

# Botswana Pension Society Conference

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Lessons from Covid 19 – A consultant's Perspective

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**CEO - Alexander Forbes**



A photograph of a Black man and woman in professional business attire. The man, on the left, is wearing a grey suit, white shirt, and a blue and white striped tie. The woman, on the right, is wearing a light blue blazer. They are both smiling and looking down at a laptop screen, which is partially visible on the left side of the frame. The background is a blurred office environment with large windows.

**Covid-19  
happened**

**What did we see?**



[illegible]

Some of the most devastating pandemics have been the bubonic plague in the 14th century, the measles in the 16th century and smallpox in the 18th century. The 19th century witnessed tuberculosis, cholera, influenza and polio pandemics. The 20th century saw the influenza A (H1N1) pandemic and the acquired immune deficiency syndrome (AIDS) pandemic.

Compared to seasonal flu viruses, pandemic flu can cause severe disease in young, healthy people, resulting in more illness and deaths. For instance, the highest mortality rate in the 1918–1919 being the Spanish Flu pandemic was in people aged between 20 and 40 years. Children were the most affected in the 2009 H1N1 pandemic.

# How did the world react?

## Hong-Kong and South Korea

- Government-mandated contact tracing and surveillance protocols

## Singapore

- First to introduce border closures, rapid testing, social distancing and strong contact tracing strategy

## United Kingdom

- Implemented fairly strict, police-enforced social distancing measures

## Sweden

- Banned gatherings of 50+ people, most businesses, bars, gyms, restaurants remained open

## Spain

- Introduced a total stimulus of 12% of GDP to fight Covid-19

# Local measures put in place to respond to the pandemic







# Pension Funds responds

*“Keep calm and carry on. Pensions are a long-term game. Do not get spooked by short-term challenges”*  
*Helen Morrissey*

# Why Pension Funds Exist – History of Retirement Funds

01

Industrial  
revolution

02

Need for high  
quality, skilled  
workers

03

Reward for  
long, loyal  
service

04

Tax incentives

# Why Pension Funds Exist – History of Retirement Funds

History of  
Retirement Funds



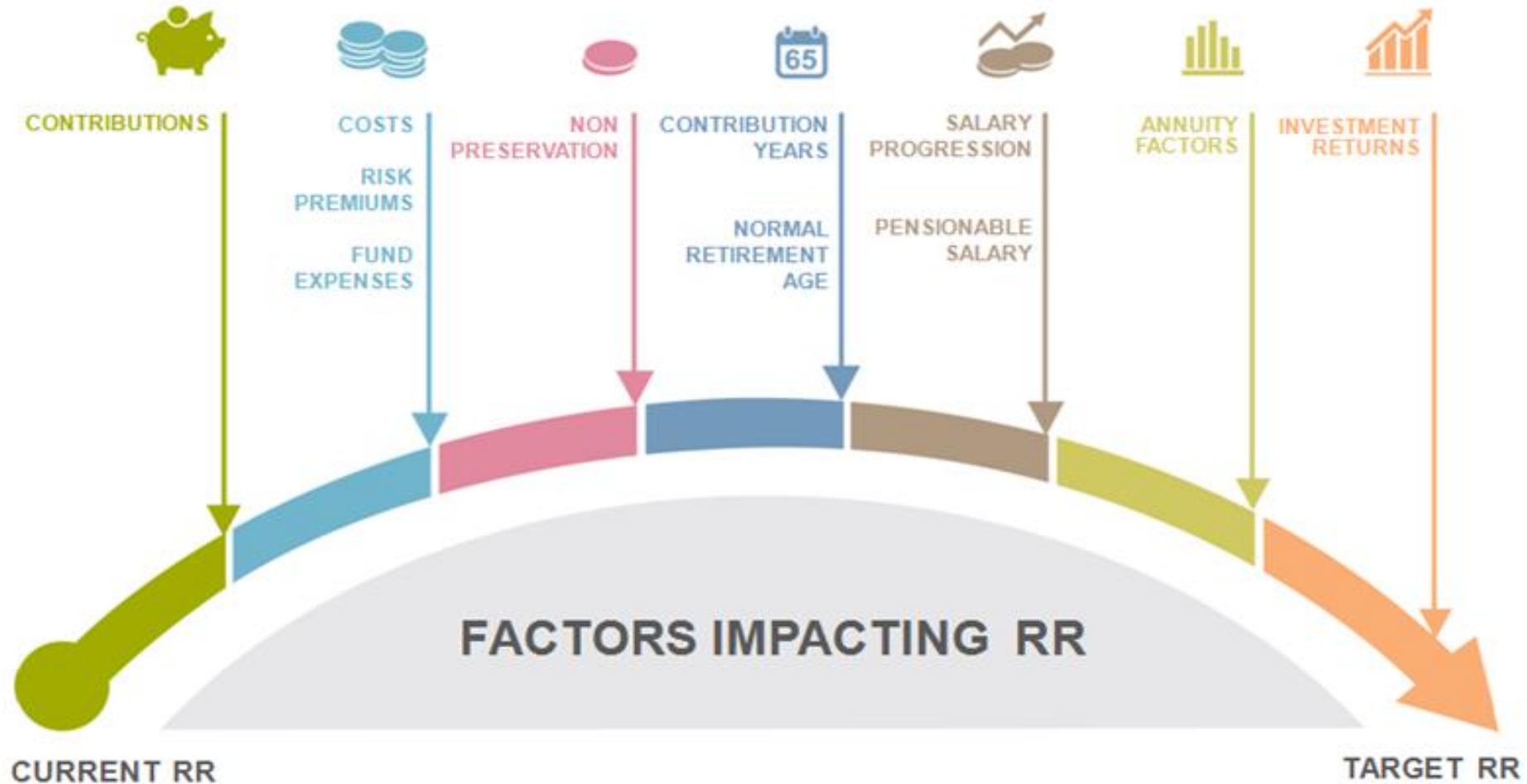
The diagram features a large white bracket on the left side, spanning the vertical space of the two circular nodes. To the right of the bracket, the text 'History of Retirement Funds' is written. Further right, there are two circular nodes. The first node has an orange border and contains the text 'To replace a member's salary when they get to retirement'. The second node has a blue border and contains the text 'The role of trustees, administrators and investment managers'.

To replace a member's  
salary when they get to  
retirement

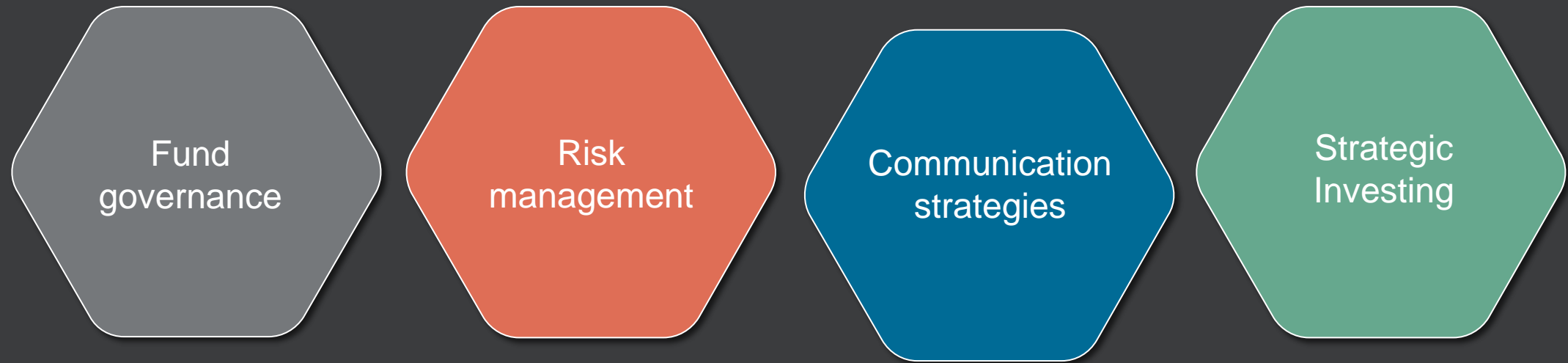
The role of trustees,  
administrators and  
investment managers



# Primary objective



# Protection of members' interests – 4 Pillars



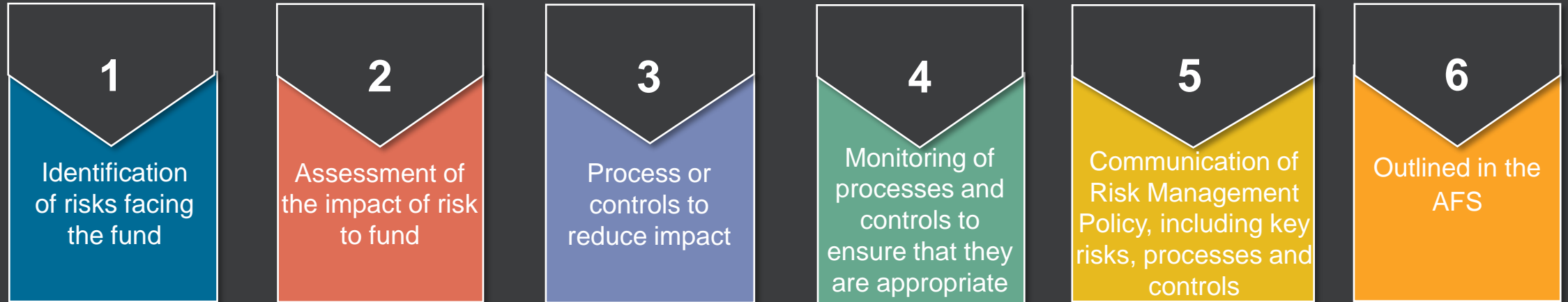
# Fund governance





# Risk management

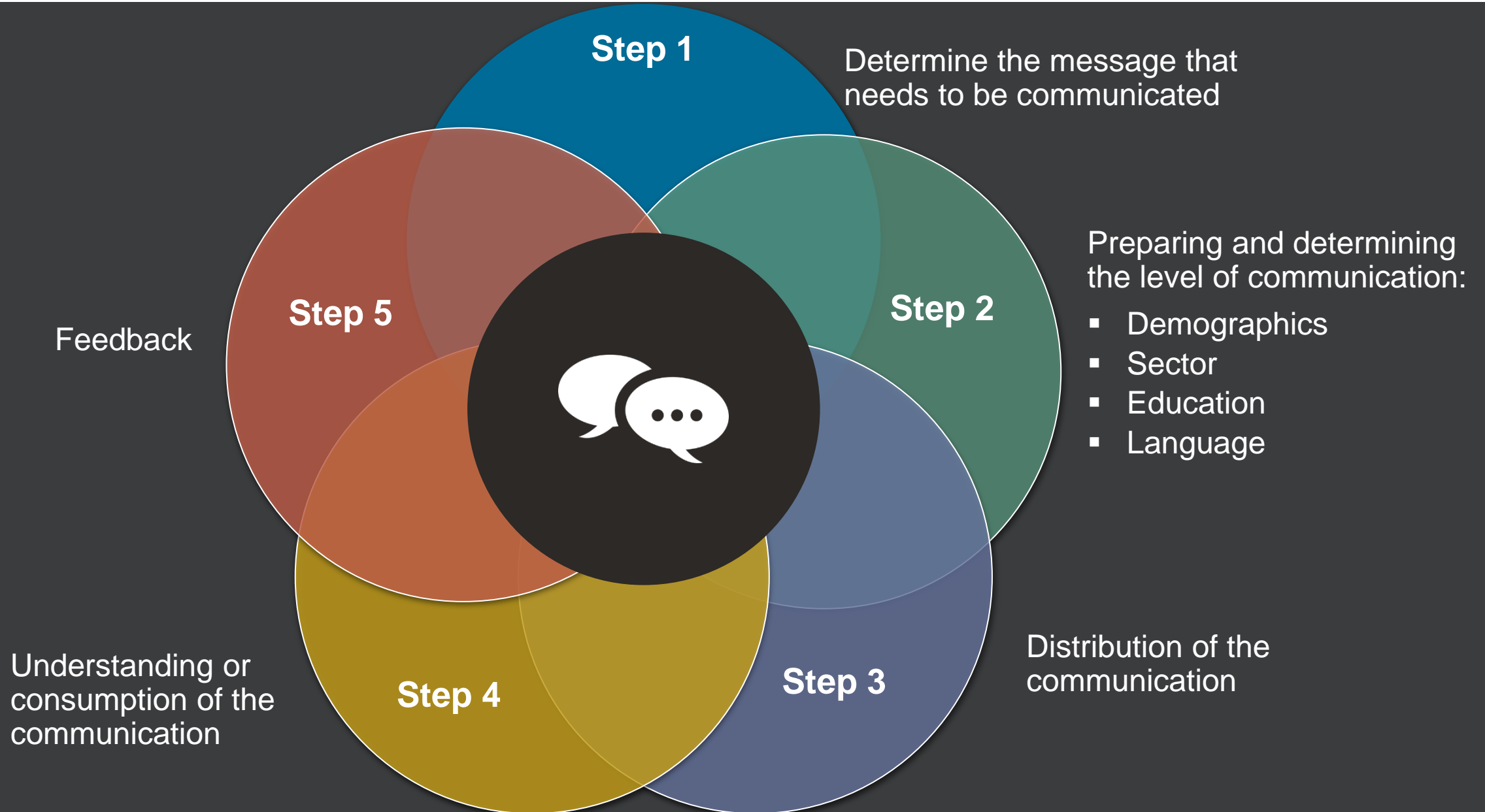
## Objective of the framework



## Responsibility

The trustees are responsible for implementing policies and procedures to support this.

# Communication strategies



# Strategic Investing

To be set out in the fund's Investment Policy document



Have appropriate  
benchmarks in place



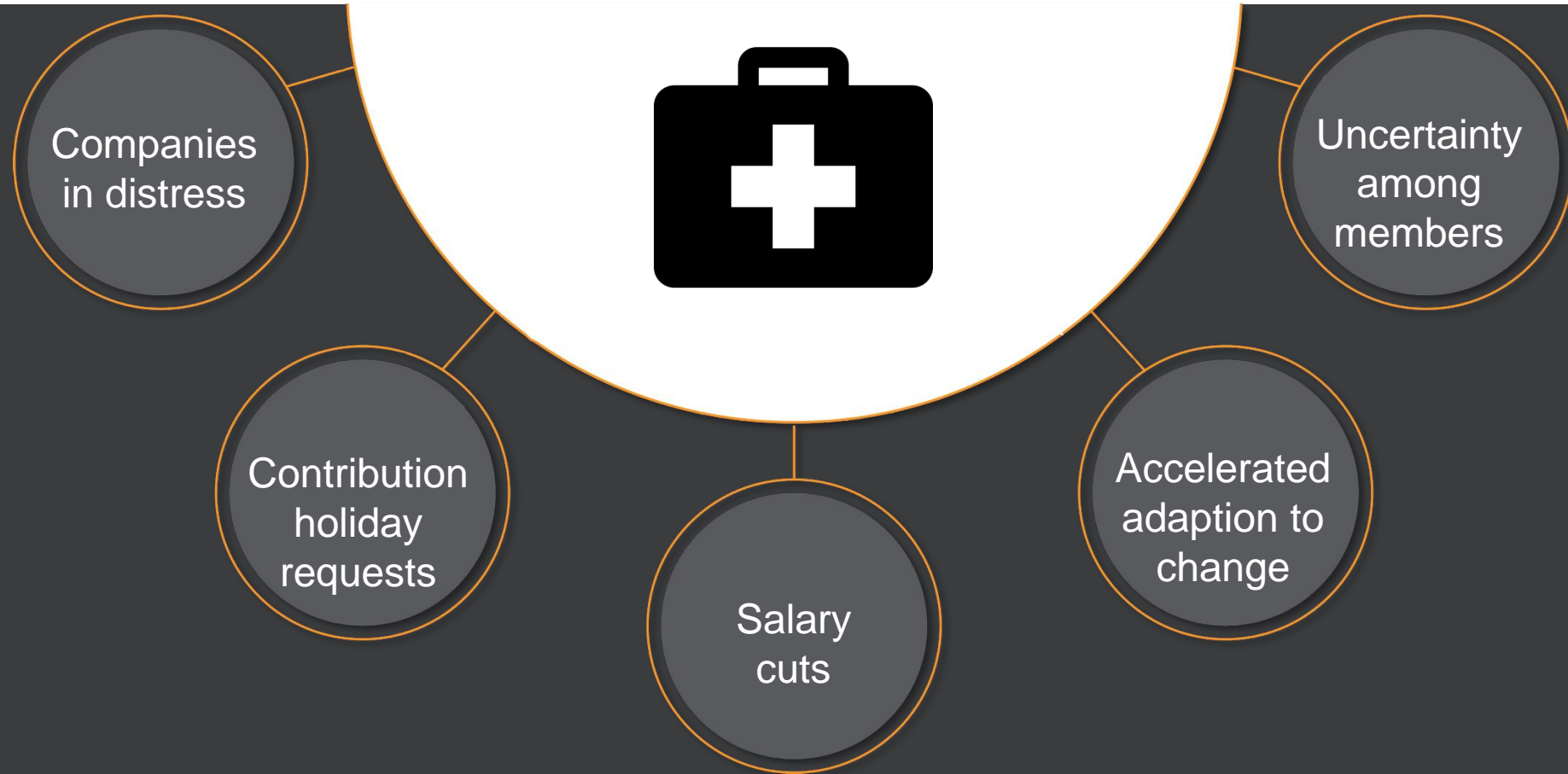
Ensure investments  
are taken and  
implemented timeously



Monitor  
performance



# What did we see happen during the Covid-19 Crisis?



# Strategic focus areas affecting net replacement ratio

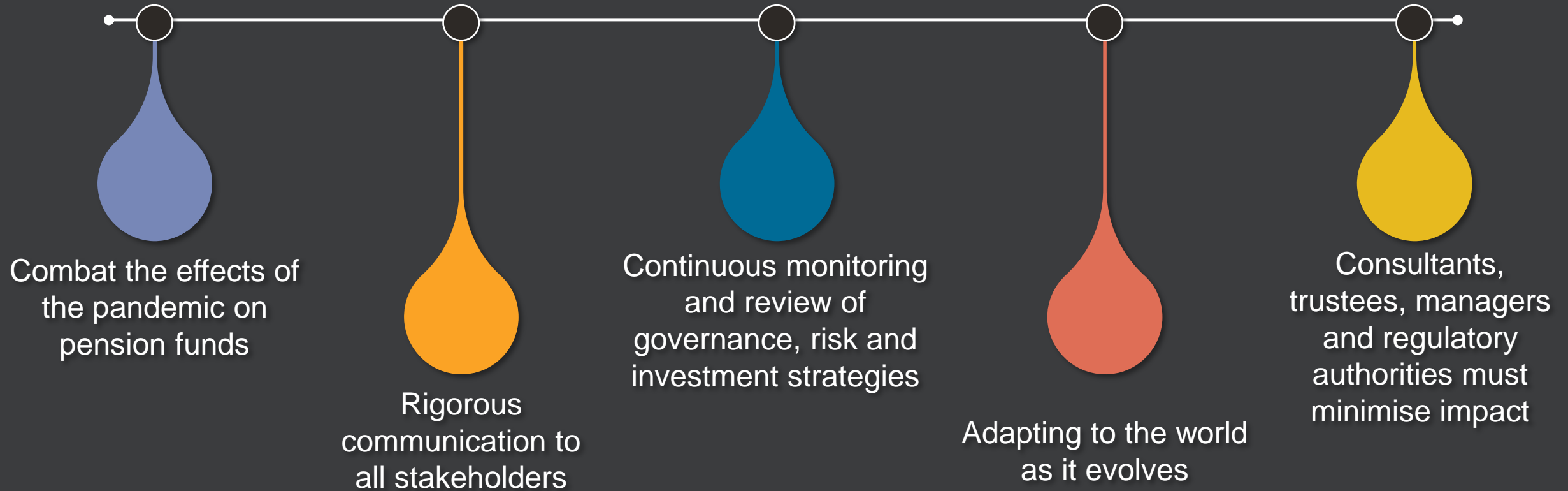


# Way forward..





# Conclusion



*"A sustainable world means working together to create prosperity for all"*  
**Jacqueline Novogratz**

A blurred background image of an office interior. Several people are visible, some standing and some sitting at desks, engaged in work. The image is out of focus, emphasizing the text overlay.

# THANK YOU