

Highlights – 2023 Financial Year

Kenya Ports Authority Retirement Benefits Scheme 2012

Fund Growth & Investment Performance

- The Scheme's assets grew by **11.18%**, increasing from **KES 19.02 billion** to **KES 21.14 billion** by 31st December 2023.
- Net investment return stood at **KES 107.89 million** despite challenging economic conditions.
- Asset allocation was as follows:
 - Government Securities: 66.05%
 - Guaranteed Fund: 16.34%
 - Listed Equities: 9.79%
 - Term Deposits, T-Bills & Corporate Debt: balance
- The Scheme adopted prudent, diversified strategies and remained fully compliant with RBA guidelines.

Contributions & Member Movements

- Total contributions and transfers in: **KES 2.89 billion** (up from KES 2.06 billion in 2022)
- Benefits paid: **KES 650.35 million**
- Successful onboarding of staff from the former **Kenya Ferry Services Ltd** into the Scheme
- Continued encouragement for members to make **Additional Voluntary Contributions (AVCs)** for a more secure retirement

Governance & Trustee Developments

- **New Trustees** elected: Mr. Samuel Omondi Tawa and Ms. Dolorees Maikah
- **Trustee Emma Seline Okello** retained her seat
- Mr. Geoffrey Kavate elected as the new Chairperson, replacing Mr. Salim H. Kumaka

- The Board operates through three main committees:
 - Finance & Investment (Chair: Ms. Mercy Kirui)
 - Audit & Risk (Chair: Dr. Consolata Lusweti)
 - Administration & Communication (Chair: Ms. Emma Okello)

Legislative & Regulatory Alignment

- The Scheme aligned with new **Trustee Remuneration Guidelines** and sought member approval of proposed sitting allowances
- The Scheme received **Tier II contracting-out approval** under the NSSF Act 2013
- Preparations are underway to operationalize an **Income Drawdown (IDD) Fund**
- The Scheme has complied with RBA's updated reporting standards, excluding unrealized gains/losses from distributable income

Strategic Initiatives & Member Engagement

- Extensive **pre-retirement training sessions** were conducted
- Emphasis was placed on **member education**, especially for younger members
- The Scheme committed to **harnessing technology** to improve member access to information and retirement planning tools
- Encouraged members to regularly update **Nomination of Beneficiaries** to ensure smooth benefit distribution

External Reports Summary

- **Fund Managers** projected a cautiously optimistic 2024 outlook with stable currency, easing interest rates, and better equity returns
- **Custodian (Co-operative Bank)** confirmed secure management and accurate reporting of Scheme assets
- **Actuary (Zamara)** reiterated Scheme solvency and encouraged member preparedness
- **RBA** confirmed Scheme's full regulatory compliance and provided updates on IDD and disclosure regulations

Trustee Remuneration Policy

- Members approved the proposed sitting allowance rates, as follows:
 - Board/Committee/AGM Meetings: **KES 30,000**
 - Board Chairperson: **KES 35,000**
 - Cap: 6 meetings annually per board/committee
- The policy was adopted after robust member engagement and a majority vote