

NATIONAL SOCIAL SECURITY FUND

Minutes of the Members' 21st Annual General Meeting held on Friday 21st November 2025, at Tin Tin Restaurant - KICC, commencing at 2:00 p.m.

Present:	
Dr. Kaberia Kubai	Chairperson
Dr. Anne Owuor	Trustee
Mr. Obed Mbuvi	Trustee
Mr. James Njiru	Trustee
Mr. Alfred Ouko	Trustee
Ms. Hellen Koech	Trustee
Mr. Michael Ndichu	Trust Secretary
Apologies	
Hon. Shadrack Mwadime	Trustee
Mr. David Koross	Trustee
Members of the Scheme as per the attendance register (Annexed)	
Physically in attendance - 255	
Virtual attendance - 70	
By Invitation:	
Mr. John Keah	Retirement Benefit Authority
Mr. Gordon Kisienya	Bon and Drew Auditors
Ms. Yvonne Munyambu	Sanlam Investments
Mr. Maina Wacieni	African Alliance Asset Managers
Mr. Charles Andere	Co-op Trust Investments Services
Mr. Steve Biko	GenAfrica Asset Managers
Mr. Eliud Okumu	Zamara Actuaries, Administrators & Consultants Limited
Mr. Samwel Kariuki	Zamara Actuaries, Administrators & Consultants Limited
Ms. Geoffrey Murimi	KCB Bank
Mr. Richard Miriti	Standard Chartered Custodial Services
Mr. Elvis Simiyu	Riscura
Mr. Biran Jomo	ICEA Trust Fund

(Min 01/2025) Open Meeting

The meeting was called to order by the Chairman at 2:05 p.m. Ms. Caroline Gacheru read a scripture and offered a prayer for the meeting.

(Min 02/2025) To Read Notice Convening the Meeting

The notice convening the meeting was read by Mr. M. Ndichu and adopted by the members as proposed by Mr. Onesmus Makau and seconded by Ms. Rosemary Oluoch.

(Min 03/2025) Confirmation of Minutes of the Previous AGM held on 29 November 2024

The minutes from the previous AGM, held on November 29, 2024, were presented for confirmation by the Trust Secretary Mr. M. Ndichu. Adoption was proposed by Mr. Harun Mwangi and seconded by Miss. Pamela Omondi.

Key matters addressed since the previous meeting:

- **Post-Retirement Medical Scheme:** Members continue to be engaged for enrolment.
- **Property Disposal:** Trustees are negotiating with a prospective buyer; members will be informed once finalized.
- **Shortfall Interest:** Mechanisms were implemented to ensure all shortfall interest was paid

(Min 04/2025) To Receive the Chairperson's Report

The Chairperson, Dr. Kaberia Kubai, welcomed members, Sponsor representatives, Trustees, service providers, and RBA officials. He conveyed apologies from Hon. Shadrack Mwadime and Mr. David Koross.

Key highlights:

- **Scheme Overview:** Defined Contribution Scheme, transitioned from Defined Benefits on 1st July 2011; now one of the largest schemes by membership and assets.
- **Board Composition:** Eight Trustees (four Sponsor-nominated, four Member-elected) operating through:
 - Administration, Audit and Compliance Committee
 - Finance and Investment Committee
- **Scheme Secretariat:** Four officers led by the Trust Secretary, providing member support.
- **Macroeconomic Environment:** Stable inflation, easing monetary policy, stable foreign exchange, and growth prospects.
- **Scheme Assets & Membership:** Assets grew from KES 12.80 billion to KES 16.08 billion; retirement withdrawals totaled KES 830.9 million. Membership: 1,000 active, 122 deferred.
- **Declared Annual Returns:** 20.8% (tax-exempt balances), 17.6% (non-tax-exempt), PRMF 19.0%.
- **Key Scheme Updates:**
 - Member education sessions held both physically and virtually.
 - Strategic Plan (2024–2028) progress highlighted.
 - Mavoko Land disposal at advanced stage for reinvestment.
 - PRMF had 794 members and KES 301 million in assets.
 - Legislative updates: increased tax-deductible contributions, full tax exemption on qualifying withdrawals.

Appreciation: Chairperson acknowledged Sponsor, Trustees, service providers, members, and the Secretariat.

(Min 05/2025) Address by Retirement Benefits Authority

Mr. John Keah representing Retirement Benefits Authority (RBA)), presented the Authority's report and highlighted the following key points:

- The core mandate of the RBA includes regulation and supervision of retirement benefits schemes, protection of members' and sponsors' interests, promotion of the retirement benefits sector, advising the Cabinet Secretary for the National Treasury on industry policy, and implementation of government policy relating to the sector.
- Members' key rights include timely payment of benefits (within 30 days) and transfers (within 60 days), access to information such as annual benefit statements, audited accounts and investment reports, nomination of beneficiaries, election of member trustees, and protection of benefits from attachment for judgment debts. Members are not permitted to access or transfer benefits while in active employment.

- The Fund’s overall compliance rating was confirmed at 1.36 (Good). All statutory returns were submitted on time, contributions were remitted promptly, investment managers complied with investment guidelines, Trustees were TDPK-certified, and trustees complied with disclosure requirements under the Good Governance Guidelines. Additional GGG guidelines will need to be submitted.
- Key highlights of the 2024 Retirement Benefits Act and Regulations included an increase in the annual tax-free pension contribution limit from KES 240,000 to KES 360,000 to encourage higher retirement savings and mitigate inflationary effects, increase in the term limits of Trustees and allowing contract staff to transfer their gratuity into the scheme.
- RBA has proposed amendments to the current act and regulations to allow the regulation of Trust Funds, the partial access of benefits whilst still in employment amongst other changes.

He thanked the members for taking time to attend the meeting, noting that one of the reasons for attending AGMs was to receive updates about their Fund.

(Min 06/2025) To Receive the Reports on Fund Investments

6.1 Presentation by the Investment Managers; Co-op Trust Investment Limited, Sanlam Investments, GenAfrica, Asset Managers and African Alliance Investments Limited

Co-op Trust Managers - Macroeconomic Review

Mr. Charles Andere of Co-op Trust presented a report on the investments of the Scheme for the year ended 30th June 2025 and the following was noted:

- Role of the Fund Manager
- 2024/2025 Macro-economic updates:
 - Kenya’s real Gross Domestic Product (GDP) growth moderated to approximately 4.7% in 2024, compared to 5.7% growth in 2023, reflecting a slower expansion influenced by global and local factors. Early 2025 data indicated continued momentum with growth estimates around 4.9%, supported by expanded activity in agriculture, construction, and services sectors.
 - Inflation: Inflationary pressures eased significantly during the period, with annual inflation declining to around 4.5% in 2024, comfortably within the Central Bank’s target range and remaining broadly stable in 2025. This moderation was attributed to stabilised food and energy prices as well as improved monetary conditions.
 - Monetary Policy: In response to subdued inflation and to support economic activity, the Central Bank of Kenya implemented accommodative monetary policy measures, including progressive reductions in the policy rate. This contributed to lower lending rates and a gradual rebound in private sector credit.
 - Exchange Rate and External Stability: The Kenyan shilling exhibited relative stability against major currencies, supported by stronger foreign exchange reserves, robust remittance inflows, and improved export performance.

GenAfrica - Investment Environment Outlook

Mr. Steve Biko of GenAfrica Asset Managers presented the fund movement during the period noting;

Asset Class	FY 2023 (KES)	FY 2023 (%)	FY 2024 (KES)	FY 2024 (%)	FY 2025 (KES)	FY 2025 (%)	RBA Limit (%)
Cash	63,114,042	0.55%	57,480,918	0.46%	2,640,751	0.02%	5.00%
Fixed & Call Deposits	952,755,360	8.31%	519,592,267	4.12%	544,865,789	3.40%	30.00%
Corporate Bonds	58,356,803	0.51%	49,128,490	0.39%	36,017,706	0.22%	30.00%
Treasury Bonds	6,899,645,242	60.18%	8,359,268,938	66.26%	10,956,775,092	68.28%	90.00%
Treasury Bills	188,212,503	1.64%	17,994,440	0.14%	138,354,519	0.86%	90.00%
Quoted Equities	2,156,592,784	18.81%	2,333,264,807	18.50%	3,041,810,545	18.96%	70.00%
Offshore Investments	436,342,612	3.81%	568,519,347	4.51%	695,291,060	4.33%	10.00%
Property Investments	710,000,000	6.19%	710,000,000	5.63%	630,000,000	3.93%	30.00%
Total Assets	11,465,019,346	100%	12,615,249,207	100%	16,045,755,462	100%	—

Performance

Period	June - 2024	June - 2025	Sept 2025
Return	12.62%	29.63%	7.57%

Africa Alliance – Property Investment Environment Review

Mr. Maina Wacieni of Africa Alliance presented the property market report for the Scheme for the year ended 30 June 2025 and the following was noted:

- Details of the Mavoko Property were provided as follows;

Plot Size	20.49HA or 50.63Acres
User	Undeveloped land
Location	Situated in Ngelani, 3Kms from Mombasa Road, 10kms and 30Kms from Mlolongo Town and Nairobi CBD respectively
Site conditions	The land is undeveloped with a significant portion of it under vegetation cover. The land terrain is also uneven with a seasonal river and would need architectural expertise to level it.
Neighbourhood	Similar vacant land, quarries, developing new estates and leisure venue; Whistling Thorns
General Remarks	We envisage that the property will be developed to help it attain its highest and best use thereby unlocking its potential in tandem with general and observed neighbourhood trends.
	This area neighbours a quarry, residual homes and leisure sites amongst others
	The property is situated in an area that is well-planned and with adequate physical infrastructure and social amenities
Future Plans	Development of residential homes and profit taking on excess portion of land <ul style="list-style-type: none"> • Subdivision of land and selling • Disposal of land as is, based on availability of buyer

(Min 07/2025) To Receive the Reports on Custodial Services

Mr Geoffrey Murimi of KCB Bank presented the report of the Custodian. The Bank was licensed by several authorities – CBK, RBA, CMA and CDSC.

- Role of the Custodian was:
 - To keep the financial assets of the scheme safe and servicing the portfolios related to those assets
 - To provide reports to account for the Customer’s investment portfolio
 - To implement the investment instructions to purchase or sell investments
 - To hold the documents of the title for the Customer’s investments in safe custody.
- Specific activities undertaken”:
 - Safekeeping of assets
 - Asset servicing
 - Trade processing
 - Activity reporting

The Custodian confirmed to the members present that:

- The assets of the Schemes were maintained in segregated accounts.
- Investments undertaken were within the authorised asset classes prescribed by the Retirement Benefits Authority (‘RBA’).
- Contributions were received monthly and in line with the prescribed RBA timelines
- Technical capacity and adequate operational systems to perform the duties of a custodian was maintained
- Proper books of record of the scheme indicating the portfolio held and investment activity
- All investments were executed as per the fund managers instructions
- The assets of the National Social Security Fund Staff Pension Scheme were maintained under our safe custody
- Reporting on assets held under custody was provided to the Retirement Benefits Authority and the Board of Trustees
- The assets held are detailed in the audited accounts for the year ended 30th June 2023.
- The assets of the Schemes were as follows:

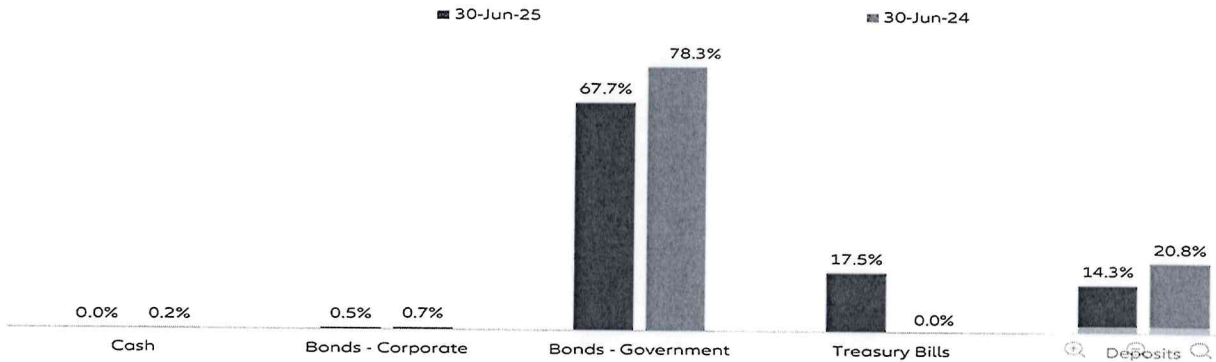
Asset Category	Value as at 30 th June 2025	% Holding
Cash at Bank	2,454,495.45	0.02%
Demand Deposits	265,604,458.91	1.69%
Term Deposits	236,478,541.10	1.50%
Corporate Bonds	33,744,647.09	0.21%
Treasury Bonds	10,752,429,019.81	68.30%
Treasury Bills	85,852,449.81	0.55%
Kenya Quoted Equities	2,997,678,486.24	19.04%
Real Estate Investment Trusts (REITs)	44,132,055.00	0.28%
Offshore	695,290,861.06	4.42%
Property	630,000,000.00	4.00%
Fund Value	15,743,665,014.47	100%

The Custodian confirmed that the Scheme assets were safe.

(Min 08/2025) To Receive the Reports on Investment Management and Custodial Services - PRMF

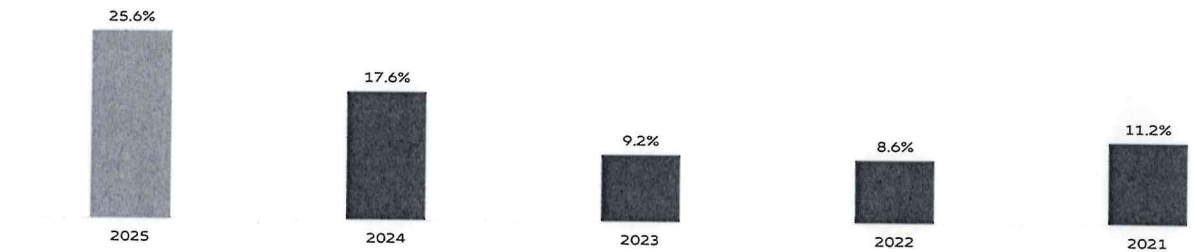
Ms. Yvonne of Sanlam Investment presented the PRMF portfolio highlighting as below:

Asset Allocation



Fund Performance

NSSF POST RETIREMENT MEDICAL FUND – GROSS MARKET RETURN



Source : Sanlam Allianz Investments

- The Fund value grew from Ksh.93 million in June 2021 to Ksh. 299 million as at June 2025.

Mr. Richard Miriti from Standard Chartered presented the Custodian report.

Confirmation Of Scheme Assets Under Custody -PRMF

ASSET	VALUE(KES) AS AT 30.06.2025	RATIO(%)
Bank Balance	7,500.60	0.00%
Call Deposits	10,122,054.75	3.38%
Fixed Deposits	32,639,580.80	10.89%
Corporate Bonds	1,542,940.75	0.51%
Government Securities	255,483,438.40	85.22%
TOTAL	299,795,515.30	100%

Note:

- Difference with Fund Manager's & Auditors Figures/Numbers due to timing and valuation methodologies whilst factoring of accruals and receivables in the audited accounts.

The Custodian confirmed that the Scheme assets were safe.

(Min 09/2025) To Receive the Report of the Administrator: Zamara

Mr. S. Kariuki of Zamara commenced his presentation.

The presentation of the Administrator was undertaken, and the following was noted:

- The role of the Administrator which was to assist the Trustees in the day-to-day administration of the Scheme.
- The purpose, structure, and benefit options of both the retirement scheme schemes which was to provide a platform for the staff of NSSF to save up for retirement and the event that a member passed away, the Schemes was set up to provide financial relief to the member's beneficiaries and dependants.
- The benefits structure of the Scheme was explained and noted as below:
- The members and the Employer made contributions to the Scheme. The contributions were defined at a rate of 8% for members and 16% for the employer. These contributions once remitted were invested by the investment manager and the returns earned were credit to individual member accounts on an annual basis
- The Scheme provided for four (4) benefits:
 - Benefit payable for exit before retirement age
 - Benefits payable on Retirement
 - Benefits payable on emigration benefit and
 - Benefits payable on death in service, Death in retirement and death in deferment
- The details of each of the benefits and how they were determined were provided.
- Members were encouraged to improve their incomer replacement ration by making additional voluntary contributions to boost their contribution to the Fund thus increasing their level of retirement savings.
- No changes were affected to the Schemes' benefits structure during the year in review.

➤ **Recent Legislative Changes**

The following was noted:

- **Tax Amendments**
- Effective from December 27,2024
- Increased Tax-Free Pension Contributions.
 - Raised from **KES 240,000** to **KES 360,000** annually. This encourages higher retirement savings and cushions against inflation,
- Tax Exemption on Pension Benefits.
 - Benefits are now exempt from income tax if:
 - -Withdrawn at retirement age
 - -Withdrawn due to ill health
 - -If the member has been in the scheme for 20+years
- Post-Retirement Medical Fund Incentives
 - Contributions up to KES 15,000/month are now tax-deductible.

(Min 10/2025) To Receive the Report of the Death Benefits Trust Funds: ICEA Lion

Mr. B. Jomo of Zamara commenced his presentation as follows:

THE FUND AT A GLANCE


<p>Total Fund Value</p> <p>KES 416,622,523.40</p> <p>As at 30 September 2025</p>	<p>Active Trust Funds</p> <p>154 individual trusts</p> <p>Supporting families nationwide</p>
<p>Professional Management</p> <p>ICEA LION Trust Company</p>	<p>Trustee Fee Structure</p> <p>1% per year (plus VAT)</p> <p>Charged quarterly</p>

Each trust is carefully administered to protect members' assets and ensure dependents receive consistent, reliable support for education, healthcare, and daily welfare needs.

THE FUND STRUCTURE

What Is a Trust Fund?

A trust is a legal structure that holds and safeguards assets for beneficiaries, ensuring money is used exactly as intended—for education, medical care, upkeep, and long-term welfare.



Key Parties in a Trust

01 Settlor
Establishes the trust, meticulously defining its terms and conditions like specifying the beneficiaries, determining how the funds should be allocated & detailing their intended use.

02 Trustee
Manages the funds professionally & transparently - ensuring compliance with legal & regulatory obligations, making distributions as per the trust's terms.

03 Beneficiary
Receives financial support and provisions as stipulated by the settlor's wishes. This includes funds for essential needs like education, healthcare & living expenses.

<p>Protects Children & Dependents</p> <p>Ensures vulnerable family members receive care even when you cannot provide it directly</p>	<p>Ensures Continuity</p> <p>Maintains financial stability if you become unable to manage your affairs</p>
<p>Reduces Family Disputes</p> <p>Clear instructions prevent conflicts and uncertainty about fund usage</p>	<p>Professional Oversight</p> <p>Expert management provides structured decision-making and accountability</p>

FUND ACTIVITY & PERFORMANCE - Q3 2025

Operational Highlights

✓ Payment Processing

All payments processed within **four working days**, ensuring timely support for families

✓ Standing Orders Active

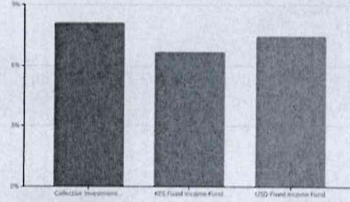
Consistent monthly support maintained for dependents' ongoing needs

Payments Covered - Q3 2025

1	2
Fees & educational expenses	Medical bills & healthcare costs
3	4
Rent & housing upkeep	Transport & general welfare needs

Investment Returns

Ongoing restructuring continues to support stable performance with a focus on liquidity, safety, and predictable income generation.



These returns reflect prudent investment strategies designed to preserve capital while generating steady growth for beneficiaries.

Collective Investment Schemes Q3 2025 Return: 8.13%	USD Fixed Income Fund Q3 2025 Return: 7.49%
KES Fixed Income Fund Q3 2025 Return: 6.70%	

(Min 11/2025) To Receive the Audited Accounts for the Year Ended 30 June 2025

11.1 Presentation of Summary of Audited Accounts

Mr. Eliud Okumu of Zamara presented the Scheme's financials for the year ended 30 June 2025.

Statement of changes in net assets		
Details	2025 Kshs	2024 Kshs
Contributions and Transfers in	606,180,220	577,101,830
Benefits paid	-830,914,491	-754,982,248
Net dealings from members	-224,734,271	-177,880,418
Investment income	1,901,460,638	1,345,427,840
Unrealized gain on revaluation of investments	1,754,215,035	70,312,358
Fund operational and management expenses	-95,271,011	-74,165,714
Taxation	-55,802,828	-47,157,463
Net return	3,504,601,834	1,294,417,021
Change in Member Balances - 25.6% growth (2024 - 9.5%)	3,279,867,563	1,116,536,603

Investments & Assets	2025 Kshs.	2024 Kshs.
Property Investment	630,000,000	710,000,000
Short term & Foreign Deposits	544,865,789	540,375,113
Government Securities	11,095,129,611	8,549,710,818
Corporate Bonds	36,017,706	51,202,198
Offshore Investments	695,291,260	568,519,346
Equity Investments	3,041,810,545	2,333,264,808
Furniture & Equipment	1,545,499	1,776,098
	16,044,660,410	12,754,848,381
Net Current Assets		
Bank Balance	2,640,751	46,356,598
Contributions & Other Receivables	76,914,377	40,476,910
Accruals	-37,298,669	-34,632,582
	42,256,459	52,200,926
Net Assets	16,086,916,869	12,807,049,307

- The fund received contributions and transfers totaling KShs 606.18 million, while benefits paid amounted to KShs 830.91 million, resulting in net outflows from members of KShs 224.73 million.
- Investment activities generated income of KShs 1.90 billion, complemented by unrealized investment gains of KShs 1.75 billion. After accounting for operational and management expenses of KShs 95.27 million and taxation of KShs 55.80 million, the net return stood at KShs 3.50 billion.
- Member balances grew by 25.6%, significantly higher than the 9.5% growth recorded in 2024, reflecting strong investment performance and effective fund management.
- Total investments and assets grew to KShs 16.04 billion from KShs 12.75 billion in 2024, driven by increases in government securities, offshore investments, and equities. Net current assets stood at KShs 42.26 million, resulting in overall net assets of KShs 16.09 billion, up from KShs 12.81 billion.

11.2 To Receive the Auditor's Opinion

Mr. Godfrey Kisiyena of Bon & Drew Associates presented the Auditor's report to the members. The Auditor read their opinion as follows for the year ended 30 June 2025:

"In our opinion, the accompanying financial statements present fairly, in all material respects, the Scheme's net assets available for benefits as at 30 June 2025, and changes in net assets available for benefits and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the requirements of the Kenyan Retirement Benefits Act. "

The members of the Scheme unanimously adopted the auditor's reports.

(Min 12/2025) Member Question and Answer Session

The meeting was opened for a question-and-answer session, and the following queries from members were raised and addressed:

1. Confirmation of Payments Leaving the Fund

A member sought clarification regarding payments leaving the fund which were greater than the contributions. It was explained that member benefits are disbursed or transferred out upon retirement, in accordance with the Retirement Benefits Regulations. Regarding operational expenses, members were informed that the scheme operates within an approved budget, and trustees consistently strive to optimize fund utilization by ensuring expenses remain competitive and justified.

2. Auditor Presentation

Members noted that the Auditor was allocated only a limited time for presentation, despite their critical oversight role. It was communicated that in future meetings, the Auditor's presentation time would be extended. Members were also advised to review the financial statements promptly once circulated by the trustees to ensure proper understanding and scrutiny.

3. Post-Retirement Medical Fund (PRMF) Enrolment and Service Providers

A member highlighted the need for innovative strategies to increase enrolment in the PRMF, noting the fund still has relatively few contributors. Trustees confirmed that several initiatives are underway and anticipate a significant increase in subscriptions soon. It was also clarified that service providers for the PRMF are separate from those managing the main pension scheme, in line with regulatory requirements, as the fund exceeds KShs 50 million. Further, a member suggested that the PRMF should also have its own Board of Trustees.

4. Mavoko Land

A member emphasized the importance of disposing of the Mavoko Land asset so that the proceeds could be reallocated to other asset classes offering better returns. He suggested that the property could be sold at purchase cost or nearest offer for the deployment of the funds to higher yielding assets.

5. Disclosure of Trustees' Attendance

Members requested clarification regarding Trustees who attended meetings during the financial year. It was clarified that detailed financial statements include this information under the good governance disclosures section.

6. Trustees' Term of Office

A member inquired how the Board plans to implement the new retirement sector regulation extending trustees' terms from three to five years. Trustees responded that there will be a communication from the Scheme on the implementation. RBA further explained that all stakeholders were consulted before the regulation was approved and published.

7. Appointment of ITSL to Manage Trust Funds

A member sought confirmation on whether ITSL had been officially contracted to manage the trust funds. Trustees confirmed that ITSL has been formally engaged under an official agreement to manage the trust funds established by the Board.

(Min 13/2025) Any Other Business of Which Prior Notice before the AGM Had Been Received

It was noted that there were no items of other business for which prior notice had been given.

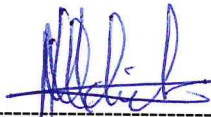
(Min 14/2025) Closing Remarks & Vote of Thanks

Ms. Hellen Koech gave a vote of thanks on behalf of the members present. She thanked the members of the Scheme for their active participation. She thanked the Board of Trustees, the Secretariat and Service Providers for their dedication and effort in ensuring the smooth running of the Scheme.

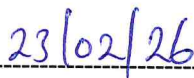
(Min 15/2025) Close Meeting

The meeting ended at 5:05 p.m. with a word of prayer from Noah Owino

Confirmed as a true record of the proceedings of the meeting.



Mr. Michael Ndichu
Trust Secretary



Date



Dr. Kaberia Kubai
Chairperson



Date