deemed to be the Member's Contributions in terms of the Rules with interest and bonuses thereon.

## **Appendix E: IPEC Certifications**

### **DATA CERTIFICATION BY THE REVALUATION ACTUARY**

I, the undersigned, hereby certify that the data used to determine the solvency position for the Mining Industry Pension Fund is sufficient, based upon information and belief formed after reasonable inquiry. I also confirm that I have done the following before determining the solvency position:

- a. Checked and certified the adequacy/sufficiency of data as at 31 December 2025
- b. Reconciled the membership as at 31 December 2025 with that as at 31 December 2024.

Revaluation Actuary:

**TAFADZWA HUMPHREY CHIDUZA**

**(FIA, CERA, BComm, MSc)**

Signature:



Date: 15 May 2026

**CERTIFICATION OF THE ASSET AND LIABILITY CALCULATION METHODS AND  
ASSUMPTIONS BY THE REVALUATION ACTUARY**

I, the undersigned, hereby certify that all the calculations for the purposes of determining the solvency position for the Mining Industry Pension Fund as at 31 December 2025 were done in accordance with the "Guideline for the Insurance and Pensions Industry on Adjusting Insurance and Pension Values in Response to Currency Reforms".

I also confirm that I have done the following before determining the solvency position; Checked the values of assets and accuracy of liabilities as at 31 December 2024 and as at 31 December 2025.

Reconciled the assets and liabilities by categories of pension membership between 31 December 2024 and 31 December 2025.

Revaluation Actuary:

**TAFADZWA HUMPHREY CHIDUZA**

**(FIA, CERA, BComm, MSc)**

Signature:



Date: 15 May 2026

## CERTIFICATION OF THE SOLVENCY POSITION BY THE REVALUATION ACTUARY: PENSION AND PROVIDENT FUNDS

I, the undersigned, hereby certify that the Mining Industry Pension Fund is solvent on an as at 31 December 2025 as shown in the table below. This is after adjusting fund member values based on calculations in terms of the "Guideline for the Insurance and Pensions Industry on Adjusting Insurance and Pension Values in Response to Currency Reforms".

| Solvency Position as at 31-Dec-2025 | Sub Account 1 (ZWG)  | Sub Account 2 (ZWG)  | Sub Account 3 (USD) |
|-------------------------------------|----------------------|----------------------|---------------------|
| <b>Total Liability</b>              | <b>3,819,371,162</b> | <b>2,002,097,759</b> | <b>50,690,121</b>   |
| <b>Total Assets</b>                 | <b>3,842,908,974</b> | <b>2,022,177,559</b> | <b>50,690,121</b>   |
| <b>Surplus</b>                      | <b>23,537,812</b>    | <b>20,079,800</b>    | <b>-</b>            |
| <b>Funding Level</b>                | <b>100.62%</b>       | <b>101.00%</b>       | <b>100%</b>         |

Revaluation Actuary:

**TAFADZWA HUMPHREY CHIDUZA**

**(FIA, CERA, BComm, MSc)**

Signature:



Date: 15 May 2026

**DATA CERTIFICATION BY THE PRINCIPAL OFFICER**

I, the undersigned, hereby certify that the data submitted to the Revaluation Actuary for the purposes of determining and distributing Revaluation Gains which arose due to the 2019 currency reforms for Mining Industry Pension Fund is true, complete and accurate in all material respect.

Name of the Principal Officer: .....

Signature: .....

Date: ...../...../.....