

**MINUTES OF THE 18th JOINT ANNUAL GENERAL MEETING (AGM) OF MEMBERS OF ZIMELE
GUARANTEED PERSONAL PENSION PLAN AND ZIMELE PERSONAL PENSION PLAN**

Held Virtually Via Zoom Platform on Wednesday, 11 June 2025 at 11h00, Nairobi

Present

Representing the Corporate Trustee

Stephen Obudho	Chairperson, Kingsland Court Trustee Services Ltd
Brian Mwangi	Trustee, Kingsland Court Trustee Services Ltd

Representing the Service Providers

Carol Njeri	Fund Manager, Zimele Asset Management
Patrick Nguru	Administrator, Pacific Insurance Brokers Ltd
Paul Ngomba	Custodian, KCB Custody Services

Representing the Auditor

Louise Okwara	Louise & Associates Certified Public Accountants
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Representing the Sponsor

Isaac Njuguna	CO-CEO, Zimele Asset Management Company
Francis Sang	Finance Manager, Zimele Asset Management Company

Number of Members Present: 42 members as per the Zoom recording.

Minute No:

01/2025

Opening Prayers & Introductions

The meeting commenced with a prayer from the Chairperson, seeking blessings for the proceedings and wellbeing of all members. He introduced the panel of service providers and stakeholders present at the meeting.

- **Sponsor:** Representatives from Zimele Asset Management Company, including senior management.
- **Fund Manager:** Zimele Asset Management Company, represented by the appointed fund manager.

- **Custodian:** KCB Custody Services, responsible for safeguarding scheme assets.
- **Administrator:** The Pacific Insurance Brokers Ltd, responsible for member services and scheme administration.
- **Auditors:** Louise & Associates Certified Public Accountants, the external auditors, tasked with reviewing and confirming the financial statements of the schemes.

02/2025

Remarks

a) **From the Corporate Trustee**

The Chairperson, representing the Kingsland Court Trustee Services Ltd, welcomed members to the joint Annual General Meeting of the two pension schemes. He expressed gratitude to members for their participation and emphasized the importance of the meeting in reviewing the schemes’ activities during the FY 2024. He noted that the Trustees remain committed to safeguarding members’ interests and ensuring the effective management of the schemes. The Chairperson highlighted the presence of key service providers — including the fund manager, custodian, administrator, and auditors — who would each present updates on their respective roles and performance of the schemes.

Members were informed that the agenda would cover sponsor’s remarks, service provider presentations, and a Q&A session to address members’ concerns. The Chairperson concluded by reaffirming the Trustees’ dedication to transparency, accountability, and the long-term sustainability of the schemes.

b) **From the Sponsor**

Mr. Isaac Njuguna, Co-CEO of Zimele Asset Management Company, addressed the members in his capacity as the sponsor of the schemes. He expressed appreciation for the opportunity to meet and interact with members, noting that the AGM provides a valuable platform for feedback and engagement with service providers. He reiterated the directors’ commitment to supporting the schemes and enhancing member experience through various initiatives. Mr. Njuguna highlighted that sufficient resources have been dedicated to improving flexibility, convenience, and overall service delivery, and noted that several changes introduced over the past year were designed to strengthen member engagement.

He assured members that the sponsor will continue to listen to their needs and implement measures aimed at making participation in the schemes more beneficial. He concluded by welcoming all participants and encouraging active engagement to ensure a productive session.

03/2025

Presentation of the Audited Financial Statement FY2024

The FY2024 Audit was conducted by the independent auditor, Louise & Associates Certified Public Accountants, as per the Retirement Benefits Act Section 34(3) requirements. Louise & Associates Certified Public Accountants representative, Ms. Louise Okwara, took members through the Annual Report and financial statements for the year ended 31 December 2024.

The accounts had been made available to the members before the AGM and would also be sent to individual members upon request.

The Auditor presented the responsibilities of trustees and the independent auditors, membership of the scheme, statement of changes in net assets available for benefits, return on investments, statement of net assets available for benefits, and highlights of the membership movement.

The auditor concluded by affirming that the schemes remain in sound financial standing and that members can have confidence in the integrity of the reported figures. She confirmed that the financial statements present a true and fair view of the financial position of the Zimele Guaranteed Personal Pension Plan and the Zimele Personal Pension Plan as at 31st December 2024, as well as their financial performance and cash flows for the year then ended. The audit was conducted in accordance with the International Financial Reporting Standards and the Retirement Benefits Act.

04/2025

Presentation of the Investment Report- Zimele Asset Management Company

Ms. Carol Njeri, representing the fund manager, presented the investment performance of the schemes for 2024 and provided an outlook for 2025. She began by outlining Zimele Asset Management Company's background, noting that it has been in operation since 1998, licensed by the Capital Markets Authority (CMA) to offer unit trust services and regulated by the Retirement Benefits Authority (RBA) for pension schemes.

Global and Local Economic Environment Performance (2024):

- The global economy experienced cautious recovery, with inflation easing in major economies such as the US and Europe.
- The US Federal Reserve reduced interest rates from 5.5% to 4.7%, improving borrowing conditions and investor appetite, while the US dollar weakened slightly against other currencies.

- In Kenya, recovery was supported by the successful issuance of a new Eurobond, easing debt concerns and strengthening the shilling by 17% against the dollar.
- The Central Bank of Kenya reduced the CBR from 13% to 11.25%, lowering borrowing costs and supporting investment activity. Treasury bill rates also declined, signaling improved stability.

Scheme Performance (2024):

- The Zimele Guaranteed Personal Pension Plan (ZGPPP), primarily invested in government securities, achieved a gross return of **14.17%**.
- The Zimele Personal Pension Plan (ZPPP), with allocations in government securities and equities, delivered a gross return of **25.1%**, outperforming the market with a similar investment strategy.

Outlook (2025):

- Attractive bond yields are expected to boost fixed income returns.
- Sustained equity market performance is anticipated for schemes with listed equity allocations.
- Ongoing increases in NSSF contributions are expected to further strengthen pension savings.

05/2025 Presentation of the Custodian Report

Mr. Paul Ngomba, representing KCB Custody Services, outlined the role of the custodian in relation to the two pension schemes. He explained that the custodian is responsible for safekeeping the funds, executing and settling investment instructions issued by the fund manager, and ensuring compliance with regulatory requirements.

He confirmed to members that the assets of both schemes are securely held under KCB Custody Services and assured them of the integrity and safety of the funds under management.

06/2025 Presentation of the Administration Report

Mr. Patrick Nguru, the scheme administrator, presented an overview of their core responsibilities, which include ensuring the smooth day-to-day running of the schemes, maintaining accurate member and contribution records, preparing and submitting statutory returns to the Retirement Benefits Authority (RBA), facilitating communication between trustees, members, and service providers, coordinating benefits processing, and responding to member inquiries.

He emphasized the importance of saving for retirement, noting that one of the key objectives is to help members maintain their lifestyle after exiting employment. The administrator outlined the core benefits available under the schemes:

- **Withdrawal Benefits:** Payable in cases such as resignation, dismissal, retrenchment, or redundancy before the early retirement age of 50. Individual contributors are entitled to 100% of their contributions plus interest, while employed members may access 50% of their own and employer contributions, with the balance deferred until retirement. Deferred benefits may be transferred to another registered scheme or left to continue earning interest.
- **Emigration Benefits:** Members migrating permanently out of the country may access 100% of their contributions and employer contributions as a lump sum (less applicable taxes), subject to proof of emigration.
- **Retirement Benefits:** Upon attaining retirement age, members may access one-third (1/3) of their pension as a lump sum, with the balance (2/3) applied toward an annuity or income drawdown. Trivial benefits may be paid fully as a lump sum.
- **Death Benefits:** In the event of a member's death, 100% of benefits are payable to nominated beneficiaries. Pension benefits do not form part of the estate, and trustees may nominate beneficiaries if none are designated.
- **Ill-Health Benefits:** Members unable to continue working due to disability or incapacitation are entitled to 100% of their benefits as a lump sum, subject to medical documentation and employer confirmation (for employer-related schemes).

The administrator also highlighted applicable tax rules: benefits accessed before age 50 or with less than 20 years of membership may be subject to tax, while members above 50 years or with more than 20 years of membership receive benefits tax-free.

07/2025

Questions from Members

During the Q&A session, members raised several questions which were addressed by the panel:

- **Recording Access:** A member asked how late joiners could access the meeting recording. The team confirmed that presentations and a link to the recording would be shared with all members.
- **Scheme Returns:** A member queried why the Zimele Guaranteed Personal Pension Plan showed 14% while her statement reflected 11%. The fund manager clarified that 14% represented the gross return for the year, while the net return was 11.25%, which was communicated to members.

- **Withdrawal at Age 50:** A member asked if funds could be withdrawn tax-free as a lump sum at age 50. The response confirmed that members may access one-third of their benefits as a lump sum, with the balance applied toward an annuity or income drawdown. In cases where benefits are deemed trivial, full lump-sum withdrawal is permitted. All retirement benefits are tax-free.
- **Personal Pension Plan Returns:** A member asked about the return of the Zimele Personal Pension Plan. The fund manager confirmed a gross return of **25.1%** for 2024.
- **Early Withdrawal:** A member asked how one can withdraw from a personal pension scheme before age 50. The administrator explained that members without employer contributions are entitled to 100% of their accumulated benefits, subject to applicable taxes.

Closing Remarks

Mr. Francis Sang, on behalf of Zimele, thanked the panelists, custodian, fund manager, administrator, and members for their participation. He noted that the meeting had achieved a good quorum and expressed appreciation for the engagement.

The Chairperson concluded the meeting with a vote of thanks and a closing prayer.

There being no other business, the meeting ended at 12h50.

Signed For the Corporate Trustee

Executive Director

Date