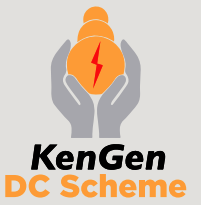




KenGen
Staff Retirement
Benefits Scheme

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THE RETIREMENT JOURNEY



Keeping You Updated



Your FINANCIAL FUTURE IS SECURE

by Hannah Nguhi

The schemes investment strategy of diversification of the portfolio and securing the invested capital while chasing high returns have seen schemes assets grow even when the local financial market was strained in the past quarter with the shilling weakening against the dollar and the significant rise in living cost due to rise in fuel and food prices.

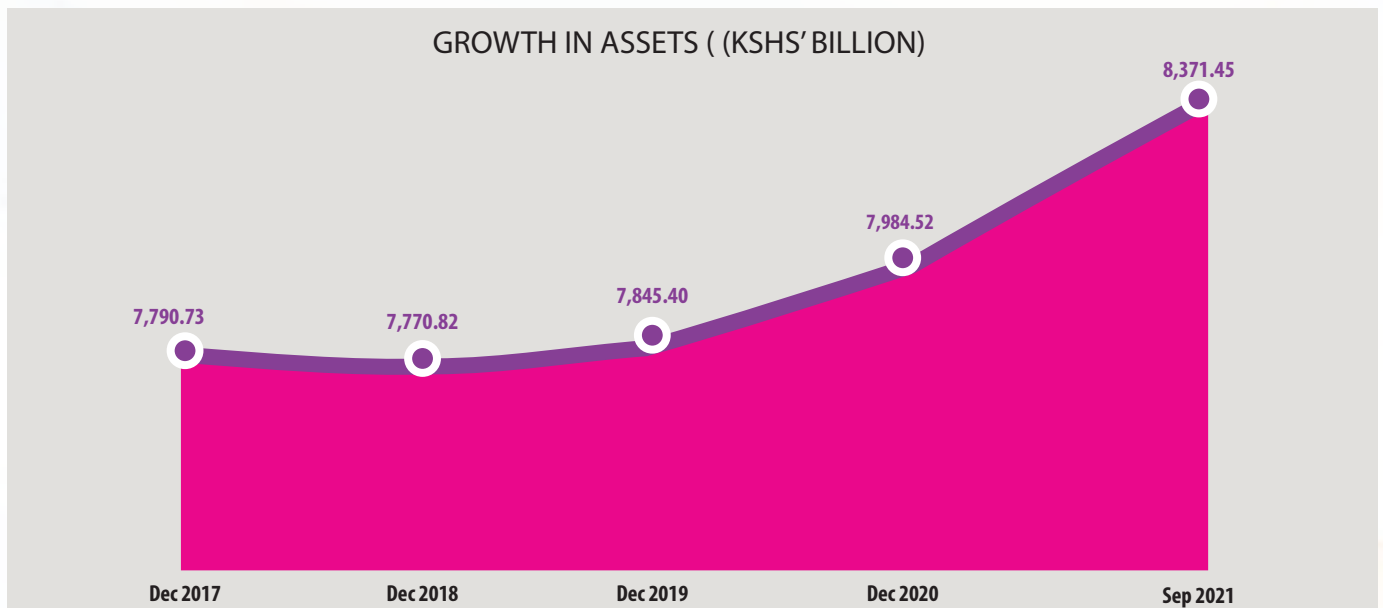
Investment Allocation

The board of both the DB & DC Scheme are keen on implementing the set investment strategic plan to ensure at retirement, the KenGen employees will have access to their pension which will have significantly grown due to the high returns the schemes aim to gain year on year.

The following charts provide the distribution of the investments based on portfolio allocation and market value of investments.

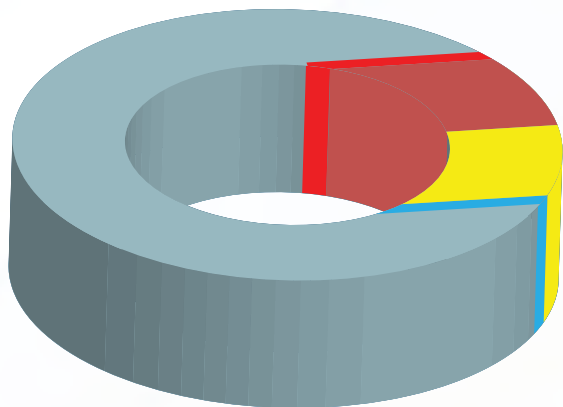
DB SCHEME

📊 Market Value of Investments for the period ended September 30, 2021



Asset Allocation: Total Investment Portfolio of Ksh 8.371 Billion as at September 30, 2021, which grew from Ksh 7.968 Billion in the previous quarter. Below show assets allocation in the last two quarters:

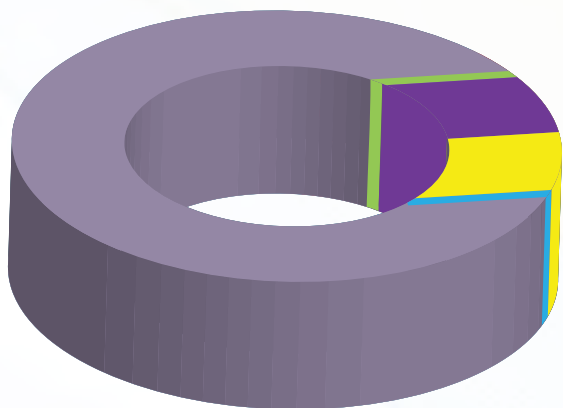
Asset Allocation as at 30-06-2021



- Deposits 2.4%
- Government Securities 26.6%
- Listed Equities 10.6%
- Offshore 1.4%
- Immovable Property 58.8%



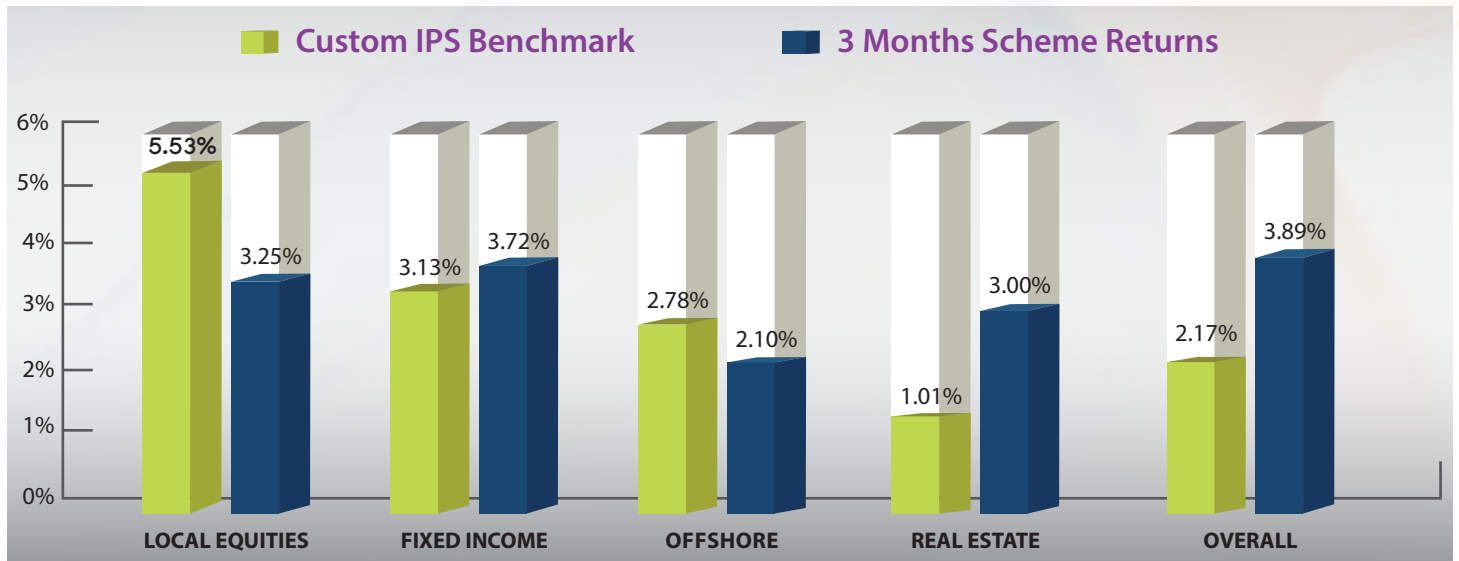
Asset Allocation as at 30-09-2021



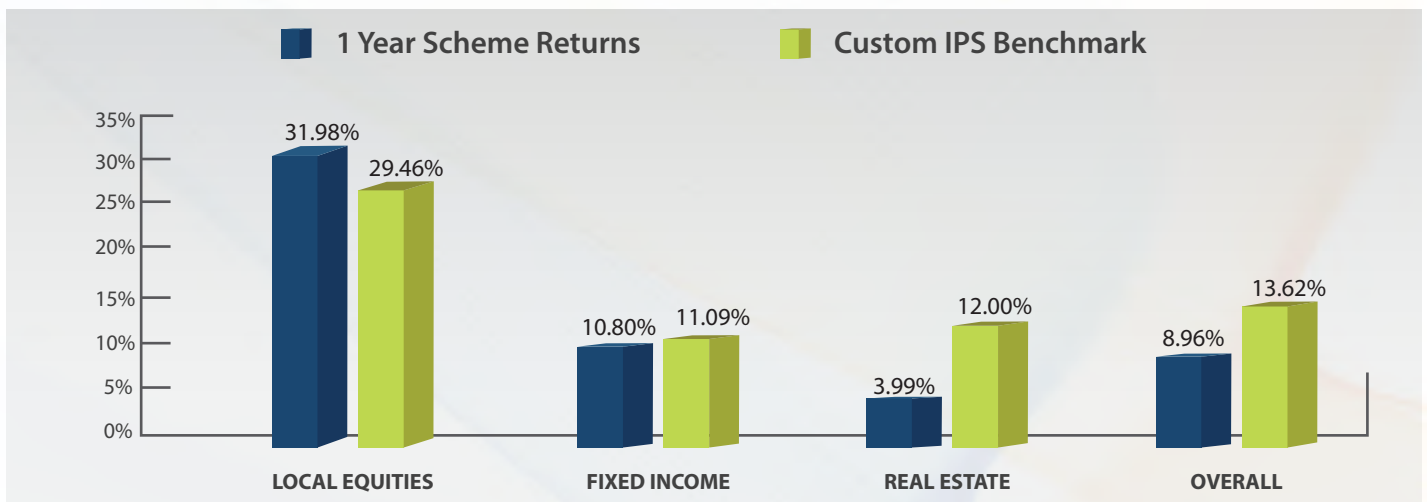
- Deposits 3.9%
- Government Securities 27.3%
- Listed Equities 10.1%
- Offshore 1.4%
- Immovable Property 57.3%

The following charts shows the Schemes returns versus IPS benchmarks as of 30th Sept 2021. The benchmarks provide the Scheme with a standard of measuring the performance.

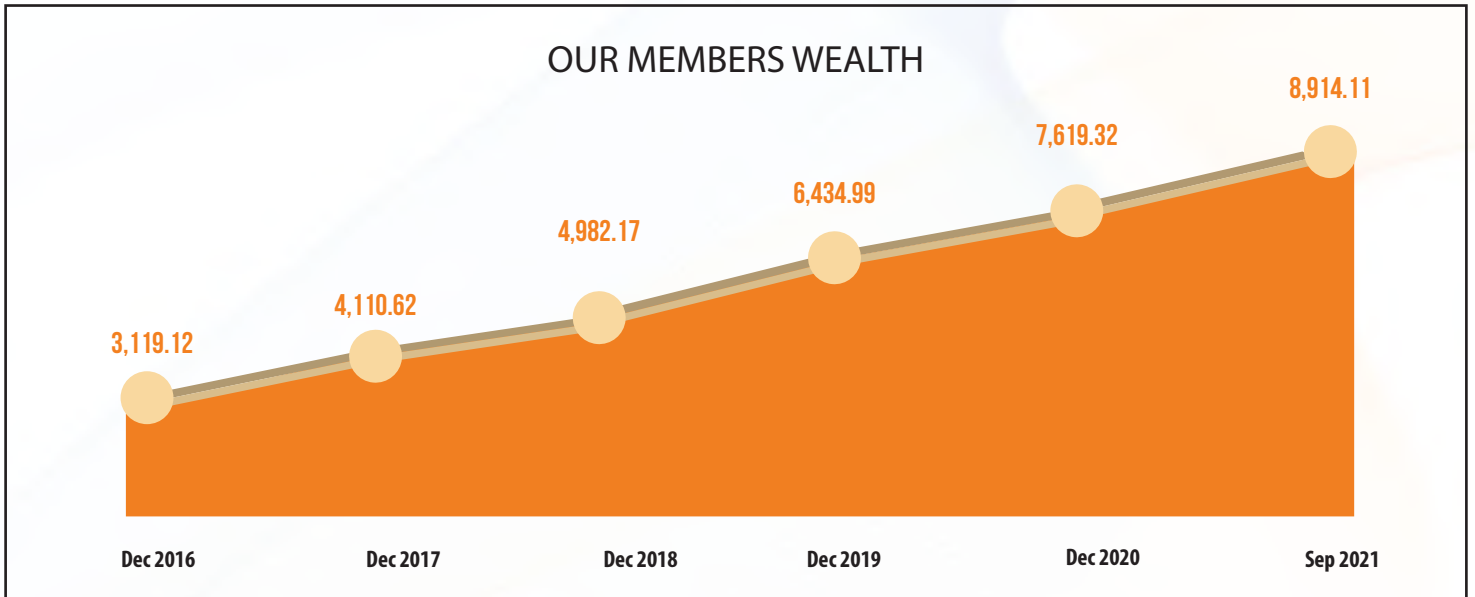
3-months Performance as of Sept 30th, 2021



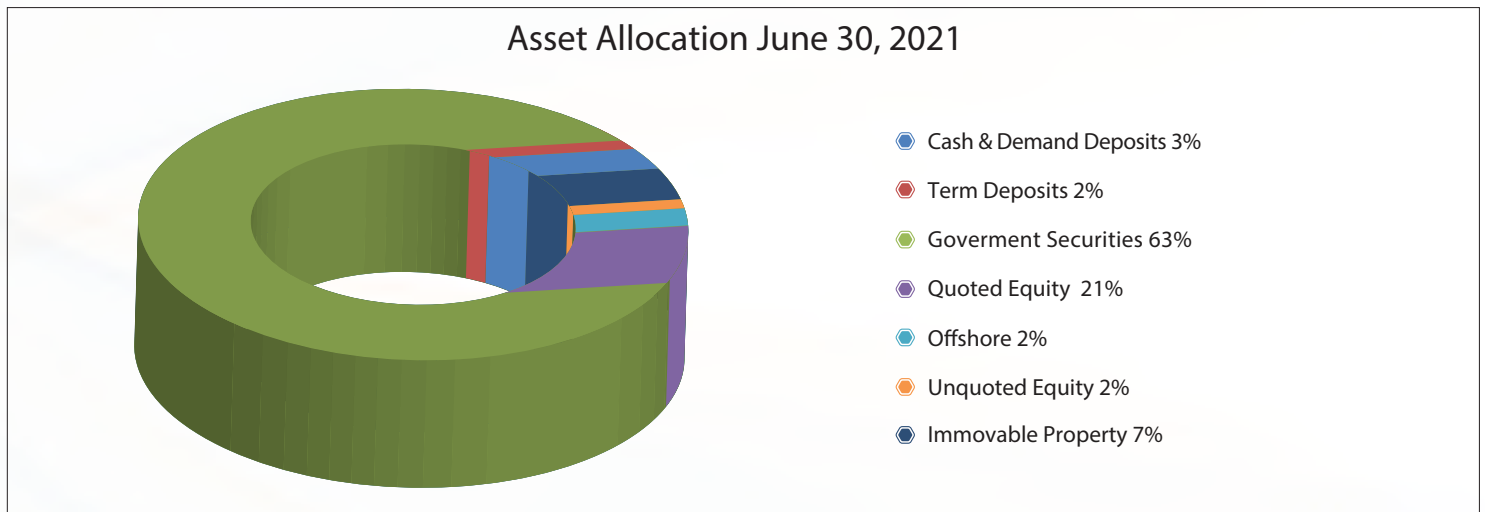
One-year Performance as of September 30, 2021



Market Value of Investments for the period ended September 30, 2021

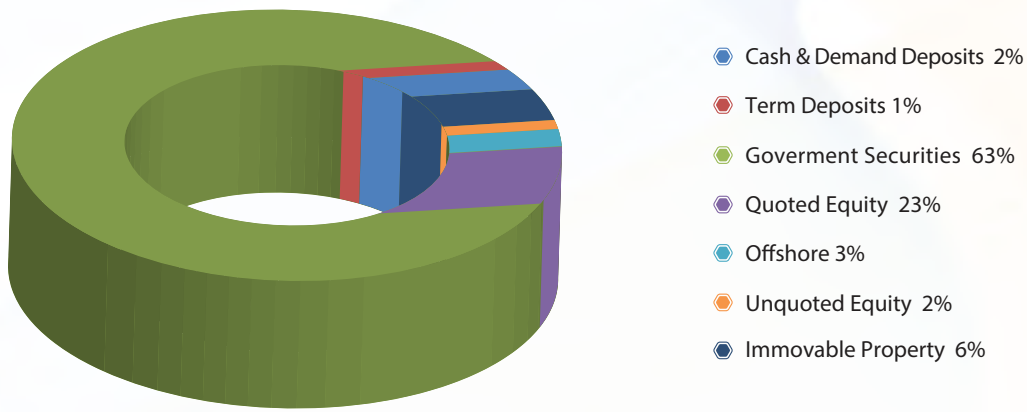


Asset Allocation: Total Investment Portfolio experienced a 5.22% growth over 3-months ended September 30, 2021, to close at Ksh 8.914 Billion. Below is a summary of how the assets were allocated over the last two quarters:

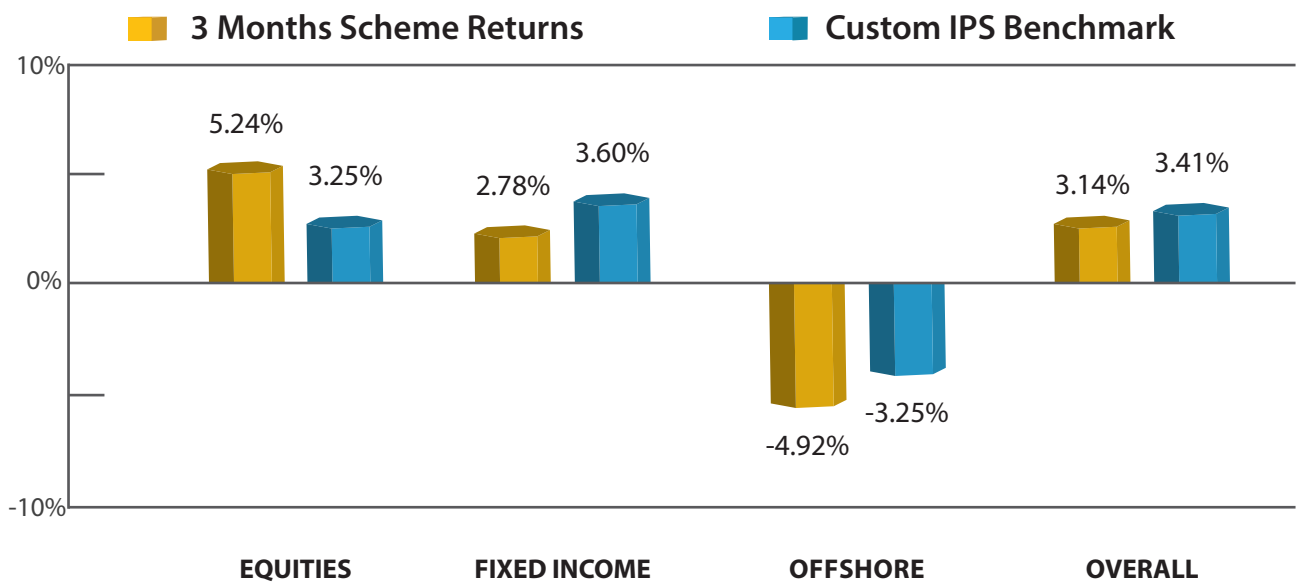


Asset Allocation: September 30, 2021

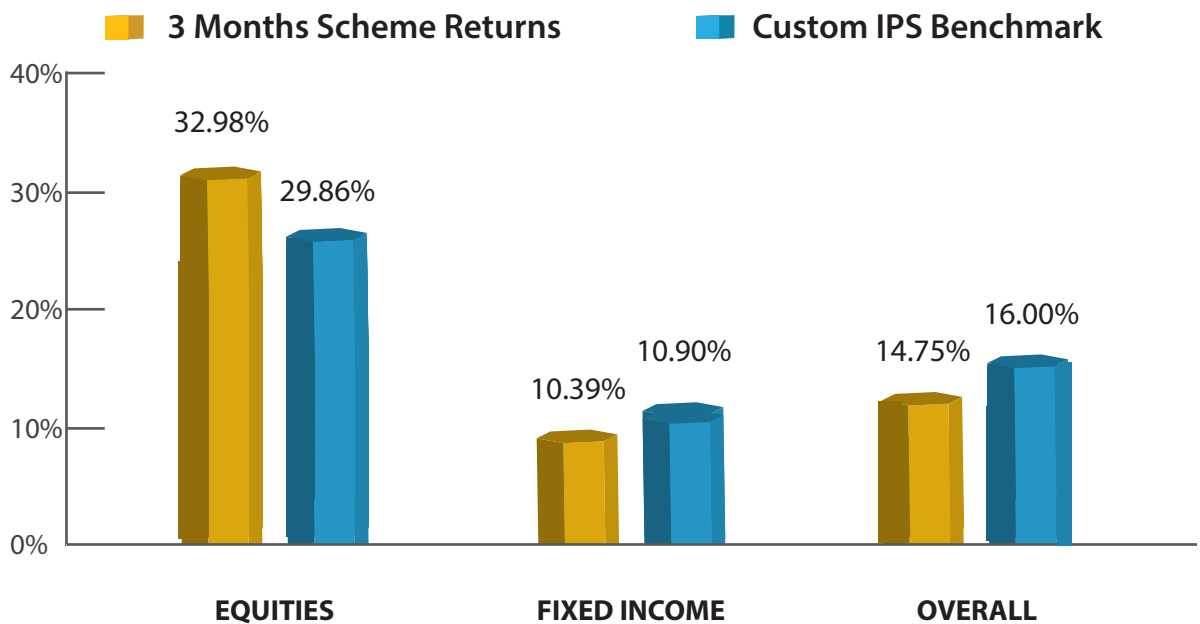
Asset Allocation September 30, 2021



3 months performance as of September 30, 2021



One year performance as of September 30, 2021



Plan For Retirement: Enjoy Your Golden Years

by Evelyne Mwangi



We all want to retire gracefully without any financial impediments that come with retirement, yet the reality has proved to be starkly different. Enjoying retirement is easier said than done. It can only be achieved if one starts planning meticulously during their productive years.

We tend to state that by retirement: "I will have figured it out or would have built a house and started an income generating business." But at times, the demands of life might sway you away from that focus. Identifying how one would want to live during their retirement and having a plan towards it can assist you stay in track with your goals.

Ways to plan for your retirement:

1 Start saving early in your productive years

For some, having started their careers at a young age, retirement seems ages away. Saving early gives you a longer period to earn interest on your savings which may cushion you in the event of losing your job and debilitating health. Do not let your productive years go to waste, invest in your future and the generations to come.

2 Stay Financially Liquid

At retirement, the steady income one was accustomed to might not be available. To avoid situations whereby one is asset rich but cash poor, ensure your savings are not tied up in investments that take too long to liquidate. As this will affect your financial freedom and ability to pay for your upkeep.

3 Manage your loans

When nearing retirement, ensure your current loans are fully paid or the balance is manageable especially if one is fully dependant on their salary to meet the repayment obligations. Avoid taking up new loans at retirement as the repayment obligation will increase your expenses at retirement.

4 Plan for medical expenses

Having left formal employment most retirees are forced to pay cash for their medical expenses which is an expensive affair especially for those retirees with underlying conditions which need to be regularly managed. Also, most insurance companies tend to not offer medical covers to persons over a certain age bracket or with pre-existing conditions.

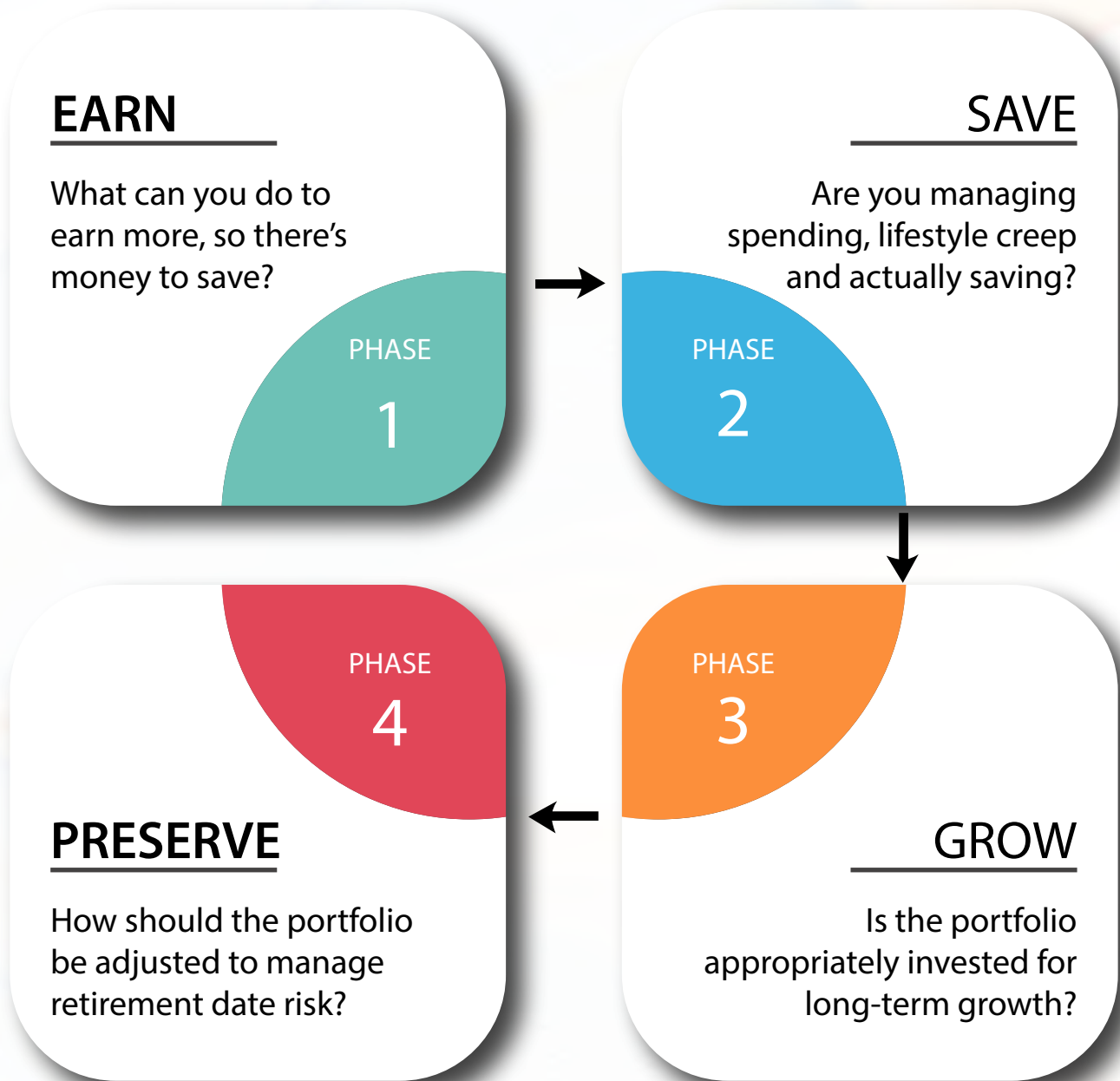
As one approaches retirement, it's advisable to start 'shopping' for pension schemes that offer medical cover in their package.

5 Plan for unpredictable eventualities

As we plan for our futures, unfortunately we have no guarantee of living to fulfilling our plans. In the African setup if one starts talking about their death or that of a loved one, it's usually deemed as invitation of death to the family.

Though having planned for your demise early, disclosing your assets to your family and writing a will for how your estate will be invested and managed ensures you can continue providing for them even after your demise.

The four phases of saving and investing for retirement are as below, regularly review them as you plan for your retirement to ensure you stay on course with your plans and the selected strategy is in line with achieving your goals.



*I leave you with a quote from Earl Nightingale,
 "As in all successful ventures, the foundation of
 a good retirement is planning."*

Keeping My Affairs in Order: Nomination of Beneficiaries

by Shalin Kyalo



One of the greatest lessons Covid 19 has taught us is the volatility of life; we hope for the best while preparing for the worst and hence the need to put our financial affairs in order. Part of these decisions involve nominating our beneficiaries. There is the fallacy that completing a nomination of beneficiary form is a bad omen and a way of inviting death with the assumption that the family has gotten on well and the belief that they will amicably manage and distribute my assets fairly when I am gone. This is a taboo that we need to overcome.

A beneficiary nomination form is a document that identifies the person or people that you chose to receive your pension benefits in the event of your death. Death could occur either while in service of the Sponsor (Death in Service) or in Retirement (Death in Retirement).

For Death in Service, assuming you were a member of either KenGen SRBS (DB Scheme) and/or KenGen Defined Contribution (DC) Scheme 2012, your beneficiaries will be entitled to a lump sum benefit being a refund of contributions and/or a monthly pension payable to an eligible spouse(s) for the rest of their life and a child pension payable up to the age of 21 to a maximum of four children depending on the Scheme(s) you are a member of. Additionally, there will be a Group Life Benefit Payable depending on the insurance cover in place during the period of demise.

In instances of Death in Retirement, the amount

payable to your beneficiaries will either be lump sum benefits, and/or a monthly income to the spouse and children below the age of 21 which also varies depending on the Scheme a member belongs to.

It's important to note that nomination of beneficiaries is a different concept and that pension benefits are not considered to be a part of the estate of the deceased. The statutes that relate to nomination override prevailing succession laws. Therefore such funds cannot pass under the will of the deceased or vest in his personal representative. Retirement Benefits falls under this category and hence having a will that describe how you wish these benefits shared will not suffice.

It is therefore important to not only fill in a nomination of beneficiaries form but also ensure that it is up to date. You may have had a kid since you last updated your beneficiaries.

In the unfortunate event of death before you can update the changes, your wishes are not officially documented and as such the Trustees will do the allocation as they deem fit pursuant to Regulation 23 of the Retirement Benefits Regulations of 2000 which provides that if the deceased member had not named the beneficiary, then the Trustees shall exercise their discretion in the distribution of the benefits to the dependents of the deceased member, provided that the Trustees may refuse to pay the nominated beneficiary and the reasons for such refusal shall be so recorded.

Put a reminder on your calendar to check your beneficiary designations annually so you can keep them up to date.

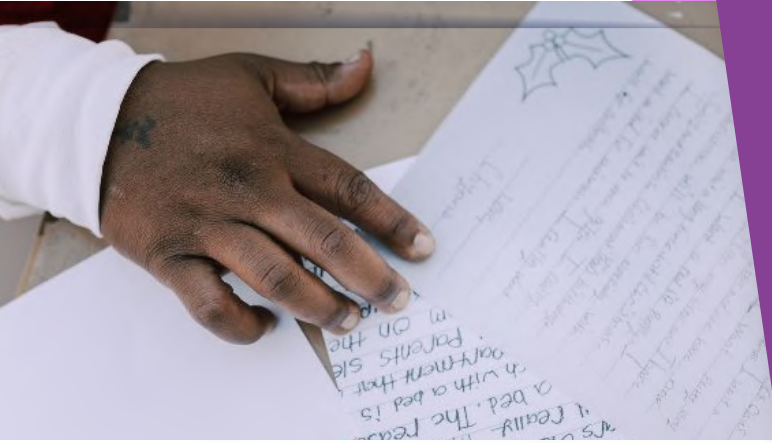
The decision as to where the benefits are paid upon death ultimately rests with the Trustees. However, to help them make that decision (though not obliged to follow your choice), they are guided by the member's nomination. Non-adherence to your preferred options would be rare, however, and would be documented.

Death comes to us all. What's fated hangs over you. As long as you live and while you can, don't make it harder on your loved ones than necessary. Not a cheerful note to end on but a realistic one.

Allow us to extend our customer service beyond you by clicking on the link below to fill in the nomination form.

Beneficiaries Nomination Form





OF SCHOOL ARSON, AND MORE

by Gloria Kikete

Teenagers seem to be on the rampage. Arson is the latest crime, unfortunately perpetrated by our dear beloved youngsters, even without thinking of the consequences. It's just fun to access a flammable liquid, a lighter, set something ablaze and watch the flames dance in the wind. Fortunately, this season hasn't had many fatalities, so it seems like every student got the memo in time.

A silent prayer to the families that hear of such news and their hearts break afresh remembering their child at Kyanguli or Quabbz whose dreams choked in the smoke. That dreadful call when they had to go not to the school, but to the morgue, for their precious child entrusted to the school system.

Some sources said the teenagers are shouting for attention. And that they are under a lot of pressure from having packed academic calendars. They need a break, and they have to do something drastic to be heard. The CS said that these children of the state are facing a parenting problem. That parents are treating their children like eggs that may drop and break. They have abdicated their duty to teachers, social media, fake celebrities, peers and gadgets.

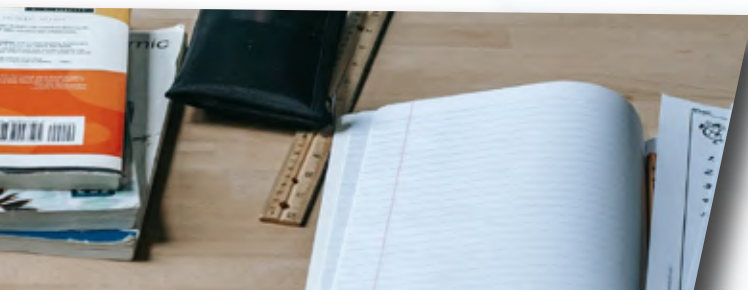
In my opinion the flexing of school rules have also contributed to the erosion of discipline. The government, with the advice of the Children's rights people banned caning in schools and directed those girls that get pregnant in school are not to be punished but allowed to be in school without consequence? Research has shown that these have failed to deter engagement in social evils from a very young age.

It seems like the children expect zero consequences to their action. So when parents try to take action, they threaten running off, or something as extreme as suicide.

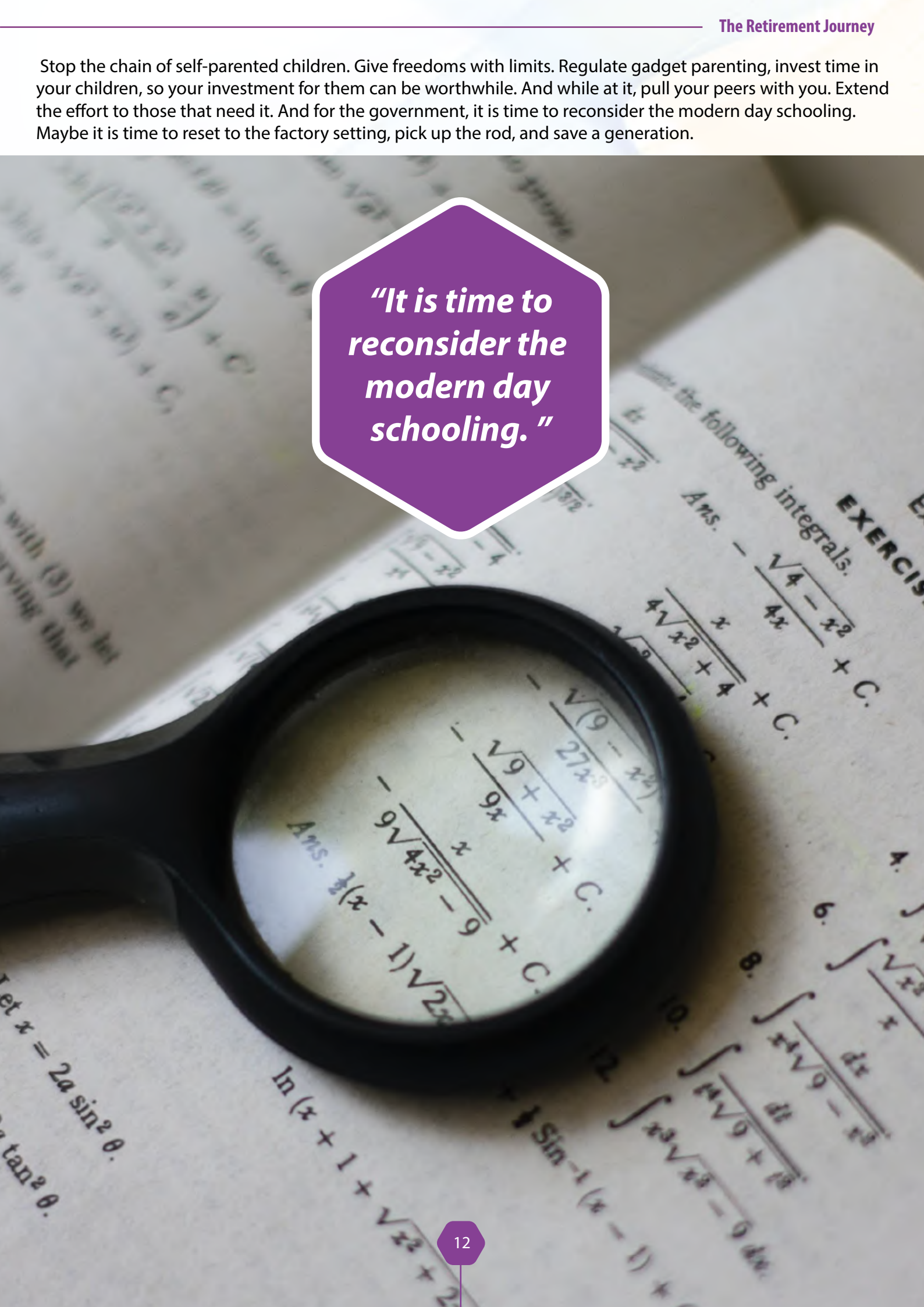
Newborns come with dimples but not manuals. Of course, some parents are plain deadbeat. But many are trying the best way they have been cultured. Amid the pressures of the economy where they must run two jobs to buy the loaf. Amid the necessity to live two hours from their workplace, and spend double that in traffic. Amid life happening.

The fast life. So the parent works their back off to afford school fees, and send their child there, knowing the teacher is well equipped to instill not just arithmetic, but life skills as well. In any case however present as a parent, they spend most of their childhood at school.

Unfortunately, the school rules have been replaced with high school fees and absolute freedoms. Parents do not expect to pay that much and be limited to clean shaven heads and plain cornrows. So where does my well parented child find themselves? In a rogue society. Where morals are individual and not communal. If the fire is lit, it wont only destroy the life or property of the ill parented child. The society must be reengineered to know that this child of yours will have to meet that one you think their parent is a jerk. So how about you step out and reach out. Their parent may be unavailable for whatever reason, self-inflicted or not But unless you home school them, your personal effort is futile in the long run. And how long can you do that anyway.



Stop the chain of self-parented children. Give freedoms with limits. Regulate gadget parenting, invest time in your children, so your investment for them can be worthwhile. And while at it, pull your peers with you. Extend the effort to those that need it. And for the government, it is time to reconsider the modern day schooling. Maybe it is time to reset to the factory setting, pick up the rod, and save a generation.

A magnifying glass with a black handle is positioned over a page of a math textbook. The page contains various mathematical problems and solutions, including integrals and algebraic expressions. A purple callout box with a white border is overlaid on the page, containing the text: "It is time to reconsider the modern day schooling." The background is a close-up of the textbook page, showing mathematical formulas and the word "EXERCISES".

"It is time to reconsider the modern day schooling."



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Kengen Pension Plaza 2, 11th Floor Kolobot Road, Parklands
P.O Box 47936 – 00100, Nairobi, Kenya

☎
{+254} 711 036 000 , {+254} 732 116 000
{+254} 203 666 000

✉
info@kengensrbs.co.ke

🌐
www.kengensrbs.co.ke

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