



INDEPENDENT ELECTORAL AND BOUNDARIES COMMISSION STAFF PENSION SCHEME

FINANCIAL YEAR 2023/2024 ANNUAL GENERAL MEETING

REPORT OF THE CHAIRMAN OF THE BOARD OF TRUSTEES

1.0 WELCOMING REMARKS

Our Sponsors, the incoming Commissioner, Ms Anne Nderitu and our IEBC CEO, Mr. Marijan Hussein Marijan
The Members of the Scheme
The Regulator, RBA Representative
Our Service Providers
My Fellow Trustees
All protocols observed, Good morning

- 1.1 It is both an honour and a privilege to address you today. Thank you for taking the time to attend this important forum where we share the progress of your Scheme, reflect on our achievements, and look ahead to the future of our pension scheme
- 1.2 The AGM is not only a statutory requirement but also a very important event in the Scheme's calendar. It presents the opportunity for Trustees to disclose the Scheme's financial status, provide members with information on industry changes affecting our Scheme as well as being a forum for members to receive reports and engage with the Trustees, Scheme's service providers, the Regulator and Sponsors.
- 1.3 Before I continue, please allow me to begin by formally introducing the new Trustees that IEBC members elected early this year- Mr Peter Resa and CPA Caroline Njeri Githua. I am pleased to announce that both Trustees have successfully gone through the mandatory Trustees Development Program, hence are now officially vetted by the Retirement Benefits Authority as stipulated under the law.



1.4 Let me formerly begin by expressing our deepest gratitude to our two esteemed sponsors, IEBC and ORPP. Your unwavering support, financial commitment, and consistent engagement have been instrumental in the continued growth and stability of our scheme. Your partnership is not only valued—it is vital. To this end, on behalf of the Board of Trustees and the Secretariat, allow me to sincerely thank our CEO Mr. Marijan Hussein Marijan and the Registrar of Political Parties who is also our incoming Commissioner, Commissioner Anne Nderitu for gracing this year’s AGM as you have always when we call upon to do so. Thank you.

2.0 GOVERNANCE AND REGULATORY COMPLIANCE

2.1 During the financial year, we engaged you members to elect two representatives to the Board. We thank you for participating in the election process and for electing Peter Resa and Caroline Githua, who are already working together with the Trustees to obtain the goals of the scheme. The new Trustees have completed the mandatory induction training and Trustee Development Program of Kenya (TDPK).

2.2 The Good Governance Policies and working committees (Finance & Investment, Audit & Risk, Administration & Communication) remain fully operational. The Good Governance Policies are meant to streamline and improve the administration of the Scheme while the Investment Policy Statement guide the Fund Manager in areas to invest.

2.3 The Scheme is now operating more autonomously with a fully staffed Secretariat and an independent office at 20th Floor Anniversary Towers.

2.4 The Trustees have sacrificially set aside some time to attend upskilling trainings in order for them to be equipped to take on their onerous role as Trustees, thus making sure they have the requisite knowledge to manage the scheme and achieve the heights the scheme has.



2.5 It is important to note that the Board of Trustees has a Trustee Code of Conduct in place to govern its operations. This is in addition to the Trust Deed & Rules, Good Governance Policies as well as many Laws, Regulations and a number of policy guidance from National Treasury and the Regulator.

2.6 I am pleased to confirm that all the Trustees have successfully gone through the mandatory Trustees Development Program, hence are now officially vetted by the Retirement Benefits Authority as stipulated under the law.

3.0 SCHEME PERFORMANCE DURING THE PERIOD UNDER REVIEW

3.1 As at June 2024, the Scheme's fund value stood at Ksh. 4.36 billion, up from Ksh. 3.84 billion the previous year. By May 2025, we had already crossed the Ksh. 5 billion mark—and yes, our eyes are firmly set on the magical Ksh. 5.5 billion target by 30th June, 2025.

3.2 How? With improved equity performance, disciplined investing, and the steady hand of our Fund Managers—plus a few prayers never hurt!

4.0 KEY MILESTONES AND ACHIEVEMENTS

Over the past year, we have made significant strides in strengthening our scheme:

4.1 **Asset Growth:** During the first three quarters of the financial year 2024/25, the Scheme reported total investment income of **Ksh. 803,786,163.64** of which Ksh. **753,619,842.00** was from Segregated Fund and **Ksh. 50,166,321.64** from Guaranteed Fund investments. We aim to reach the magical **Ksh. 5.5 billion** target by 30th June, 2025.

4.2 **Membership Growth:** The fund has seen an increment in active membership to 1,025 active members as at end of the year under review compared to 1,020 Members in the previous financial year. During the year, we had 27 members who joined the scheme and 22 left active membership.



- 4.3 **Development of Scheme Website:** We have developed a Scheme website, enhancing transparency and access to personal pension information as well as the scheme information. Members will be able to access important information under downloads. The Members Portal will initially only have Minet Members Portal. However, we intend to mirror the Records with the Scheme Administrator website in our website. You are encouraged to constantly interact with it for latest Scheme updates.
- 4.4 **Governance:** We successfully reviewed our Investment Policy Statement to facilitate broader scheme investments and stabilize the returns in the long term. We are also happy to inform you that our Scheme was visited by the Regulator, RBA in March this year and I can assure that we are one of the best managed schemes in the country. A model Scheme actually.
- 4.5 **Approval to Receive NSSF Contributions:** We are proud to announce that the Scheme is now officially eligible to receive NSSF Tier II contributions following the issuance of the compliance certificate by the Retirement Benefits Authority (RBA). This means that the Scheme is now eligible to receive additional contributions directly from our Sponsors, in accordance with the amended NSSF Act, 2013. This significant achievement positions our Scheme for accelerated growth and enhances members' retirement savings. We thank the Sponsors (IEBC and ORPP), Secretariat, and all stakeholders whose cooperation made this success possible.
- 4.6 **Post-Retirement Medical Fund:** The Trustees established a post-retirement medical fund within the scheme. This was to facilitate the members with a platform to save for their medical needs in retirement. Although contribution to the post-retirement medical fund is voluntary, the Trustees recommend that the minimum contribution be 1% of the member's salary. This will help to facilitate meaningful savings for each member to afford a decent medical cover in retirement. Members may start their contributions immediately they fill the application form and our Sponsors HRs include it in their payroll.



- 4.7 **Income Drawdown Fund:** The Trustees have made an application to establish an income drawdown fund, which will be a good alternative to the traditional annuity that is offered in the market. This income drawdown fund will assist retiring members to secure a monthly income for a minimum period of 10 years while giving a return to the member on an annual basis. This means that even as we pay a monthly pension to the retiree, he or she will continue enjoying returns from the investments of the fund. Commencement is expected to be July 2025.
- 4.8 **Establishment of a Trust Fund:** The Trustees are committed to the welfare of the beneficiaries of our members. Thus, the Trustees established a Trust Fund that would be used to directly benefit the dependents of any of our deceased members some of whom are under the age of 18 years. It will greatly assist in ensuring that the beneficiaries' education continues uninterrupted even in the event of the unfortunate demise of a member. Further, it will make sure that the dependents' benefit from what the members have saved during their membership in the scheme.
- 4.9 **Updating of Members Records:** The Scheme is continuing with updating members' records. We are opening files for each Member who has filled and returned the beneficiary forms. The updated beneficiary forms will guide the Trustees in making appropriate decisions while distributing the benefits to beneficiaries whenever deaths of members occur while still in active service of the Employers. Members are also free to update the beneficiary forms as frequently as they wish at their convenience. When you return to your various counties/workstations, please remind our colleagues who have not submitted their updated beneficiary forms to do so.

5.0 STRATEGIC FOCUS FOR FY 2025/2026

- 5.1 We are looking to grow the income drawdown fund by facilitating prudent investments and preservation of the members' retirement income. Further, this fund will enable members to remain in contact with the Trustees, who will be able to serve them with



dedication and address each member's unique needs with a personalized touch, given that the members will be our ex-colleagues.

5.2 The Trust fund that was established will be managed from ICEA Lion Trust services limited. The Trust Fund will be under the management of Trustees to ensure that the proper services and payments are being made on behalf of the beneficiaries while Post-Retirement Medical Fund will be administered, managed and put under the custody of our current service providers, albeit under different accounts. These two items are not just financial products—they're a reflection of a Scheme that listens, adapts, and anticipates your needs. A model Scheme.

5.3 The Trustees will retreat to review the Governance Policies for the Scheme to ensure that they are up to date with current regulations, as the policies are already 3 years old. The regulation require that the Trustees review the same triennially.

5.4 In this coming Financial Year, having achieved the milestones that were set in the current Scheme's Strategic Plan that was launched in year 2021, the Trustees will review the plan to take notes on what worked and what did not work. Further, the goals will be reviewed to align with our current reality of aggressive targets that have been set in place for our service providers.

6.0 APPRECIATION- The Fuel Behind the Engine

Allow me to express heartfelt appreciation:

6.1 To my fellow **Trustees**, for their effort and unwavering commitment.

6.2 To the Scheme Secretariat, led capably by Mr. Enoch Mulele—you're the heartbeat of our operations.

6.3 To our Sponsors—IEBC and ORPP—thank you for timely contributions and unwavering support.



6.4 To our Service Providers—Minet (Faith and Robert, thank you for the good work), ICEA (George, we see you), KCB Custody (Cecilia, your monthly updates are always on time), and our auditors for ensuring we stay clean and compliant—thank you.

6.5 And finally, to you—Our Members. For the questions you ask, the meetings you attend, the trust you give—we work for you and because of you. We wish to encourage you to boost/enhance their take home benefits through Additional Voluntary Contributions (AVC).

7.0 IN CLOSING

7.1 They say the best time to plant a tree was 20 years ago. The second-best time is today. Every contribution you make is a seed, and we're here to ensure it grows into a tree of security, shade, and comfort—long after you've clocked out for the last time.

7.2 On behalf of the Board of Trustees, thank you all. May this year bring continued growth, good health, and peace of mind.

Asanteni sana, na Mungu awabariki.

A handwritten signature in black ink, appearing to read 'Joe'.

JOSEPH AYATTA

Chairman, Board of Trustees

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