



MINUTES OF THE 10TH ANNUAL GENERAL MEETING OF THE KENYA PORTS AUTHORITY RETIREMENT BENEFITS SCHEME 2012 (DC) HELD ON 11TH OCTOBER 2024 AT THE BANDARI MARITIME ACADEMY IN MOMBASA AS FROM 09.00AM

PRESENT

1. Mr. Geoffrey Kavate - Chairperson
2. Ms. Emma A. Okello - Trustee
3. Mr. Dolorees Maikah - Trustee
4. Ms. Mercy Kirui - Trustee
5. Dr. Consolata Lusweti - Trustee
6. Mr. Samuel O. Tawa - Trustee
7. Members - As per the register

SECRETARIAT

1. Mr. B. Kibet - Scheme Administrator
2. Mr. V. Oweya - Secretary

IN ATTENDANCE: -

1. Mr. Francis Tsuma - Trustee DB Scheme
2. Ms. Catherine Wangari - Trustee DB Scheme
3. Ms. Susan Kagete - Trustee DB Scheme
4. Mr. Ferdinand Malumbo - Trustee DB Scheme
5. Ms. Violet Mugambi - Trustee DB Scheme
6. Ms. Yvonne Muthwii - RBA
7. Mr. Dennis Oluoch - RBA
8. Mr. Lewis Rapando - Zamara
9. Mr. Mohamed Abdi - Gen Africa
10. Mr. Gaston Mukunu - Coop Bank
11. Mr. John Ndegwa - ICEA Lion
12. Mr. Einstein Lihanda - ICEA Lion
13. Mr. Christopher Lesialoi - Ken India Asset Managers

The meeting was called to order at approximately 9:15 a.m. It commenced with a word of prayer offered by representatives of both the Christian and Muslim faiths.

1. MINUTE 01/2024: PRELIMINARIES

(a) Quorum

1. It was confirmed that a quorum was present, thereby allowing the meeting to proceed with the business of the day.

(b) Round of introduction

2. The Scheme Administrator commenced the forum by facilitating a round of introductions for the Trustees and representatives of various stakeholder groups in attendance.

(c) Reading of the 10th Annual General Meeting Notice

3. The Scheme Administrator read out the Notice convening the 10th Annual General Meeting to the members.

(d) Adoption of the Agenda

4. The agenda for the 10th Annual General Meeting was presented to the members and adopted without any amendments. The motion to adopt the agenda was proposed by Mr. Bunu Mohamed and seconded by Mr. Lazaro Okello.

(e) Confirmation of the Minutes of the 9th Annual General Meeting

5. The minutes of the 9th Annual General Meeting were presented to the members by the Scheme's Legal Officer, Mr. Vincent Oweya.
6. The minutes were confirmed as a true and accurate record of the proceedings. The motion for adoption of the minutes was proposed by Mr. Felix Oluoch and seconded by Ms. Pauline Sambu.

2. MINUTE 02/2024: EDUCATIONAL SKIT BY THE PEER EDUCATORS

1. The members were treated to informational entertainment through a skit by the Peer Educators. The highlight of the skit is as follows:

a) Importance of Attending the Annual General Meeting (AGM)

The peer educators emphasized the significance of attending the AGM. Members were informed that the AGM serves as a vital forum where they can seek information, ask questions, and raise concerns regarding the management and administration of the Scheme.

b) Update on the Kikambala Case

Members were updated-through the skit-on the status of the Kikambala land transaction case. It was reported that the matter had been successfully finalized, with the Scheme recovering not only the Kshs. 70 million deposit it had paid but also the accrued interest on the amount.

c) Importance of Filing Nomination of Beneficiaries Forms

Members were reminded of the critical importance of completing and regularly updating their Nomination of Beneficiaries Forms. It was stressed that updating these forms in line with changing personal circumstances helps in effective estate planning and avoids potential conflicts during benefit distribution.

d) Presentation on Insurance Products within the Pension Scheme

The peer educators, through a skit, illustrated the role of insurance products in the context of the pension scheme. The presentation focused on the issuance of annuities by insurance companies upon retirement and highlighted income drawdown as a viable alternative to annuities.

3. MINUTE 03/2024: THE CHAIRPERSON'S REPORT

1. The Chairperson, Mr. G. Kavate, took to the podium and rendered a brief but comprehensive report on the updates on the affairs of the scheme. The highlight of the report was as follows.
2. He began by welcoming the members to the Annual General Meeting. On behalf of the Board of Trustees, appreciation was extended to members for their continued support and engagement.

(a) Overview of the Year

3. The Chairperson reported that the retirement benefits industry had remained resilient despite global and local economic challenges.
4. According to the Retirement Benefits Authority (RBA) Industry Report 2023, assets under management grew by 1.28% in the second half of the year and 9.47% compared to December 2022.
5. The slower growth was attributed to negative performance in certain asset classes and revaluation of debt instruments.

(b) Fund Performance

6. The Scheme's fund grew by 11.18%, increasing from Kshs. 19.02 billion to Kshs. 21.14 billion. Investment returns stood at Kshs. 107.89 million.
7. The Chairperson reported that the Scheme had maintained a prudent and diversified investment strategy to ensure steady growth and risk mitigation.

(c) Governance and Compliance

8. The Chairperson reported that the Scheme had enhanced its governance framework during the year. Two new Trustees, Mr. Samuel Omondi Tawa and Ms. Dolorees Maikah, were elected, and Trustee Emma Seline Okello retained her seat during the last concluded Trustee elections.
9. He reported that he (Geoffrey Kavate) was elected by the Board of Trustees as the new Chairperson following the end of Mr. Salim H. Kumaka's term. He reported that the other sponsor-appointed Trustees included Ms. Mercy Kirui and Dr. Consolata Namisi Lusweti.
10. The members were informed that the Board operated through three committees namely:
 - (a) Finance & Investment Committee chaired by Mercy Kirui
 - (b) Audit & Risk Committee chaired by Dr. Consolata Lusweti
 - (c) Administration & Communication Committee chaired by Emma Seline Okello
11. All governance instruments and investment policies were reported to be in compliance with regulatory requirements and aligned with strategic limits

(d) Legislative and Regulatory Developments

12. The Chairperson reported on key legislative developments impacting Scheme operations which included:
 - i. Trustees' Remuneration Guidelines (Gazette Notice No. 5796): He indicated that the Scheme had aligned its remuneration policy and what was pending was the member approval at the AGM.
 - ii. NSSF Act 2013 (Tier II Contributions): Although the Act's implementation was suspended by the Supreme Court, the Scheme had already applied for a Tier II contracting-out certificate.

- iii. Income Drawdown (IDD) Regulations: The Scheme is preparing to operationalize an IDD fund in line with the new regulations.
- iv. Treasury Bonds Valuation Notice: The Scheme adjusted its reporting to exclude unrealized gains/losses, as per RBA guidance, while recognizing the needs of the Defined Benefit Scheme in terms of liquidity.

(e) Future Outlook

- 13. On behalf of the Board, the Chairperson, expressed optimism for 2024, anticipating improved economic performance, reduced interest rates, and stronger returns from equities and alternative investments.
- 14. He reaffirmed the Scheme's commitment to securing members' long-term financial goals through sound investment strategies.

(f) Appreciation

- 15. He closed his report by expressing sincere appreciation to God, the sponsor (Kenya Ports Authority), the Retirement Benefits Authority, service providers, members, Trustees, and the Scheme Secretariat for their support and dedication during the year.

4. MINUTE 4/2024: THE SPONSOR'S ADDRESS

- 1. The sponsor's address was read to the members by the Chairperson. He began by issuing an apology on behalf of the Managing Director, who for reasons beyond reach could not attend the meeting.
- 2. In his address, the Managing Director welcomed all members to the 10th Annual General Meeting of the Kenya Ports Authority Retirement Benefits Scheme 2012 and thanked them for their continued support and participation in the Scheme.
- 3. The Managing Director acknowledged that the strength of the Scheme rests on the dedication and consistent contributions of its members, which enable the Scheme to fulfil its mandate effectively.
- 4. He proceeded to highlight key updates and areas of focus:
 - a) **Onboarding of Kenya Ferry Services Staff:** It was reported that the integration of staff from the former Kenya Ferry Services into the Scheme had been successfully completed following the merger with KPA. The Sponsor reaffirmed its commitment to ensuring timely remittance of contributions for all staff.
 - b) **Trustee Elections:** Members were commended for participating in the recent Trustee elections. The newly elected Trustees were congratulated and reminded of the importance of fulfilling their fiduciary duties with diligence. The outgoing Trustees were thanked for their service, with special appreciation extended to Mr. Salim Kumaka for his leadership as former Chairperson. The Sponsor reaffirmed its continued adherence to appointing qualified and competent Trustees in accordance with retirement benefits laws.
 - c) **Member Education and Pre-Retirement Training:** The Sponsor reiterated its support for member education initiatives and pre-retirement training sessions. Members, including the younger demographic, were encouraged to participate actively in such programs to enhance their financial planning and retirement preparedness.
 - d) **Harnessing Technology:** The Managing Director emphasized the role of digital tools and platforms in improving members' access to retirement information, market trends, and financial resources. Members were urged to embrace technology to better manage their retirement planning.
- 5. The Managing Director called for unity among members, Trustees, and Scheme Administration, emphasizing that collective effort and open communication would enhance the Scheme's effectiveness, transparency, and responsiveness to members' needs.

6. In conclusion, the Managing Director reaffirmed the Sponsor's unwavering commitment to the Scheme's sustainability and to securing a dignified retirement for all members. He also commended the Secretariat for its dedication and service and expressed appreciation to all members for their trust in the Scheme's leadership.
7. The Members took note of the report.

5. MINUTE 5/2024: SCHEME AUDITED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023

1. The financial presentation for the year ended 31st December 2023 was delivered by Ms. Evelyn Kanjagua. She presented the audited financial statements on behalf of the Scheme's auditors, M/s Ronalds LLP.
2. In her remarks, she noted that the Trustees are responsible for the preparation of accurate financial statements in compliance with the International Financial Reporting Standards (IFRS) and the Retirement Benefits Act, 1997.
3. She explained that the auditors' role is to independently assess whether the financial statements are free from material misstatements arising from fraud or error, and to evaluate the effectiveness of the Scheme's internal controls.
4. Ms. Kanjagua then presented the Statement of Net Assets Available for Benefits, highlighting the Scheme's financial position as of 31st December 2023. This can be summarized as follows:

KENYA PORTS AUTHORITY RETIREMENT BENEFITS SCHEME 2012 ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Notes	2023 Kshs	2022 Kshs
Income from dealings with members			
Contributions and transfer in	4	2,890,053,189	2,060,645,976
Benefits paid	5	(650,350,227)	(577,135,856)
Net dealings with members		2,239,702,962	1,483,510,120
Returns on investments			
Realised income	6	2,331,034,426	1,966,216,594
Unrealised income	7	(2,175,663,162)	(1,473,558,606)
Investment management expenses	8	(47,476,391)	(46,249,052)
Net return on investments		107,894,873	446,408,935
Corporate tax expense-unreg	9	(111,179,910)	(98,672,088)
Administrative expenses	10	(110,868,757)	(110,346,996)
		(222,048,667)	(209,019,085)
Increase in net assets for the period		2,125,549,168	1,720,899,971
Net assets available for benefits at start of the year		19,018,085,960	17,293,461,545
Increase for the period		2,125,549,168	1,720,899,971
Post audit adjustment		-	3,724,444
Net assets available for benefits at the end of the period		21,143,635,128	19,018,085,960

- It was reported that, in the opinion of the auditors, the financial statements presented a true and fair view of the Scheme's financial position as at 31st December 2023, and accurately reflected the assets and liabilities (excluding post-year-end benefit obligations), in compliance with the International Financial Reporting Standards, the Retirement Benefits Act, 1997, and the Scheme's Trust Deed.

6. MINUTE 07/2024: SCHEME'S FUND MANAGEMENT REPORT

- The investment report for the year ended 31st December 2023 was presented by Mr. John Ndegwa, on behalf of ICEA Lion Asset Managers and GenAfrica Asset Managers.
- He informed members that the Fund Managers' responsibilities include advising Trustees on suitable investment options such as fixed income instruments, domestic and offshore equities, alternative investments, and fixed deposits.
- He added that Fund Managers also implement the Scheme's Investment Policy, conduct asset-class research, report quarterly to the Trustees, and submit statutory returns to the Retirement Benefits Authority (RBA).
- On the macroeconomic environment for 2023, it was reported that the country's economic growth improved to 5.6%, up from 4.9% in 2022, largely driven by a rebound in agricultural output. However, the Central Bank of Kenya revised the 2024 GDP projection downward to 5.4% due to slower expected growth in several sectors.
- He reported that the Kenya Shilling depreciated by 21% against the US Dollar over the year, while foreign exchange reserves fell below the statutory threshold of four months of import cover. Nonetheless, remittance inflows remained robust and continued to support the balance of payments.
- Inflation averaged 7.7% in 2023, slightly higher than the previous year, driven by increased utility costs. Food inflation eased due to favorable weather, while core inflation fell to 3.9%, reflecting reduced demand pressures.
- It was further reported that T-bill yields increased significantly, with the 91-day paper attracting the highest investor interest. The Central Bank Rate was raised to 12.5% in December 2023 to curb exchange rate pressures and anchor inflation expectations.

Market Performance

- Regarding market performance, the local equities market continued to contract due to foreign investor outflows and shifting interest toward higher-yielding fixed income assets. Offshore markets performed well, supported by optimism over potential interest rate cuts and easing global inflation.
- As at 31st December 2023, the Scheme's asset allocation was reported as follows:

Asset Class	Value (KES)	Allocation (%)
Government Securities	13.84 Billion	66.05%
Listed Equities	2.05 Billion	9.79%
Corporate Debt	15 Million	0.07%
Term Deposits	1.62 Billion	7.74%
Guaranteed Fund	3.42 Billion	16.34%
Total	20.95 Billion	100%

10. It was further reported that the GDP growth was expected to slow slightly, inflation is likely to stabilize within CBK's target range, and interest rates may ease as monetary policy adjusts.
11. The Fund Manager closed by reporting that the Kenya Shilling is expected to remain relatively stable, while improved performance is anticipated in both local and offshore equity markets, subject to global economic and geopolitical developments
12. The members took note of the report.

7. MINUTE 07/2024: SCHEME'S CUSTODIAL REPORT FOR THE YEAR 2023

1. The Custodial Services Report was presented to the members by Mr. Guston Mukunu, representing Co-operative Bank of Kenya Ltd, the appointed custodian of the Scheme.
2. Mr. Mukunu informed members that Co-operative Bank is a duly registered custody bank contracted by the Scheme to provide all custodial services. He reported that the Bank maintains designated banking accounts in the name of the Scheme, where financial assets are received and securely held. Physical documents of title are stored in safes and strong rooms.
3. He further stated that all valid investment instructions from the appointed fund managers are promptly settled. The custodian also ensures that proper books and records of account are maintained and made available to the Scheme's auditors on an annual basis.
4. Mr. Mukunu confirmed that all income realized by the Scheme-including dividends, interest, and coupon payments-is received in a timely manner and accurately recorded in the Scheme's accounts.
5. He added that the Bank submits comprehensive investment and cash movement reports to the Trustees at least once every quarter and ensures that benefit payments to members are processed promptly and efficiently.
6. He presented a summary of the assets being held as of 31st December 2023 as follows:
7. The custodian closed by clarifying that the fund as reported and held by the custodian did not include the Kshs. 3.4 billion being held by Kenindia Assurance Company Limited in the form of guaranteed funds.

8. MINUTE 08/2024: REPORT BY THE ACTUARY

1. The Members received a presentation from the Scheme Actuary. The report was delivered by Mr. Lewis Rapando, representing Zamara Actuaries.
2. Mr. Rapando informed the Members that Zamara is a market leader in the provision of actuarial services, insurance brokerage, and pension administration, serving over 700

CLASS	VALUE AS AT 31.12.2023	%
CASH	198,847,520.11	1.12%
DEPOSITS	1,644,082,242.62	7.74%
EQUITIES	2,052,016,397	9.79%
CORPORATE BONDS	15,000,000.00	0.07%
TREASURY BILLS	86,352,787.28	0.48%
TREASURY BONDS	13,750,648,217.89	66.05%
TOTAL	17,746,947,164.94	100%

corporate clients. He further noted that Zamara is headquartered in Kenya and has a presence in seven (7) countries, with plans to expand into an additional fourteen (14).

Role of the Actuary

3. Mr. Rapando outlined the key responsibilities of the Scheme Actuary, which include:
 - a) Assisting in the preparation of benefit calculations.
 - b) Supporting the formulation and review of the Investment Policy Statement (IPS).
 - c) Providing advisory services on emerging issues such as changes in pension legislation and pension adjustments.
4. Members were encouraged to make Additional Voluntary Contributions (AVCs) to increase their individual retirement investment pots and secure a more comfortable retirement.

Background of the Scheme

5. Members were informed that the Scheme commenced on 1st January 2013, and all new entrants from that date onwards were admitted into the Defined Contribution (DC) section of the Scheme.
6. It was further reported that the Scheme is registered with both the Retirement Benefits Authority (RBA) and the Kenya Revenue Authority (KRA). The Scheme is governed by a Board of Trustees nominated by both the Sponsor and the Members.

Access to Benefits

7. Mr. Rapando elaborated on the various instances under which Members may access their benefits, as follows:

(i) On Retirement (age 50 and above):

8. Members are entitled to the accumulated contributions (employee and employer portions) with interest.
9. Benefits may be accessed as annuity or through an income drawdown arrangement.
10. Members may also opt to commute up to one-third (1/3) of the total benefit as a lump sum.

(ii) On Emigration:

11. Members who permanently emigrate from Kenya are entitled to a lump sum payment of their accumulated contributions with interest, subject to providing documentary evidence of no intention to return.

(iii) On Death in Service:

12. In the event of death while in active service, the member's accumulated contributions with interest are payable to the nominated beneficiaries as a lump sum.

(iv) On Death in Retirement:

13. Where a member had selected either an annuity or an income drawdown arrangement, the benefits payable upon death will depend on the terms and conditions agreed upon at the time of retirement.

(v) On Death in Deferment:

14. In cases of death while benefits are deferred, payment will be based on the preserved benefit value as at the date of death.
15. In concluding, Mr. Rapando urged all Members to ensure that they properly complete and regularly update their Nomination of Beneficiaries Forms, emphasizing its importance in ensuring that benefits are distributed according to the member's wishes and to prevent future disputes among dependents.

9. MINUTE 09/2024: PRESENTATION BY THE RETIREMENT BENEFITS AUTHORITY (RBA)

1. The Members received a regulatory update from the Retirement Benefits Authority. The presentation was made by Ms. Yvonne Muthwii, who informed the meeting of key developments affecting retirement benefit schemes and income drawdown funds.
2. It was reported that the minimum disclosure requirements for Scheme financial statements had been amended. Specifically, unrealized gains and losses arising from the valuation of financial assets using the fair value approach would no longer be considered part of the distributable income.
3. Members were advised that these changes were enacted through:
 - i. Legal Notice No. 19 of 2024 – Retirement Benefits (Income Drawdown Funds) (Amendment) Regulations, 2023 (affecting Regulations 16 and 28); and
 - ii. Legal Notice No. 21 of 2024 – Retirement Benefits (Occupational Retirement Benefits Schemes) (Amendment) Regulations, 2023 (affecting Regulation 36).
4. Ms. Muthwii explained that an Income Drawdown (IDD) is an arrangement that allows a member to access their retirement benefits as regular income through reinvestment in a registered IDD fund. Eligibility to join an IDD includes:
 - i. Members aged 50 years and above or who have attained the specified early retirement age.
 - ii. Members transferring from another IDD; and
 - iii. Beneficiaries are entitled to receive benefits under a Scheme or existing IDD.
 - iv. Following the minimum drawdown period, members may:
 - v. Continue with the drawdown (with the same or a different provider, subject to transfer every five years).
 - vi. Purchase an annuity; or
 - vii. Withdraw the remaining balance as a lump sum.
5. It was also noted that beneficiaries under the age of 18 years would not be subject to the minimum drawdown conditions. Trustees are expected to provide for their upkeep and maintenance in the Trust Deed and Rules.
6. On transition timelines, the following deadlines were shared:
 - i. Existing IDDs must comply by 31st October 2024;
 - ii. Special Funds within schemes are required to comply by 31st October 2026;
 - iii. Existing contracts under IDDs shall continue until expiry, with members allowed to transfer either five years from the commencement of the regulations or upon expiry of the contract, whichever comes first.
7. Ms. Muthwii confirmed that the Scheme was fully compliant with regulatory requirements, including:
 - i. Timely filing of statutory returns.
 - ii. Remittance of contributions.
 - iii. Compliance with investment guidelines.
 - iv. Proper trustee composition and training; and
 - v. Availability of updated legal documents (Investment Policy Statement and Trust Deed & Rules).
8. The presentation was noted and appreciated by the Members.

10. MINUTE 10/2024: TRUSTEE REMUNERATION POLICY

1. The Scheme Administrator made a presentation on the Trustee Remuneration policy and guidelines which had been issued by the Regulator. It was indicated that the law required the Scheme Trustees to develop a Trustee Remuneration policy.
2. The members were informed that the Guidelines require Trustee remuneration rates to be developed by the Trustees in consultation with the Sponsor. Once determined, these rates must first be presented to the members for approval, after which they are submitted to the RBA for final approval.
3. It was further reported that the Sponsor had already approved the remuneration rates proposed by the Board of Trustees.
4. The members were reminded that, under Clause 20(1) and (2) of the Guidelines:
 - i. Trustees must seek approval from members for remuneration rates once every three years, through the relevant agenda of the Annual General Meeting; and
 - ii. Where approval is due, the proposed rates must be appended to the AGM notice and circulated to members at least 14 days prior to the meeting.
5. The members were also informed of the proposed rates to be circulated, which had been concurred by the Sponsor. The rates proposed were summarized as follows:

Type of Meeting	Allowance Payable per Sitting (Kshs, Before Tax)
Quarterly/Special Board Meetings	30,000 (payable to all Trustees)
Committee Meetings	30,000 (payable to all Trustees)
Annual/Special General Meetings	30,000 (payable to all Trustees)
Advisor (not on contract, invited by the Board)	30,000
Chairperson of the Board	35,000

6. The Chairperson was not a member of any of the Committees. It was reiterated that the rates apply to both Board and Committee meetings, and the meetings were capped as follows:
 - a) A maximum of six (6) board meetings per year, inclusive of the AGM, that will attract sitting allowances.
 - b) A maximum of six (6) board committee meetings per year per committee, with the Board comprising four committees.
 - c) The Chairman does not sit in any of the Board Committees.
7. The Scheme Administrator informed the members that the proposed rates had been published and that members had been invited to share their views or feedback; however, none had been received. Nonetheless, the Scheme Administrator welcomed members to submit their views.

View by Members

8. The views expressed by the members can be categorized in three (3) broad categories:
 - (i) Those who supported the new rates
 - (ii) those who opposed the new rates
 - (iii) Those who supported the new rates but with amendments
9. The Members were invited to share their views. The discussion was categorized into three segments:
 - (i) **Reasons for Supporting the Proposed Rates**
10. One member appreciated that Trustees do not earn a salary and are only compensated through capped sitting allowances. The proposed rates would serve as motivation.

11. Another commended the Trustees for the year's accomplishments, including Pre-Retirement Trainings, and urged fellow members to approve the rates.
12. A member cited the Regulator's guidelines on capping meeting frequency and expressed support so long as the meetings remained limited.

(ii) Reasons for Opposing the Proposed Rates

13. One member referred to the Annual Report, noting that Trustee allowances and subsistence in 2023 totaled Kshs. 15.78 million. He estimated this to be approximately Kshs. 2.5 million per Trustee and stated that the current rate of Kshs. 20,000 per sitting was adequate.
14. Another concern was the increase in administrative expenses reportedly by Kshs. 6 million. Some feared that raising remuneration would further inflate costs.
15. It was also argued that the country was under austerity measures, and the proposal lacked justification under such circumstances.

(iii) Members Proposing Amendments

16. One member, drawing from experience on other boards, proposed a net sitting allowance of Kshs. 20,000 based on comparable workloads.
17. Another recommended a 25% increase, with full implementation deferred until investment returns improved.

Polling and Resolution

18. The Scheme Administrator appreciated the feedback and noted that no written memoranda had been received prior to the AGM. He advised against floor amendments due to the absence of the Sponsor's input.
19. A vote was conducted by acclamation and hand-raising. The majority supported the proposed rates, and they were therefore approved by the members.
20. **Resolved:** That the Trustee remuneration rates as circulated be and are hereby approved by the Members of the Scheme.

11. MINUTE 11/2024: MEMBER COMMENTS, QUESTION AND ANSWER SESSION

1. The Members of the Scheme were subsequently invited to a question-and-answer session. The questions and concerns raised have been grouped and summarized under the following thematic areas:

(a) Questions Related to Investment Performance and Fund Security

2. *Members inquired why the rate of return on investment had declined, noting that the return stood at approximately 0.2%.*

Mohamed from GenAfrica clarified that the 0.2% was an average return and acknowledged that not all asset classes had performed optimally. He referred to the annual report and explained that Treasury Bills had yielded the highest returns among the investments.

3. On the question of fund safety, representatives from the Retirement Benefits Authority (RBA) assured members that their funds were secure and not at risk of misappropriation by the government.
4. *Members sought to know whether the Trustees had considered investing in property as part of the portfolio, and whether the Scheme would consider purchasing properties from the Defined Benefit (DB) Scheme.*

It was clarified that the Scheme had indeed explored property investments; however, members were urged to appreciate that such investments require extensive due diligence.

- Members asked whether unrealized losses would be distributed to them. Ms. Evelyn Kanjagua from Ronalds LLP confirmed that unrealized losses would not be distributed. She explained that only realized returns—once crystallized—would be allocated to members.

(b) Questions Relating to Member Participation

- Members inquired why those based in Nairobi had not been facilitated to attend the AGM in person.*

The Scheme Administration explained that arrangements had been made to allow members at satellite stations to follow the proceedings virtually through online platforms.

- With the expectation that many members would retire in the near future, members asked about the Scheme’s preparedness. It was reported that Trustees remained focused on prudent investments to ensure not only strong but sustainable returns for future generations.
- A request was made to use Kiswahili instead of English during AGMs.* The Scheme Administration and Trustees acknowledged the request and committed to translating key materials into Kiswahili.
- Members questioned the rise in member education costs from Kshs. 9 million to Kshs. 16 million.*

It was explained that in 2022, the Scheme conducted four education sessions, whereas in 2023, the number was increased to eight, resulting in higher expenditure.

(d) Questions Regarding the Kikambala Land Transaction

- Members asked whether the funds used in the botched Kikambala land transaction had been refunded.*

It was confirmed that the Kshs. 70 million deposit had been fully refunded along with accrued interest. The recovery was facilitated by the Ethics and Anti-Corruption Commission (EACC), which pursued the matter on behalf of the Scheme.

12. MINUTE 12/2024: VOTE OF THANKS AND ADJOURNEMENT OF MEETING

- The Trustees extended their sincere appreciation to all members and stakeholders for their consistent cooperation and support over the years. They urged continued collaboration to ensure the ongoing growth and prosperity of the Scheme.
- There being no other business, Trustee E. Okello gave the vote of thanks.
- The meeting was officially adjourned at 1:16 p.m. Members were advised that the date and venue of the next meeting would be communicated in due course.

.....
Chairperson

.....
Secretary

Confirmed and Signed as a True and Correct Record of the Proceedings

This day of..... 2025