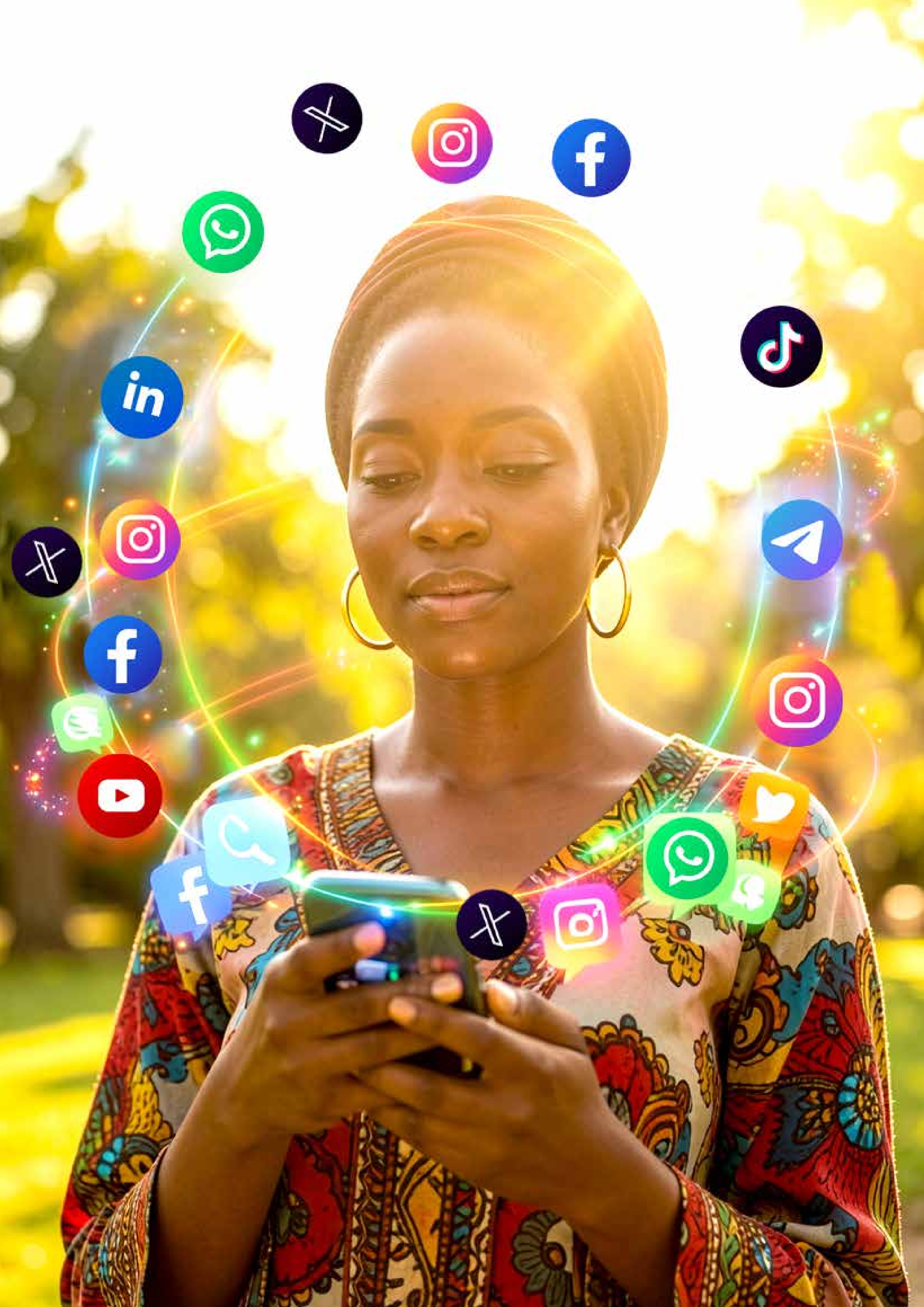
GDCSRBS
Save • Relax • Enjoy

ANNUAL REPORT
& FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025



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01 SCHEME OVERVIEW

The Scheme is managed by a Board of Trustees and is established as an irrevocable Trust as required by the Retirement Benefits Act.

KEY SCHEME INFORMATION

TRUSTEES	POSITION	DATE APPOINTED/RETIRED
Zablon Mlawasi**	Chairperson	Appointed on 29 May 2024
Fredrick Mayoga**	Trust Secretary	Appointed on 29 May 2024
Charity Zeron*		Appointed on 18 June 2024
Christopher Ngolo*		Re-appointed on 05 November 2024
Jacklyne Wakhungu*		Appointed on 18 June 2024
Paul Lomeri**		Appointed on 18 November 2024
Peninah Nyawira Weru**		Appointed on 18 November 2024
Paul Ngugi*		Retired from the Board on 29 September, 2025

** Sponsor nominated*

*** Member elected*

ADMINISTRATOR
Enwealth Financial Services Limited
Enwealth Business Centre,
Ngong Lane, Off Ngong Road
P. O. Box 52840 - 00200 Nairobi
www.enwealth.co.ke

INVESTMENT MANAGER
GenAfrica Asset Managers Limited
14 Riverside Business Park, Off Riverside Drive
1st Floor, Arlington Block
P. O. Box 79217 - 00200 Nairobi
www.genafrica.com

CUSTODIAN
Co-operative Bank of Kenya Limited
Custodial Services
KUSCCO Centre, Upper Hill
P. O. Box 48231 - 00100 Nairobi
www.co-opbank.co.ke

AUDITOR
UHY Kenya
6th Floor, Rainbow Tower-
Muthithi Road Westlands
P. O. Box 13550 - 00800 Nairobi
www.uhy-ke.com

REGISTERED OFFICE
Geothermal Development Company
Kawi House, South C Bellevue, Popo Lane,
Off Mombasa Road, Red Cross Road
P. O. Box 100746 - 00101 Nairobi
www.gdc.co.ke

OUR VISION

A secured financial future of dignity and fulfillment.

OUR MISSION

Efficiently promoting growth in members' savings through prudent investments and sustainable governance.

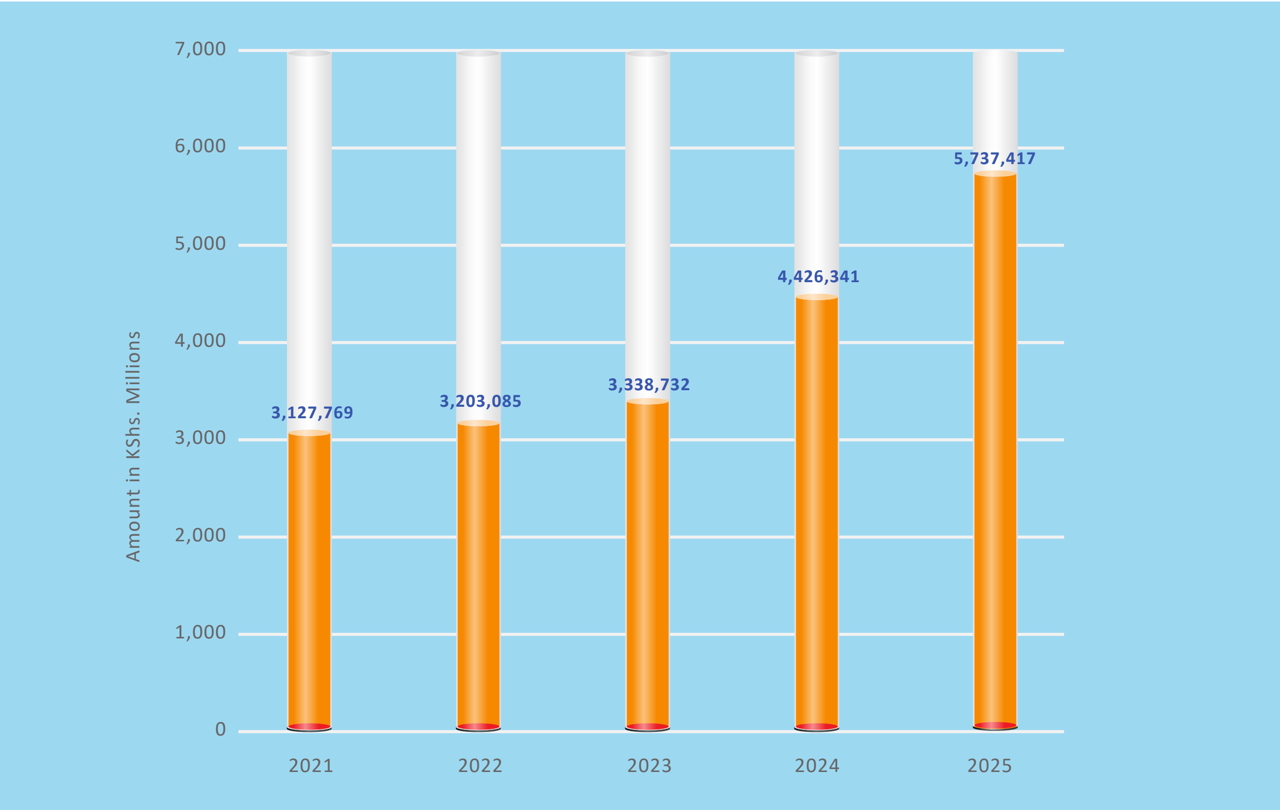
OUR VALUES

Accountability
Excellence
Creativity
Commitment

VALUE PROPOSITION TO OUR MEMBERS

SCHEME HIGHLIGHTS

Net Assets Available for Benefits



Financial Year 2025 Key Performance Indicators (KPIs)

Net return on investments (Kshs)

1,082 Million in 2025 | 924 Million in 2024

Investment Income (Kshs)

656.3 Million in 2025 | 508.6 Million in 2024

Increase in Net Assets (Kshs)

1,311.1 Million in 2025 | 1,087.6 Million in 2024

Contributions Received and Receivables (Kshs)

282.7 Million in 2025 | 250.1 Million in 2024

Benefits Paid (Kshs)

(53.3) Million in 2025 | (86.1) Million in 2024

Total Members

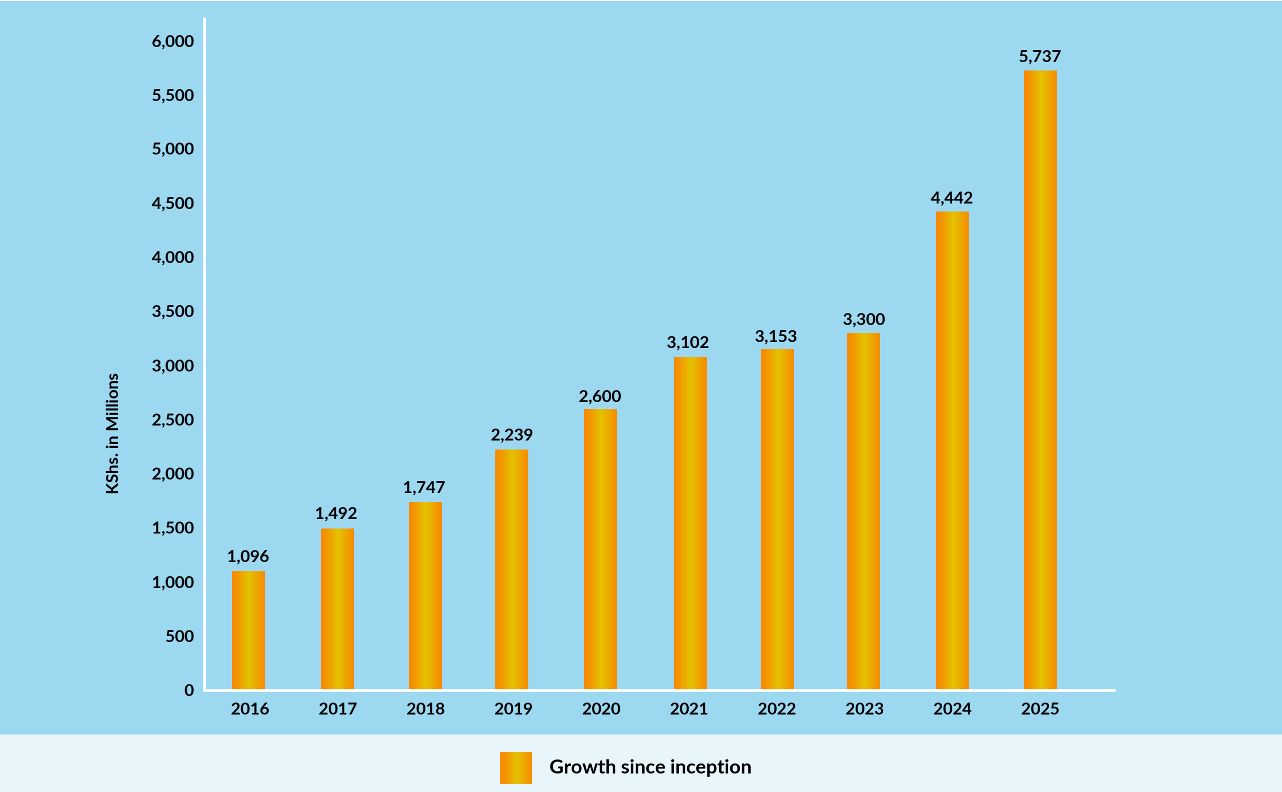
1,082 In 2025 | 964 In 2024

VALUE PROPOSITION TO OUR MEMBERS (cont.)

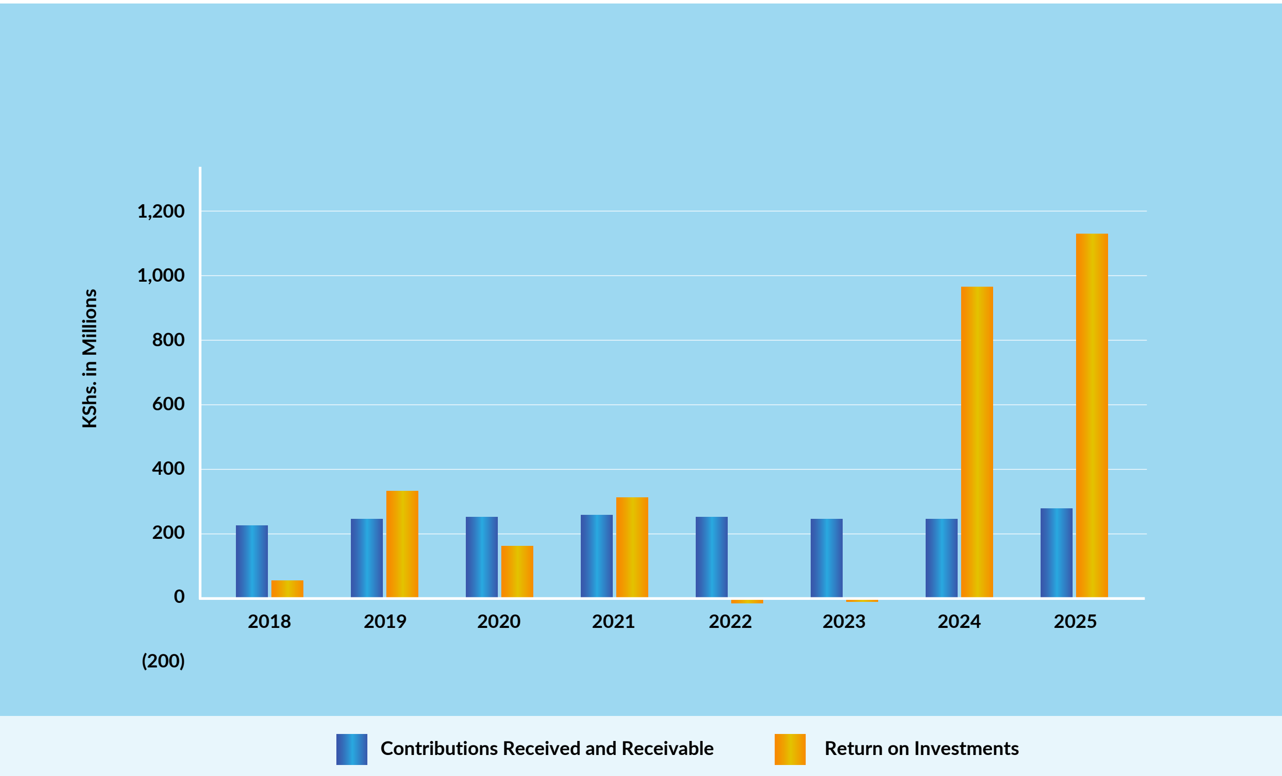
Financial Statements of Change in Assets available for benefits for GDCSRBS for the period 2018 - 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Contributions and Benefits								
Contributions Received and Receivables	282,695,879	250,144,061	249,580,310	256,732,370	263,436,794	256,606,512	251,515,096	232,426,889
Benefits paid and transfers out	(53,363,400)	(86,081,600)	(77,706,771)	(134,949,023)	(39,284,792)	(39,065,719)	(46,557,280)	(39,345,868)
Net Additions from dealing with members	**229,332,479**	**164,062,461**	**171,873,539**	**121,783,347**	**224,152,002**	**217,540,793**	**204,957,816**	**193,081,021**
Return on Investments								
Investment Income	656,308,044	508,604,525	372,414,802	323,097,774	271,082,579	237,475,718	207,461,020	153,070,127
Change in Fair Value of Investments	494,967,521	475,640,917	(363,697,712)	(326,385,616)	57,676,525	(61,536,134)	135,862,938	(81,889,271)
Less : Investment Management Expenses	(15,199,597)	(11,380,867)	(9,264,841)	(9,178,585)	(9,600,679)	(7,835,939)	(6,920,094)	(10,689,661)
Return on Investments	**1,136,075,968**	**972,864,575**	**(547,751)**	**(12,466,427)**	**319,158,425**	**168,103,645**	**336,403,864**	**60,491,195**
Administrative Expenses	(33,617,254)	(24,209,112)	(17,165,321)	(16,747,570)	(13,660,546)	(9,601,802)	(12,727,319)	(9,226,160)
Tax on Investment Income	(20,714,946)	(25,109,024)	(18,513,551)	(17,253,868)	(14,325,719)	(10,415,170)	(10,934,579)	(7,435,032)
Net Return on Investment	**1,081,743,768**	**923,546,439**	**(36,226,623)**	**(46,467,865)**	**291,172,160**	**148,086,673**	**312,741,966**	**43,830,003**
Increase in net assets for the year	1,311,076,247	1,087,608,900	135,646,916	75,315,482	515,324,162	365,627,466	517,699,782	236,911,024
Balance at 1 January	4,426,340,694	3,338,731,793	3,203,084,877	3,127,769,395	2,612,445,233	2,246,817,767	1,729,117,985	1,492,206,961
Net Assets available for benefits	**5,737,416,941**	**4,426,340,693**	**3,338,731,793**	**3,203,084,877**	**3,127,769,395**	**2,612,445,233**	**2,246,817,767**	**1,729,117,985**

GROWTH IN FUND VALUE FOR THE LAST 10 YEARS



NET CONTRIBUTION vs INVESTMENT GROWTH



OUR PRODUCTS

Additional Voluntary Contributions (AVC)

GDCSRBS members have the option to make Additional Voluntary Contributions (AVCs) to boost their retirement savings beyond the mandatory monthly contribution. While the employer (Sponsor) will continue contributing the standard 14.5% of the member's basic salary, this amount does not increase to match any additional contributions made by the member.

To begin making AVCs, a member must notify the Sponsor's Human Resource Office in writing. These top-up contributions are made on top of the mandatory 7.5% of your basic salary, which is the standard contribution required from employees under the Scheme's Trust Deed and Rules.

OUR PRODUCTS (cont.)

Post-Retirement Medical Fund

The Scheme's Trust Deed and Rules allow members to make Additional Voluntary Contributions (AVCs) specifically to fund a Post-Retirement Medical Scheme. By setting aside extra savings during their working years, members can build a financial cushion to meet future healthcare needs, ensuring access to quality medical services in retirement without placing undue strain on their pension income.

Upon retirement, a member may utilize all accrued benefits from these AVCs to purchase a medical cover. Additionally, members may use up to a maximum of 10% of their total accrued regular pension benefits to top up their PRMF before commutation. This provision offers members a practical and proactive way to safeguard both their health and financial well-being in later life.

OUR PRODUCTS (cont.)

Trust Funds

GDCSRBS Board of Trustees sets aside some of the funds of the deceased members to take care of their surviving minor dependants.

Total number of Trust Funds:

18

Total Amounts disbursed as upkeep and school fees for 2025

KShs 1,029,487

02 SCHEME GOVERNANCE

The Governance of the Scheme is anchored in a well-defined framework designed to ensure transparency, accountability, and compliance with regulatory standards.

INTRODUCTION

The Governance of the Scheme is anchored in a well-defined framework designed to ensure transparency, accountability, and compliance with regulatory standards. At its core is the Board of Trustees, which holds the fiduciary responsibility of managing the Scheme in the best interests of its members.

The Trustees are appointed in accordance with the provisions of the Retirement Benefits Act and operate under a Trust Deed and Rules that guide the Scheme's operations. Their responsibilities include overseeing investment decisions, ensuring proper administration of benefits, and upholding sound risk management practices. This governance structure not only fosters member confidence but also supports the long-term sustainability and integrity of the Scheme.

Key accomplishments and challenges during the year

a. Accomplishments

i. Trustees capacity building
ii. Scheme compliance
iii. Regular Sponsor updates
iv. Active scheme committees
v. Improved Scheme performance (0.2% in 2023, 29% in 2024 and 24% in 2025)
vi. Timely remittances of contributions
vii. Continued Monitoring of the scheme strategic objectives
viii. Finalization of the historical member balances
ix. Gradual equipment of the Scheme Secretariat office

b. Challenges

i. Declined participation in member AVCs

GOVERNANCE DISCLOSURE STATEMENT

1. Board Diversity

No.	Name of trustee	Age	Category (Member elected/Sponsor nominated)	Certified (Yes/No)	Highest qualification	Membership of other board
1.	Zablon Mlawasi- Chairman	Over 35	Member Elected	Yes	Bachelors	None
2.	Fredrick Omondi Mayoga- Trust Secretary	Over 35	Member Elected	Yes	Bachelors	None
3.	Charity Kapanat Zeron	Over 35	Sponsor Nominated	Yes	Bachelors	None
4.	Christopher Ngolo	Over 35	Sponsor Nominated	Yes	Bachelors	None
5.	Jacklyne N. Wakhungu	Over 35	Member Elected	Yes	Masters	None
6.	Paul Cheptai Lomeri	Over 35	Member Elected	Yes	Bachelors	None
7.	Penina Nyawira Weru	Over 35	Member Elected	Yes	Bachelors	None

GOVERNANCE DISCLOSURE STATEMENT (cont.)

2. **The board of Trustee held 21 meetings and one AGM during the year ending under review as indicted hereiunder;**

a) Review of 2025 Quarterly Scheme reports

No.	Meeting Description	Meeting Date
i)	Review of Q4 2024 Scheme Reports	14th February, 2025
ii)	Review of Q1 2025 Scheme Reports	27th May, 2025
iii)	Review of Q2 2025 Scheme Reports	25th July, 2025
iv)	Review of Q3 2025 Scheme Reports	20th November, 2025

b) Statutory Committee Meetings

No.	Meeting Description	Meeting Date
i)	Admin & Governance Committee	13th - 17th Jan, 2025
ii)	Finance & Investment Committee	3rd - 4th Feb, 2025
iii)	Audit & Risk Committee	11th - 12th Feb, 2025
iv)	Audit & Risk Committee	25th Mar, 2025
v)	Admin & Governance Committee	28th - 29th Apr, 2025
vi)	Finance & Investment Committee Meeting	5th May, 2025
vii)	Audit & Risk Committee	16th - 18th July, 2025
viii)	Finance & Investment Committee Meeting	21st July, 2025
ix)	Finance & Investment Committee	8th - 9th Sep, 2025
x)	Finance & Investment Committee	23rd - 24th Oct, 2025
xi)	Admin & Governance Committee	7th Oct, 2025

c) Ad hoc Committee Meetings

No.	Meeting Description	Meeting Date
i)	AGM Preparation Meeting	13th May, 2025
ii)	AGM Preparation Meeting	20th Jun, 2025

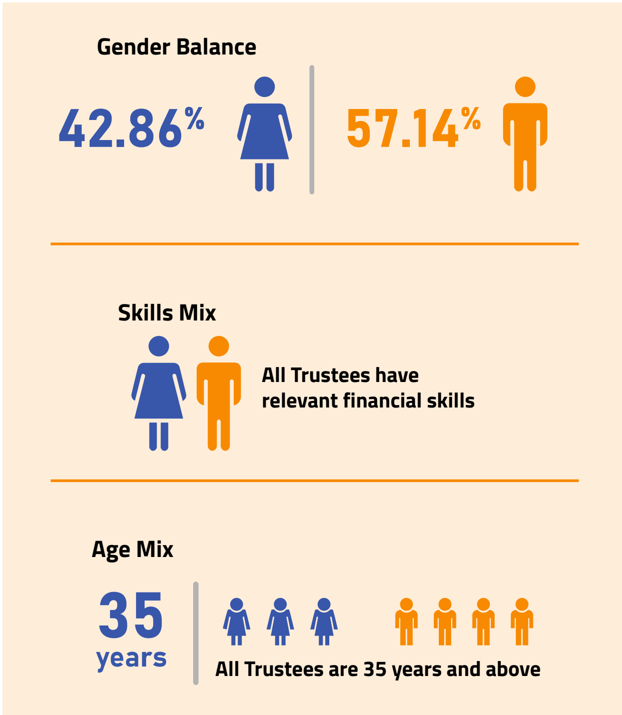
d) Special Full Board Meetings

No.	Meeting Description	Meeting Date
i)	Special Board Meeting	27th Mar, 2025
ii)	Special Board Meeting	4th Sep, 2025
iii)	Special Board Meeting	10th Sep, 2025
iv)	Special Board Meeting	21st Nov, 2025

e) Annual General Meeting

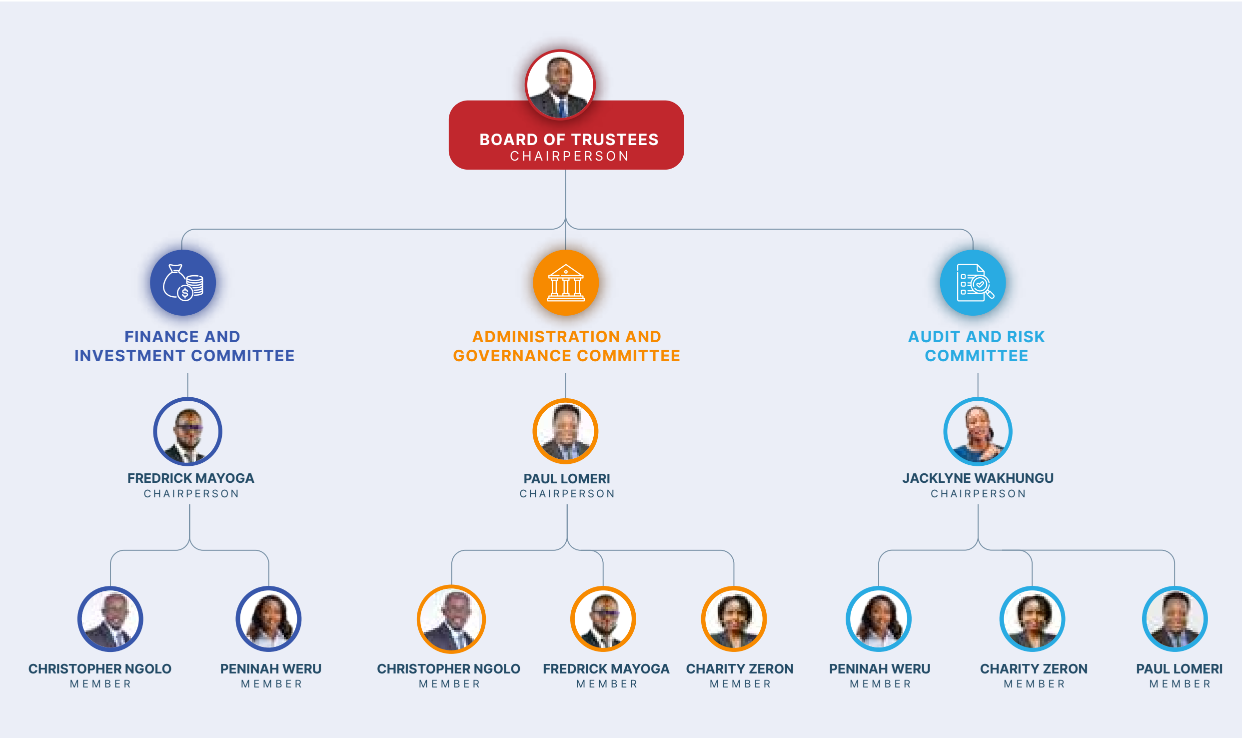
No.	Meeting Description	Meeting Date
i)	Annual General Meeting	31st July 2025

3. **The composition of the board of trustees is as hereunder:**



GOVERNANCE DISCLOSURE STATEMENT (cont.)

4 Scheme Committees Structure



5. Meetings Attendance

a) Committee Meetings Attendance

No.	Committee	Members	Designation	No. of meetings	No. attended
1.	Finance and Investments	Fredrick Mayoga	Chairperson	5	5
		Peninah Nyawira	Member		4
		Christopher Ngolo	Member		5
2.	Audit and Risk	Jacklyne Wakhungu	Chairperson	3	2
		Charity Zeron	Member		3
		Paul Lomeri	Member		2
		Peninah Nyawira	Member		3
3.	Administration and Governance	Paul Lomeri	Chairperson	3	3
		Charity Zeron	Member		3
		Fredrick Mayoga	Member		3
		Christopher Ngolo	Member		3

GOVERNANCE DISCLOSURE STATEMENT (cont.)

b) Full Board Meetings Attendance (Including AGM Meeting)

No.	Name of Trustee	Total Number of Meetings held (Including AGM)	Number of meetings attended
1.	Zablon Mlawasi - Chair	9	8
2.	Fredrick Omondi Mayoga - TS		9
3.	Charity Kapanat Zeron		9
4.	Christopher Ngolo		7
5.	Jacklyne N Wakhungu		8
6.	Paul Cheptai Lomeri		9
7.	Paul Ngugi		2
8.	Peninah Nyawira Weru		9

6. Fiduciary responsibility statement

The board of trustees is the governing body of GDC Staff Retirement Benefits Scheme and is responsible for the corporate governance of the scheme. The trustees are responsible for ensuring that the administration of the scheme is conducted in the best interests of the scheme's members and the sponsor. To achieve this, the trustees embraced their fiduciary responsibility by:

a) Acting honestly and did not improperly use inside information or abuse their position;

b) Exercising the highest degree of care and diligence in the performance of their duties that a reasonable person in a like position would exercise in the circumstances; and

c) Performing their duties with the requisite degree of skill.

The scheme has complied with the laws, regulations and guidelines that govern retirement benefits schemes and the scheme's business operations.

The trustees have ensured that the fund manager has carried out all scheme investments and that all scheme assets and funds arc held by the custodian.

The board charter for the scheme has been developed.

7. Responsible corporate citizenship

The scheme has participated in socially responsible investments and operations and has not been involved in any activity that may undermine the well-being of the sponsor, members or the community in which it operates.

8. Key outcomes

The board of trustees seeks to achieve the following:

a) Build trust with the members and sponsor of the scheme so that they are satisfied with the administration of the scheme;

b) Support innovation and developing solutions that meet the members' and sponsors' needs; and

c) Ensure that the scheme's administrative processes remain transparent and accessible to members and the sponsor.

The board of trustees will measure the progress towards these outcomes through: - Annual members' survey score

- Regular reports and feedback from the sponsor

9. Annual general meeting

The Board of Trustees held the annual general meeting on 31/07/2025 in which 206 members

GOVERNANCE DISCLOSURE STATEMENT (cont.)

Total Number of Full Board Meetings held (Including AGM)
9

Members attendance during 2024 AGM
206

Attendance Rate
19%
of Total Scheme Membership

attended making up 19% of the scheme members attended. The Board adequately addressed the members' concerns.

10. Members' sensitization

The Board conducted the following sensitization activities:

No.	Session	Date	Venue
i.	Phase I General member education	18th to 22nd August 2025	Nairobi, Nakuru, & Baringo
ii.	Phase II General member education	24th to 28th November 2025	Baringo, Menengai, & Nakuru

11. Trustees remuneration policy

During the year under review, the expenses relating to Board meetings was gross of KShs. 5,992,000. The payment complied with the Trustees' remuneration policy and the Retirement Benefits Authority remuneration guidelines.

12. Board of trustees evaluation

The Board of Trustees carried out a Board evaluation exercise. The Board looks forward to use the evaluation results to improve on the governance of the scheme.

Mr. Zablon M. Mlawasi
Chairperson
Board of Trustees
GDC Staff Retirement Benefits Scheme

27/03/2026

SCHEME ACTIVITIES

Annual General Meeting

The Annual General Meeting (AGM) is a key event where members are updated on the Scheme's performance, financials, and future plans, promoting transparency, accountability, and active member engagement.


Mr. Zablon Mlawasi Chairperson GCDSRBS addressing the AGM.


Members following the Auditor's Report.


Trustee Fredrick Mayoga and Trustee Jacklyne Wakhungu following the proceeding of the AGM.


Trustee Christopher Ngolo giving his remarks during the AGM.

A group photo of the 14th AGM attendees.

SCHEME ACTIVITIES (cont.)

From Left Mr. Bosco Gicheo (RBA), Mr. Duke Ochako (GenAfrica) and Mr. Daniel Kabiru (Auditor).

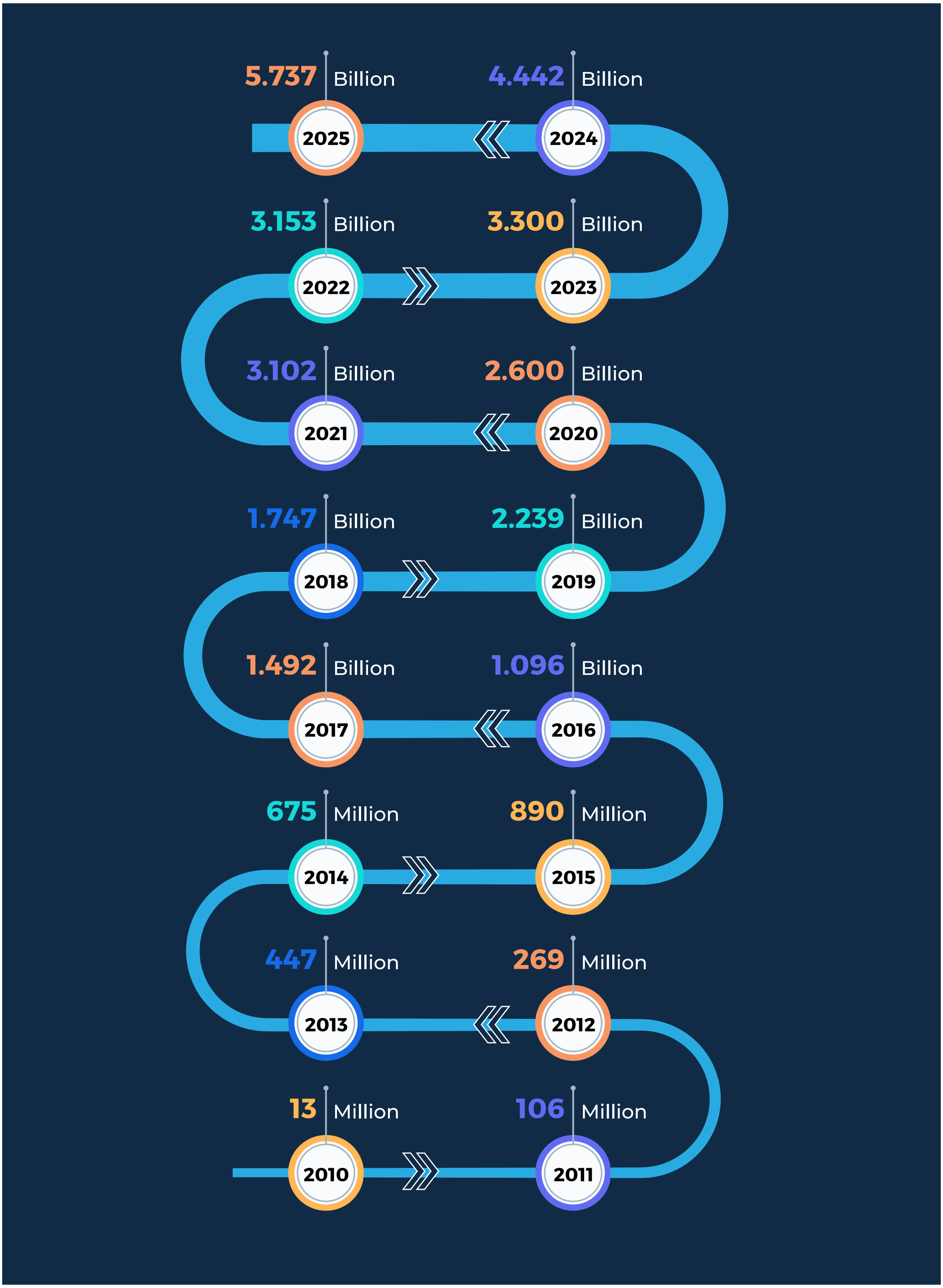
A section of members in attendance.

Mr. Gift Oscar of Enwealth Financial Services presenting the Administrator's report during the 14th AGM.

The Board of Trustees of GDCSRBS during the 14th AGM at Midland Hotel, Nakuru.

Trustee Jacklyne Wakhungu with a section of members at Menengai during a member engagement in November 2025.

OUR JOURNEY


5.737 Billion
2025
4.442 Billion
2024
3.153 Billion
2022
3.300 Billion
2023
3.102 Billion
2021
2.600 Billion
2020
1.747 Billion
2018
2.239 Billion
2019
1.492 Billion
2017
1.096 Billion
2016
675 Million
2014
890 Million
2015
447 Million
2013
269 Million
2012
13 Million
2010
106 Million
2011

BOARD OF TRUSTEES

Zablon Mlawasi

Zablon Mlawasi is a member elected trustee and the Chairperson of the Board of Trustees who is serving his first term. He is a certified trustee, having undergone the Trustee Development Program Kenya (TDPK).

He holds a Bachelor's degree in Business and Information Technology and a Diploma in 3D Graphic Design and Multimedia. He also holds a certification in Geospatial Database Development and Management. He has undergone various on-job trainings in GIS and Remote Sensing, Leadership and Governance, Risk and Audit, ISMS among others.

Zablon boasts of 15 years' experience in Geospatial Information Systems and Remote Sensing, mapping and analysis in the green energy sector at Geothermal Development Company (GDC). He previously had a 4-year stint in the private sector prior to joining his current employer.

He has served in various roles including the GDC Staff Welfare Club where he served as the Treasurer and later as the Chairperson leading the club to great administrative milestones.

He has also been part of various community projects to equip the young and vulnerable with skill sets for life.

His wealth of experience gives him the prerequisite competency to steer the GDCSRBS to greater heights.

Fredrick Mayoga

Fredrick Mayoga is a member Elected Trustee and the Trust Secretary in GDCSRBS currently serving his first term. He was elected into the scheme leadership in May 2024. Fredrick is a Certified Trustee having successfully completed the TDPK and a Certified Investment and Financial Analyst, CIFA.

Fredrick has extensive expertise in Geophysical Exploration, majorly in Geo - Electrical methods, having worked in the geothermal fields in Kenya, Rwanda, Tanzania and Ethiopia.

Fredrick is a member of Institution of Engineering Technology - Kenya, having graduated from the Technical University of Kenya. Fred is also a Telecommunications expert, registered as a Telecommunication Technical Personnel class A by the Communications Authority of Kenya.

Fredrick also serves on the Board of Management of Lady Ann Delamere Secondary School, where he is the Vice Chairperson of the Board and Chairperson of the School Infrastructure Committee (SIC).

In trade Unionism, Fred is a Committee member of KETAWU Geothermal Branch (2026 - 2031) and sits in the CBA Negotiations team representing the union and also chairs the BCC (Branch Consultative Committee).

In GDCSRBS, Fred chairs the Finance and Investment Committee and is an active member of the Administration and Governance Committee.

Fred has also attended the supervisory Skills Certification Course, trained in CBA Negotiations, and attended several trainings on Investments, Governance, Management, Leadership, Strategy and Artificial Intelligence.

BOARD OF TRUSTEES (cont.)

Charity Zeron

Charity Kapanat Zeron is a Sponsor-Nominated Trustee in GDCSRBS currently serving her first term in office. She is an Advocate of the High Court of Kenya and a member of the Law Society of Kenya (LSK). Charity holds a Postgraduate Diploma from the Kenya School of Law (KSL), a Bachelor of Laws degree (LLB), and is a Certified Public Secretary (CS). In addition, she is a Certified Trustee, having successfully completed the Trustee Development Program of Kenya (TDPK). She also holds a Senior Management Course Certification from the Kenya School of Government and a Supervisory Skills Certification from the College of Insurance.

Charity is a seasoned legal officer at Geothermal Development Company Limited (GDC), with over 10 years of experience as a legal practitioner and corporate counsel. Her expertise spans negotiation and dispute resolution, leadership and governance, statutory compliance, and management skills. Her legal background, coupled with her strong governance and compliance acumen, makes her a valuable asset in ensuring the Scheme operates within legal and regulatory frameworks while promoting its growth and sustainability.

Christopher Ngolo

Christopher Ngolo is a Sponsor-Nominated Trustee of the Scheme serving his second term, offering strategic advice on Finance & Investments and Administration & Governance Committees. His focus is on ensuring sustainable growth of funds with strict compliance regimes to secure members' pension futures. He is the Chair Administration and Governance Committee.

As KETAWU Branch Secretary and National Assistant General Secretary, advocates for workers' rights through lobbying and collective bargaining. His leadership journey has its genesis at Zetech University, where he first found his passion for representation and fair labour practices. This unique combination of fiscal responsibility and union experience gives him deep experience in retirement security.

With a background in Journalism and Public Relations in Communication, believes retirement planning requires balancing financial acumen with respect for human beings. "Good pension management respects a lifetime of toil," he maintains. His approach balances three critical elements: prudent investments, transparent governance, and member education. He is a Certified Trustee having successfully completed the TDPK.

At the core of Ngolo's philosophy is the belief that retirement security rests on three fundamental principles; first, prudent fund management that balances growth with security, second, transparent governance that puts members' interests first, third, ongoing financial education that empowers members to make informed decisions about their future. He is particularly passionate about helping members understand how their contributions today translate into security tomorrow.

Ultimately, Ngolo wants to make retirement a safe and dignified part of life. In his dual role, he works to enable every member to look ahead to the years beyond their active working life with confidence and well-deserved comfort.

BOARD OF TRUSTEES (cont.)

Jacklyne Wakhungu

Ms. Wakhungu holds a Master of Commerce (MCOM) and Bachelor of Commerce (Accounting & Finance) degrees from Strathmore University and is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). In addition, she has attained the following: Senior Management Course Certification from the Kenya School of Government, APMG Certified PPP Professional (CP³PR) -Foundation course from APMG International, Trustee Development Program Certification from Kenya College of Insurance among others. She has over 18 years of experience in Finance and Accounting and Donor Funded Financing having worked in the healthcare sector, NGO and Energy sector. She has previously served as a member of the Board of Trustees in the Health Sector. Ms. Wakhungu is a Certified Trustee having successfully completed the TDPK.

Peninah Weru

Ms. Peninah Weru holds a Bachelor's degree in Commerce (Finance), is a Certified Public Accountant (CPA) and a member of the Institute of Certified Public Accountants of Kenya (ICPAK). She is a Certified Trustee, having completed the Trustee Development Program of Kenya (TDPK). Additionally, she holds a Senior Management Course Certification from the Kenya School of Government and a Supervisory Skills Certification from the College of Insurance.

Ms. Weru currently serves as the Treasurer of the GDC Welfare Club, where she has consistently demonstrated strong financial oversight, accountability, and a results-oriented approach to governance. Her extensive experience in financial management is underpinned by a strong commitment to ethical leadership and the application of sound financial practices.

BOARD OF TRUSTEES (cont.)

Paul Lomeri

Paul Lomeri a TDPK-certified trustee was elected into GDC Staff Retirement Benefits Scheme in November 2024. He chairs the Administration and Governance Committee and serves as a member of Audit and Risk Committee.

Paul contributes to strengthening governance systems, operational efficiency, and accountability through strategic and technology-driven approaches.

He is an accomplished professional with extensive experience in public administration and governance having served for close to two decades in institutional management, stakeholder engagement, and strategic communication.

Trustee Paul Lomeri is a passionate advocate for strategic communications, innovation, branding and digital transformation, through consistently championing for leveraged communication technologies and data-driven engagement to enhance member participation, institutional collaboration, and service delivery a passion that aligns strongly with the Scheme's 2025 theme of **"Leveraging Technology for Enhanced Stakeholder Engagement".**

Paul is also a seasoned public speaker, translator, a writer and an independent researcher with a strong interest in social sciences. He is a two-time Best Presenter Award winner at the Kenya Geothermal Conference (2013-14). He remains an active contributor to daily newspapers and live radio programmes, including special features on Radio Maisha and BBC Swahili.

He brings a principled and forward-looking governance perspective grounded in transparency, fiduciary responsibility, regulatory compliance, and strategic planning.

He is an active member of Kenya Institute of Management and Geothermal Association of Kenya.

Zablon Mlawasi
Chairman - Board of Trustees

CHAIRMAN'S STATEMENT

15th Annual General Meeting of GDCSRBS

THEME: "Leveraging Technology for Enhanced Stakeholder Engagement"

Preamble

The Scheme Sponsor, fellow Trustees, Fund Manager, Administrator, Custodian, Auditor and representatives of the Regulator, and most importantly, our members—good morning.

It gives me great pleasure to welcome you to the 15th Annual General Meeting of the GDC Staff Retirement Benefits Scheme (GDCSRBS), where we continue to live by our motto: Save, Relax and Enjoy.

Today, we gather once again to reflect on our achievements, assess our progress, and chart the way forward for our Scheme.

The Year in Numbers

The year 2025 was another remarkable year for the Scheme. We achieved a net return of 23.59% on a Held-to-Maturity (HTM) basis and 20.31% on a Mark-to-Market (MTM) basis.

Consistent with legal notice no. 19 of 2024, the Board approved the distribution of the HTM return as follows:

- 21.44% for the registered portion; and
- 19.11% for the unregistered portion.

During the year, 125 members joined the Scheme following their transition from contractual employment to permanent and pensionable terms with the Sponsor.

These impressive returns have significantly accelerated the growth of our fund, especially considering that we recorded similarly strong performance in the preceding year.

This growth was largely driven by capital appreciation in equities, attractive dividend yields, and coupon income from Kenyan Government bonds.

As a Board, we remain confident in the spread of our investment portfolio while continuously exploring additional investment opportunities that can complement our existing asset classes and further diversify our holdings.

Our offshore investments have also demonstrated encouraging resilience and recovery despite global economic uncertainties, including inflationary pressures and rising crude oil prices. Technology companies have earned their place in the global blue-chip industry where nine of the world's top 10 companies are tech companies. Our offshore investments are in mutual funds that invest heavily in technology companies. The combined impact of these market dynamics enabled the Scheme's fund value to grow to KShs. 5,737,416,941, up from KShs. 4,426,340,694 during the same period last year.

Of this increase:

- KShs. 282,695,879 was contributed through member and employer contributions; and
- KShs. 1,081,743,768 was generated through net investment income.

CHAIRMAN'S STATEMENT (cont.)

Membership

Our membership continues to grow, even as some members transition out of active service.

During the year, 125 members joined the Scheme following their transition from contractual employment to permanent and pensionable terms with the Sponsor.
At the same time, 16 members transitioned from permanent and pensionable terms to contractual engagements. Consequently, these members ceased being active members and became deferred members.

As of 31 December 2025, the Scheme's membership stood at 1,082 members, comprising:

- 878 active members; and
- 195 deferred members.

The Board is working closely with the Sponsor to implement recent regulatory provisions that will allow contractual employees to channel their gratuity and other retirement benefits through the Scheme. This initiative will enhance retirement savings and contribute to greater financial security and a more comfortable retirement for our members.

Industry changes

The pension industry continues to evolve, with several significant developments taking place over the past year.

One notable change has been the implementation of enhanced NSSF Tier II contributions, which have strengthened retirement savings across the country.
GDCSRBS continues to pursue the opt-out process, which will allow the Scheme to receive and manage NSSF Tier II contributions on behalf of our members.
Once the process is finalized, the Board of Trustees will communicate the next steps and implications to all members.

Board Operations

The Board of Trustees remains steadfast in fulfilling its fiduciary responsibilities. Through the effective functioning of our various committees, we have continued to deliver key milestones efficiently and with minimal turnaround time. This operational effectiveness reflects a strong governance framework and positions the Scheme well for future growth.

Technology continues to play a central role in our governance and operational processes. Going forward, we intend to deepen our adoption of digital Board systems and leverage data analytics to support informed, evidence-based decision-making.

The future

Over the past year, we have successfully streamlined our communication channels, processes, and operational procedures. These achievements have been made possible through the strategic adoption of Information and Communication Technology (ICT) solutions.

I am pleased to report that, through the support of our Administrator, Enwealth Financial Services, we successfully revamped the member portal.

The enhanced portal now enables members to access:

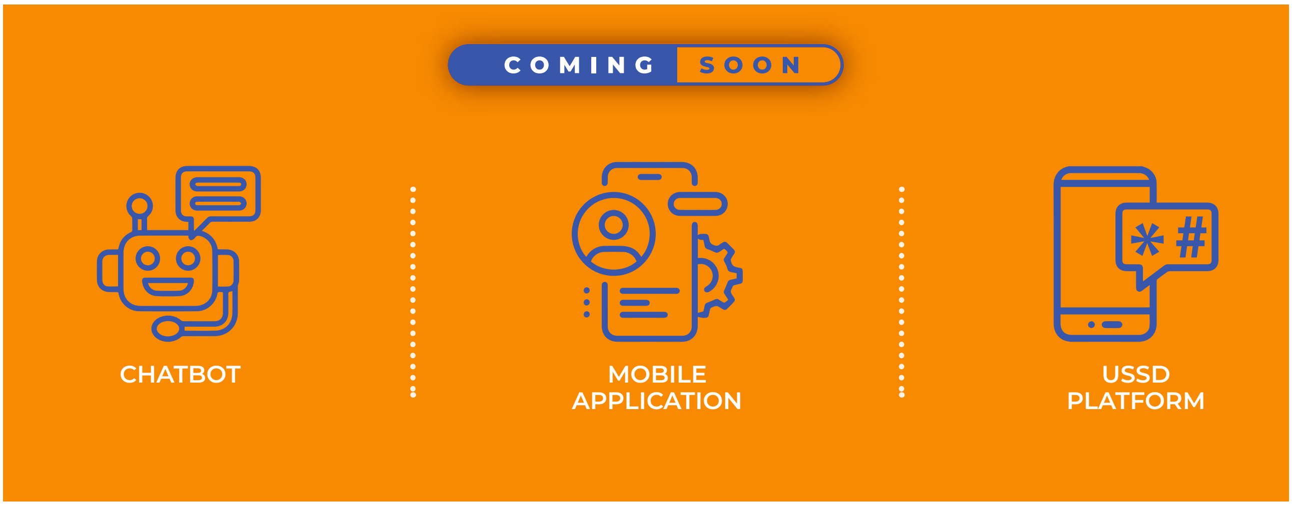
- Online updating of beneficiaries
- Contribution statements;
- Additional Voluntary Contribution (AVC) statements;
- Post Retirement Medical Fund (PRMF) ; and
- NSSF Tier II records.

This is only the first of many initiatives aimed at leveraging technology to enhance service delivery.
In addition, we have finalized the development of our Scheme website (www.gdcsrbs.co.ke), which serves as a comprehensive information hub for all stakeholders with a link to the member portal. The website will continue to be updated as our needs evolve and new services are introduced.

We are also strengthening our presence on social media platforms to enhance engagement and communication with our members and stakeholders.

Furthermore, we have established a dedicated stakeholder support line: +254 723 225 555. Members and stakeholders can call or send WhatsApp messages to this number for any inquiries, and we remain committed to providing timely responses.

CHAIRMAN'S STATEMENT (cont.)



Looking ahead, we are actively exploring the introduction of:

- A chatbot;
- A mobile application; and
- A USSD platform.

These innovations will significantly improve service accessibility for our members and stakeholders, regardless of their geographical location. Technology empowers us to access information whenever and wherever it is needed, using any device. These tailor-made solutions are founded on the principles of transparency, accessibility, and continuous engagement, enabling us to build a stronger, more sustainable, and future-ready GDCSRBS.

As we embrace digital transformation, we remain equally committed to safeguarding member information through robust cybersecurity measures, including continuous firewall upgrades, end-to-end encryption, multi-factor authentication, and other industry best practices.

Conclusion

I wish to express my sincere appreciation to our Sponsor, GDC, for its unwavering commitment through timely remittances and continuous engagement with the Board of Trustees.

I also thank our service providers for their dedication, professionalism, and consistent support in meeting the high expectations of this Scheme.

Our gratitude equally goes to the Regulator for guidance and oversight, which continues to strengthen our governance and support the fulfilment of our fiduciary responsibilities.

Finally, and most importantly, I extend our heartfelt appreciation to our dynamic membership. Your engagement, expectations, and feedback continue to inspire us to improve and deliver greater value.

We remain open to your feedback as we work together to strengthen our Scheme and secure a better future for all members.

Let us continue pulling together as we build a formidable, sustainable, and future-ready retirement benefits scheme.

God bless you, and God bless GDCSRBS.

Save, Relax, Enjoy.

Asanteni.

Mr. Zablon M. Mlawasi
Chairperson
Board of Trustees
GDC Staff Retirement Benefits Scheme

Omondi Mayoga Fredrick

Trust Secretary - Board of Trustees

TRUST SECRETARY'S STATEMENT

Dear GDC Staff Retirement Benefits Scheme Esteemed Member,

It gives me great pleasure to address you during our 15th Annual General Meeting, where we meet to review our activities and performance for the year ending 31st December 2025 and chat our way forward. The scheme achieved a lot during the year 2025 and we remain optimistic for a better future. Members, allow me to bring you to speed on the following key areas with regards to our Scheme;

MEMBER EDUCATION

General member education forums and engagements for active members were conducted in two phases. Phase one was conducted on the dates 18th – 22nd August 2025 for Nairobi, Nakuru and Baringo based members. Phase two was conducted on the dates 24th – 28th November 2025 for Baringo, Menengai and Nakuru based members. Attendance was over 30% of the target membership. This was for physical meetings. The scheme desires to have its membership prepare and plan for retirement early enough.

Going forward, specialized member education forums will be organized alongside the generalized member engagement forums. The following demographics will be considered for the specialized sessions, though not limited to; Age, Sex, Region and Religion.

Additionally, the scheme will organize member engagement forums for deferred members.

INVESTMENTS

During the year 2025, we invested as per our Investment Policy, the investment mandates are as follows; Government Securities 68.5%, Equities 15%, Offshore Investments 10%, Corporate Bonds 1%, Deposits 5% and Cash 0.5%. Members, we still have a high concentration of our assets invested in Fixed Income, exposing our fund to immense concentration risk.

I am pleased to inform you that Return on Investments for our Fund increased from KShs. 972,864,575 in 2024 to KShs. 1,136,075,968 in 2025.

Members, even as we look at this numbers, we are aware that a total of KShs. 227,160,730 of KShs. 5,737,416,941 of our fund value as at the close of 2025 is accounted for as bond reserve. Representing 4% of the fund. This is as a result of being unrealized gains purely from interest rates movement in bonds.

With regards to prudent use of the schemes funds, the expense ratio for the year ending 2025 was 0.851%, way below the set limit by the regulator of 2.0%. The scheme intends to continue lowering the expense ratio so that more money is available for investments, improving the members' balances.

During the year, the contributions from the sponsor were remitted on time. This, had a positive impact due to the fact that the funds were invested on time and started generating income.

The Income allocated to members was 21.44% for the registered portion and 19.11% for the unregistered portion for the year ending December 2025.

Starting late 2025, the scheme started building up on Money Market Instruments, with an initial target being 10% of exposure as it moves towards capital preservation while positioning itself for new emerging opportunities.

The Scheme is in the process of further diversifying the portfolio, increasing exposure towards alternatives that still offers the advantages of absolute higher return, hedge against inflation while still providing liquidity.

Going forward, the scheme undertakes to introduce other alternative asset classes, starting with structured products and private equity.

TRUST SECRETARY'S STATEMENT (cont.)

The scheme intends to have a dedicated telephone number together with a mobile phone and uptake Artificial Intelligence in member engagements and specific data analytics.

Scheme's Social media Loading

for interesting member interaction

We project that the good returns will continue to be achieved by the scheme, as it aligns its investment policy and decisions to the changing market dynamics.

OPERATIONAL EFFICIENCY AND GOVERNANCE

Member benefits processing period during the year averaged 10 days, this was possible as a result of the scheme meeting its liquidity needs, seamless corporation among the service providers and emphasis on improved efficiency.

During the same year, for the very first time, deferred members had a platform where information was relayed to them. A WhatsApp group specifically for this important category of members was formed.

Members are now able to easily and promptly access their statements via an online platform that is provided by our Scheme Administrator. This, has seen members raise any concern about their records as soon as they notice it. The availability of the Nomination of Beneficiaries form online has seen an increase in members who have updated their records. We however wish to request our members who have not nominated their beneficiaries to do so.

The scheme fully adhered to the set regulations in terms of composition and compliance. The various committees (Finance and Investment, Administration and Governance and Risk and Audit) held their meetings as required and fully addressed issues concerning their mandates. The policies in force are as required and have been instrumental in providing sound leadership and governance to the scheme.

During the year 2025, the scheme managed to implement regulatory changes that affected the retirement industry. For instance, the Board of Trustees reviewed the TDR (Trust Deed and Rules) to allow members contribute their gratuity into the scheme. Additionally, NSSF Tier II contributions from our members will be received by the scheme, acting as a contracted out scheme, the NSSF Tier II for the members will be exclusive of the normal contributions, as indicated in

TRUST SECRETARY'S STATEMENT (cont.)

the reviewed TDR. However, this discussion is still in progress. Of importance to note is that during the year 2025, more tax benefits were applied to the retirement's benefits and contributions. On benefits, all payments to members retiring from the scheme past fifty (50) years will be exempted from tax – both the lump amount and monthly pension payouts. With regards to contributions, the monthly tax exempt limits for pensions contribution was increased from KShs. 20,000 to KShs. 30,000. In an effort to encourage members to Pre – fund for their medical expenses while in employment so that they can use it in retirement life, contributions towards the PRMF (Post-Retirement Medical Fund) are now tax exempt up to KShs. 15,000 per month. I urge our members to take advantage of the tax benefits and contribute more towards ensuring better healthcare in post-employment life.

Members, the terms of Trustees were revised from the two three year terms to two Five year terms vide a gazette notice from the Cabinet Secretary in charge of National Treasury. This changes are intended to give Trustees enough time to make long term plans and strategies. I wish to confirm that as per the circular followed later from the regulator, the Retirement Benefits Authority, the scheme has duly realigned its appointing instruments to reflect the changes, and the final stages of implementation are on course.

As an institution handling member's data, to ensure integrity and professionalism, the scheme registered as a data handler with the office of the data protection commissioner. This step is important because in this era, personal data privacy is key and remains a responsibility of the scheme. To this end, the scheme confirms to all members and other stakeholders that the data collected from them is expressly used for the intended purpose.

ICT INTEGRATION AND BRANDING

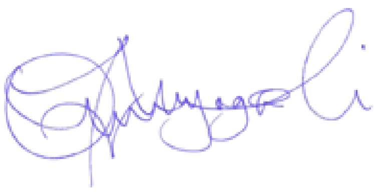
Members, up to mid of 2025, the scheme had no independent identity or brand. During the year, for the first time in fifteen years, we had our own logo, slogan and corporate colours. Members, these steps were not merely for the sake of it, but are aimed at aligning the operations of the scheme with professionalism.

The scheme started the development of a website so that it can open up itself to the world, which will further enhance accountability. Once we have the website fully optimized, key scheme information and documents and industry changes and updates will be accessed online. At any time. Also, important links such as the member portal will have a direct link from the website. Embracing technology will make it easy for members to have access to information.

The scheme intends to have a dedicated telephone number together with a mobile phone and uptake Artificial Intelligence in member engagements and specific data analytics. Social media platforms like YouTube channel, Instagram, X account, WhatsApp and TikTok accounts will be activated so that we can make member interaction even more interesting.

Members, kindly, accept my most sincere appreciations for your continued support. Together we are building a robust scheme!

Let us Save now, Relax as the scheme's assets are soundly invested and grow, then Enjoy enhanced retirement benefits when we retire.

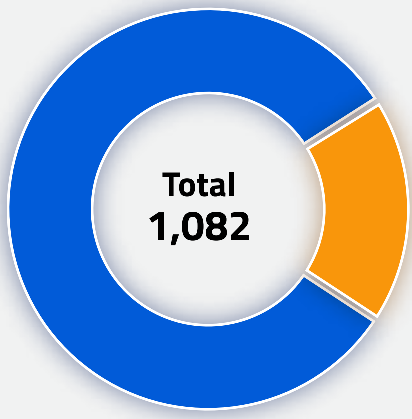


Omondi Mayoga Fredrick
Secretary
Board of Trustees
GDC Staff Retirement Benefits Scheme

GDCSRBS TRUSTEE DASHBOARD

FUND VALUE	KShs 5.7B
CONTRIBUTION RATIO	22%
BENEFITS PAID	KShs 53,363,400
ACTIVE MEMBERS	878
SCHEME FUND GROWTH (YTY)	24%
CONTRIBUTIONS RECEIVED	KShs 282M

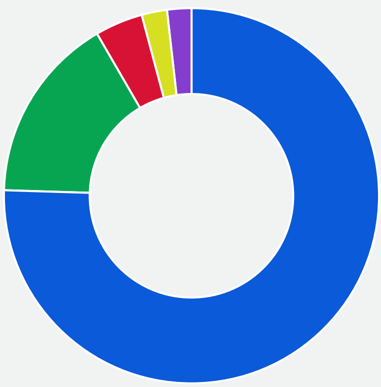
1. MEMBERSHIP SUMMARY



Active Members	878 (82%)
Deferred Members	195 (18%)

2. INVESTMENT PORTFOLIO

Asset Allocation



Asset Class	Allocation
Kenya Government Securities	76%
Quoted Shares	16%
Offshore Investments	4%
Cash and Demand Deposits	2%
Short-term Deposit	2%

GDCSRBS TRUSTEE DASHBOARD (cont.)

3. TRUST FUNDS

18 Total number of Trust Funds

KShs 1,029,487 Total Amounts disbursed as upkeep and school fees

4. COMPLIANCE TRACKER

PARAMETER	STATUS	COMMENTS
Retirement Benefits Authority	Compliant	▪ Scheme duly registered ▪ RBA Reference No. 01855
Kenya Revenue Authority	Compliant	▪ Scheme duly registered ▪ Tax Exemption Certificate No. P/20180706/238 ▪ Scheme KRA Pin: P051369297Z
Scheme TDR	Compliant	▪ This is duly executed and filed with RBA
Administration Agreement	Compliant	▪ This is duly executed and filed with RBA
Management Agreement	Compliant	▪ This is duly executed and filed with RBA
Custody Agreement	Compliant	▪ This is duly executed and filed with RBA
Investment Policy Statement (IPS)	Compliant	▪ This is duly executed and filed with RBA
Deed of Appointment & Removal of Trustees	Compliant	▪ This is duly executed and filed with RBA
Scheme Policies	Compliant	▪ This is duly executed and filed with RBA
UFAA	Compliant	▪ Duly filed

03 FINANCIAL STATEMENTS

The Trustees present their report together with the audited financial statements for the year ended 31st December 2025.

REPORT OF THE TRUSTEES

ESTABLISHMENT

The Scheme was established and governed by a trust deed dated 5th April 2011 and as revised by the subsequent amendments from time to time. The Scheme is a defined contribution in nature and its objective is to provide retirement benefits for the staff of Geothermal Development Company.

REGISTRATION

The Scheme is domiciled in Kenya and is registered with Retirement Benefits Authority as well as the Kenya Revenue Authority, Income Tax department. The Scheme is registered with the Retirement Benefits Authority Ref No. 01855
and Certificate No. 01282 and is a Tax Exempt Certificate Ref: P/20180706/238 approved Scheme under the Income Tax Act.

PRINCIPAL ACTIVITY

The main purpose of the Scheme is the provision of retirement benefits to members upon their retirement at a specified age, relief for the dependents of deceased members and upon exiting employment as defined in the Trust Deed and Rules or the legal instrument of establishment.

CONTRIBUTIONS

Contributions represent remittances to the scheme by Geothermal Development Company and eligible employees who are members of the scheme. Under the rules of the scheme, Geothermal Development Company and members of the scheme contribute to the Fund at such a rate or rates as the trustees and Sponsor shall determine from time to time. Currently the rate of the contribution is 14.5% for the sponsor and 7.5% for the employees. In addition, members are allowed to make additional voluntary contributions, either as an ordinary additional contributions or towards Post Retirement Medical Fund.

MEMBERSHIP

	Active	Deferred	Total 2025
Members at the beginning of the year	777	187	964
Adjustments on entrants & Exits	(9)	-	-
New Entrants	125	-	125
Reinstatement	1	-	1
Stopped Contributions	(16)	16	-
Exits	-	(8)	(8)
Members at the end of the year	878	195	1,082

FINANCIAL REVIEW

The statement of changes in net assets available for benefits on page 9 shows an increase in net assets of the scheme for the year of KShs. 1,311,076,247 (2024: KShs. 1,087,608,900) and the statements of net assets available for benefits on page 10 shows the Scheme's net assets at KShs. 5,737,416,941 (2024: KShs. 4,426,340,694).

In accordance with Legal Notice No. 21, The Retirement Benefits (Occupational Retirement Benefits Schemes) (Amendment) Regulations, 2023, in determining the amounts to be credited to members' accounts, the Trustees have excluded unrealised gains and losses arising from the valuation of financial assets using the fair value model.

REPORT OF THE TRUSTEES (cont.)

Scheme Growth at a Glance – 2025

Net Increase in Assets

2025	2024	Year-on-year Growth
KShs 1.311 Billion	KShs 1.088 Billion	KShs 223.5 Million Increase

23.59%
Mark-To-Market Return

20.31%
Hold to Maturity Return

21.44%
Registered Portion

19.11%
Unregistered Portion

Member benefits credited based on Hold-to-Maturity returns for greater stability and long-term value protection.

REPORT OF THE TRUSTEES (cont.)

Amounts credited to members' accounts

The net income/(loss) to be allocated to the members' accounts has therefore been arrived at as follows:

	2025 KShs	2024 KShs
Net return/(loss) on investments, less investment management and administration expenses, as reported in the financial statements	1,081,743,768	923,546,440
Adjusted for:		
Unrealised gain from the revaluation of debt instruments using the fair value model arising in the current year	(150,355,710)	(261,485,635)
Amount credited to members' accounts	931,388,058	662,060,805

The fund net rate of return on investments was 23.59% on Mark-To-Market basis and 20.31% on Hold-To-Maturity basis. However, the net rate applied to members will be on hold-to-maturity basis and segmented into registered of 21.44% and unregistered of 19.11%.

INVESTMENT FUNDS

Under the terms of their appointment, GenAfrica Asset Managers Limited arc responsible for the investment of funds, however, the overall responsibility of investment and performance lies with the Trustees.

Trustees are responsible for determining the scheme's investment strategy in line with the reviewed Investment Policy Statement dated May 2025.

The principal objective of the Scheme's investment policy is to give the trustees a clear understanding on the part of the Scheme's stakeholders of the investment policy the process of monitoring, measuring, and evaluating the performance of the Investment Manager by ensuring:

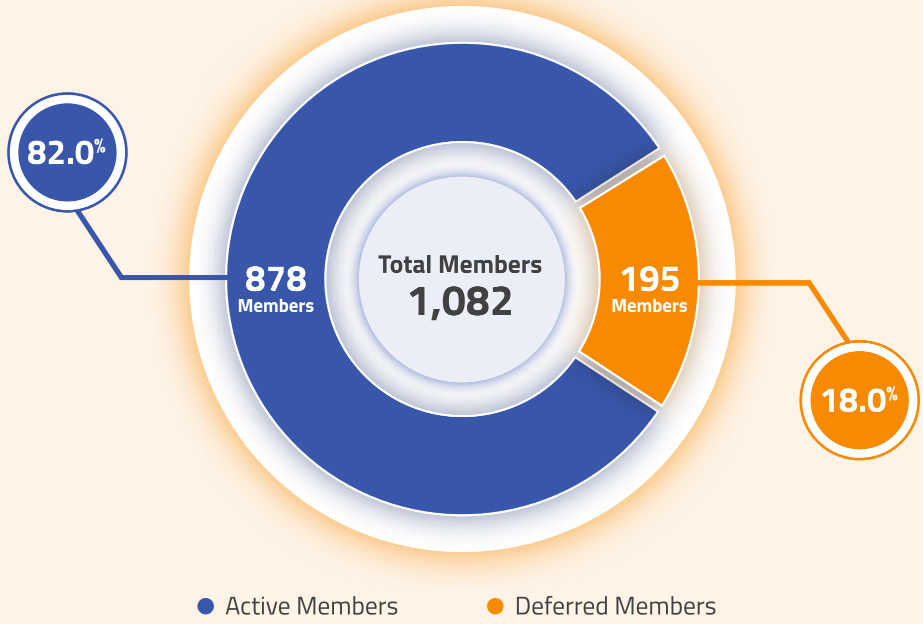
- that assets arc always structured and invested in a prudent manner
- that there is a clear and rigorous investment process for the evaluation of investment strategies and asset classes used to achieve the investment objectives
- that the Scheme is managed in compliance with the legislation and regulations.

The Scheme investments for the year ended 31 December 2025 were done in accordance with the broad investment guidelines issued by Retirement Benefits Authority (RBA) as shown here below:

Asset class	Amount (KShs)	% of portfolio	RBA limits
Cash and demand deposits	138,108,734	2%	5%
Short-term deposit	100,302,281	2%	30%
Corporate bonds	-	0%	20%
Kenya Government Securities	4,334,196,069	76%	90%
Quoted shares	924,603,235	16%	70%
Offshore investments	230,234,944	4%	15%
Total portfolio value	**5,727,445,263**	**100%**	

REPORT OF THE TRUSTEES (cont.)

SCHEME MEMBERSHIP COMPOSITION (2025)



TRUSTEES

Trustees are appointed in accordance with the Retirement Benefits Act. The names of the Trustees who served during the year and subsequent period to the date of this report are shown under the Key Scheme Information on page 4.

AUDITOR

The scheme's auditors, UHY Kenya, have expressed their willingness to continue in office. The Trustees monitor the effectiveness, objectivity, and independence of the auditor. They also approve the annual audit engagement contract, which sets out the terms of the auditor's appointment and the related tees.

The Trustees' report was approved by the Trustees on 19/03/2026 and signed on their behalf by: -

Signed on behalf of the Trustees

Board Chairperson

Audit & Risk Committee Chairperson

STATEMENT OF TRUSTEES RESPONSIBILITIES

For the Year Ended 31 December 2025

The Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000 require the trustees to prepare financial statements in a prescribed form for each financial year. They also require the trustees to ensure that the fund keeps proper accounting records of its income, expenditure, liabilities and assets, and that contributions are remitted to the custodian in accordance with the rules of the fund.

The trustees accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and the Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000. The trustees further accept responsibility for:

i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;

ii) selecting suitable accounting policies and applying them consistently; and

iii) making accounting estimates and judgements that are reasonable in the circumstances.

The trustees certify that, to the best of their knowledge and belief, the information furnished to the auditors for the purposes of the audit was correct and complete in every respect.

Approved by the board of trustees on 19 March 2026 and signed on its behalf by:

Mr Zablon Mlawasi
Board Chairperson

Jacklyne Wakhungu
Audit & Risk Committee - Chairperson

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Muthithi Road, Westlands
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E: info@uhy-ke.com
Website: www.uhy-ke.com

GDC STAFF RETIREMENT BENEFITS SCHEME AUDIT REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE SCHEME

Opinion

We have audited the accompanying financial statements of GDC Staff Retirement Benefits Scheme, set out on pages 47 to 59, which comprise of statement of net assets available for benefits as at 31 December 2025, statement of changes in net assets available for benefits, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying financial statements give a true and fair view of the financial position of GDC Staff Retirement Benefits Scheme as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Retirement Benefits Act, 1997.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Trustees are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Trustees' responsibility for the financial statements

The Trustees are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Retirement Benefits Act, 1997, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

GDC STAFF RETIREMENT BENEFITS SCHEME AUDIT REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE SCHEME (cont.)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Trustees.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the Auditor's report. However, future events or conditions may cause the scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Daniel Kabiru -Practicing Certificate No. 1904.

Kabiro

For and on behalf of UHY
Kenya Certified Public Accountants
Nairobi.
Date ..30 March.......... **2026**

UNIQUE CODE: 52094260330

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended 31 December 2025

	Notes	2025 KShs	2024 KShs
Contributions and benefits			
Contributions received and receivable	5	282,695,879	250,144,061
Benefits paid and payable and transfers out	6	(53,363,400)	(86,081,600)
Net additions from dealings with members		**229,332,479**	**164,062,461**
Return on investments			
Investment income	7	656,308,044	508,604,525
Change in fair value of investments	8	494,967,521	475,640,917
Less: Investment management expenses	9	(15,199,597)	(11,380,867)
Return on investments		**1,136,075,968**	**972,864,575**
Administrative expenses	10	(33,617,254)	(24,209,112)
Tax on investment income	11	(20,714,946)	(25,109,024)
Net return on investment		**1,081,743,768**	**923,546,440**
Increase in net assets for the year		1,311,076,247	1,087,608,900
Balance at 1 January		4,426,340,694	3,338,731,793
Net assets available for benefits		**5,737,416,941**	**4,426,340,694**

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended 31 December 2025

	Notes	2025 KShs	2024 KShs
Investments			
Government securities	12	4,334,196,069	3,437,449,725
Quoted equities	12	924,603,235	680,599,091
Corporate bonds	12	-	5,973,646
Unit trust	12	121,552,531	-
Offshore investment	12	230,234,944	211,243,096
		5,610,586,779	4,335,265,558
Current assets			
Receivables	15	24,257,889	757,359
Short term deposits	13	114,186,894	83,620,510
Bank balances	13	1,865,418	22,401,639
		140,310,201	106,779,508
Less: Current liabilities			
Payables and accruals	16	13,480,039	10,956,634
Total liabilities		13,480,039	15,704,373
Net current assets		126,830,162	91,075,135
Total assets		**5,737,416,941**	**4,426,340,694**
Represented by:			
Bond reserve account		227,160,730	76,805,020
Member balances - PRMF Fund		7,213,738	5,099,499
Member balances - Ordinary pension		5,503,042,473	4,344,436,176
		5,737,416,941	**4,426,340,694**

The financial statements on pages 47 to 59 were approved for issue by the Trustees on ....19/03/.... 2026 and signed on their behalf by:

Mr Zablon Mlawasi
Board Chairperson

Jacklyne Wakhungu
Audit and Risk Chairperson

STATEMENT OF CHANGES IN MEMBERS' FUND

For the Year Ended 31 December 2025

Year ended 31 December 2024	Notes	Main fund KShs	Bond reserve KShs	Total KShs
At 1 January	Page 47	3,523,412,409	(184,680,615)	3,338,731,794
Net dealings with members	Page 47	164,062,461	-	164,062,461
Net return on investments	Page 47	662,060,805	261,485,635	923,546,440
At 31 December		**4,349,535,675**	**7 6,805,020**	**4,426,340,694**
Year ended 31 December 2025				
At 1 January	Page 47	4 ,349,535,674	76,805,020	4,426,340,694
Net dealings with members	Page 47	229,332,479	-	229,332,479
Net return on investments	Page 47	931,388,058	150,355,710	1,081,743,768
At 31 December		**5 ,510,256,211**	**227,160,730**	**5,737,416,941**

STATEMENT OF CASH FLOWS

For the Year Ended 31 December 2025

Cash flows from operating activities	Notes	2025 KShs	2024 KShs
Contributions received		259,343,865	291,444,042
Benefits paid to seceding members		(53,363,400)	(87,592,233)
Investment income received		602,240,736	441,745,464
Management expenses paid		(14,314,224)	(11,037,509)
Administrative expenses paid		(31,979,222)	(23,133,109)
Tax paid		(25,462,684)	(19,895,324)
Net cash generated from operating activities		**736,465,071**	**590,020,698**
Cash flows to investing activities			
Purchase of financial assets	12	(1,860,405,149)	(1,205,434,690)
Proceeds from disposal of financial assets	12	1,133,970,240	518,679,852
Net cash used in investment activities		**(726,434,909)**	**(686,754,838)**
Increase/(decrease) in cash and cash equivalents		10,030,162	(96,734,140)
Cash and cash equivalents at 1 January	13	106,022,149	202,756,289
Cash and cash equivalents at 31 December	13	**116,052,311**	**106,022,149**

NOTES FORMING PART OF FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

1 Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of accounting

These financial statements are prepared in accordance with International Financial Reporting Standards, the Retirement Benefits Act, 1997 as amended, and with the Retirement (Occupational Retirement Benefits Schemes) Regulations, 2000.

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the Trustees. They do not account for obligations to pay benefits that fall due after the end of the year.

The financial statements are presented in the functional currency, Kenya Shillings (KShs), and are prepared under the historical cost convention, as modified by the carrying investments at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Adoption of new and revised International Financial Reporting Standards (IFRSs)

i) New standards and amended standards in issue but not yet effective in the year ended 31 December 2025.

At the date of authorization of these financial statements, the following revised standards and interpretations were in issue but not yet effective.

- Amendments to IAS 21 titled Lack of Exchangeability (issued in August 2023, effective 1 January 2025)
- IFRS 18 titled Presentation and Disclosure in Financial Statements (issued in April 2024, effective 1 January 2027)
- IFRS 19 titled Subsidiaries without Public Accountability: Disclosures (issued in May 2024, effective 1 January 2027)
- Amendments to IFRS 9 and IFRS 7 titled Amendments to the Classification and Measurement of Financial Instruments (issued in May 2024, effective 1 January 2026)

The Trustees have assessed the relevance of the new standards, interpretations and amendments to existing standards with respect to the scheme's operations and concluded that they will not impact on the scheme's financial statements.

ii) Impact of other standards and interpretations
The Trustees anticipate that the adoption of the other standards and interpretations and amendments to other IFRS's resulting from the International Accounting Standards Board (IASB's annual improvements project) published, when effective, are not expected to have a material impact on the financial statements of the scheme.

b) Contribution

Under the rules of the scheme, GDC Staff Retirement Benefits Scheme, members of the Fund contribute to the Fund at such a rate or rates as the trustees and Sponsor shall determine from time to time. Currently the rate of the contribution is 14.5% for the sponsor and 7.5% employees.

c) Transfers

Transfers are recognized in the period in which benefits for the joining members are remitted into the GDCSRBS Scheme from other schemes

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

1 Accounting Policies (continued)

or sent out to other Schemes following a member leaving GDC SRBS.

d) Benefits payable

Pension and other benefits payable are taken into account in the period in which they fall due.

i) Investment income is recognized in the period in which it is earned. Investment income includes interest and dividends receivable and net exchange (gains/(losses) in the year.

Dividend income is recognized when the right to receive the payment is established.
Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable unless collectability is in doubt.

f) Investments

All purchases and sales of investments are recognized on the trade date, which is the date the scheme commits to purchase or sell the asset. The cost of purchase includes transaction costs.

Investments that have a fixed redemption value and have been acquired to match the obligations of the fund, or specific parts thereof, are carried at amounts based on their ultimate redemption value assuming a constant rate of return to maturity. All other investments are carried at fair value. In the case of marketable securities fair value is market value. Fair value gains/ (losses) arising on investments are recognized in the Statement of Changes in Net Assets Available for Benefits as shown in note 8.

g) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into the functional currency, Kenya Shillings, using the exchange rates prevailing at the dates of the transactions. Assets and liabilities at the statement of net assets available for benefits date that are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the statement of changes in net assets in the year in which they arise.

2 Significant judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates or judgement made that have a significant risk causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3 Financial risk management objectives and policies

The Scheme's activities expose it to a variety of financial risk including credit, liquidity and market risks. The Scheme's overall risk management policies are set out by the investment managers and guidelines approved by the Trustees, and focus on the unpredictability of changes in the financial market and seek to minimize the potential adverse effects of such risks on its financial performance. The Scheme does not hedge any risks.

i) Credit risk

Credit risk arises from investments, cash and bank and other receivables. The scheme has a significant concentration of credit risk in the Government Securities. The investment manager assesses the credit quality of each investment taking into account its credit rating.

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

The amount that best represents the Scheme's maximum exposure to credit risk at 31 December 2025 is made up as follows:

	2025 KShs	2024 KShs
Government Securities	4,334,196,069	3,437,449,726
Corporate bonds	-	5,973,646
Short term deposits	114,186,894	83,620,511
Bank balances	1,865,418	22,401,639
Receivables	24,257,889	757,359
	4,474,506,270	**3,550,202,880**

ii) Liquidity risk

The investments are available to meet liabilities to beneficiaries as they fall due. The scheme therefore has no exposure to liquidity risk.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments, will fluctuate because of changes in market price and comprises three type of risks: currency risk, interest rate risk and other price risk.

iv) Interest rate risk

The Scheme's investments in variable rate investments exposes it to cash flow interest rate risk, and its investments in fixed rate bonds expose it to fair value interest rate risk. The investment manager advises the Trustees on the appropriate balance of the portfolio between equity, fixed rate interest , and variable rate interest investments. The Scheme has no interest bearing liabilities.

v) Currency risks

Currency risks arises on financial instruments that are denominated in foreign currency. The Scheme has some financial instrument denominated in foreign currency at the balance sheet date.

vi) Other price risk

Marketable instruments held by the Scheme include Treasury Bonds, Corporate Bonds and commercial paper whose market prices are subject to change. The Trustees reviews the portfolio ,set exposure limits and respond to market price changes and conditions to secure both fair values and cash flow from such instruments.

4 a) Tax status of the scheme

The Scheme is registered with the Income Tax Department and therefore income accrued from investments is tax exempt irrespective of the registration (registered/unregistered) status. However, prior to FY 2025, annual contributions in excess of the tax allowable limit of KShs. 360,000 (2024: 240,000) per member are invested separately and the investment income earned from that amount of contributions is subject to taxation at the corporate tax rate.

b) Commencement date

The scheme was established and became operational on 1 July 2010. However, the first contributions were set to be remitted in November, 2010 as per the setting up mandates. No contributions are receivable for the period July to October, 2010.

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

c) Membership

All the employees of Geothermal Development Company in full time employment are eligible for membership.

5 Contributions

	2025 KShs	2024 KShs
Employees contributions - normal	94,984,718	84,829,810
Employer's contributions - normal	183,185,127	163,607,270
Additional Voluntary Contributions	1 ,309,500	1,001,000
Employees - Post Retirement Medical Scheme	978,000	727,463
Prior year contributions	-	(21,482)
Transfers in from other schemes	2,238,534	-
	282,695,879	**250,144,061**

6 Benefits payable

	2025 KShs	2024 KShs
Commuted to lump sum payments	3 5,898,033	50,353,690
Trust fund	1,002,759	391,500
Transfers out to other schemes	16,462,608	35,336,410
	53,363,400	**86,081,600**

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

7 Investment income

	2025 KShs	2024 KShs
Gain on disposal of quoted shares	4,168,568	-
Dividend income - quoted shares (Kenya)	58,486,534	45,135,182
Gain on sale of treasury bonds	33,937,184	12,267,516
Foreign exchange loss	-	(4,550,297)
Interest on money market fund	1,552,531	-
Interest on treasury bonds	519,698,188	414,311,341
Interest on treasury bills	29,987,340	16,459,634
Interest on short term deposits	7,895,945	24,261,819
Interest on corporate bonds	581,754	719,330
	656,308,044	**508,604,525**

8 Change in market value of investments

Change in market value of quoted equities	329,619,963	207,478,148
Change in market value of treasury bonds	150,355,710	261,485,635
Change in market value of offshore investment	14,991,848	6,677,134
	494,967,521	**475,640,917**

9 Investment management expenses

Management fees	1 2,229,141	9,168,665
Custodial fees	2 ,970,456	2,212,202
	15,199,597	**11,380,867**

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

10 Administration expenses

	2025 KShs	2024 KShs
Administration fees	7,802,690	4,583,228
Other expenses	402,750	157,500
Audit fees	405,062	395,000
RBA levy	5,000,000	4,995,893
Professional fees	672,800	-
Legal fees	389,132	-
Trustees' training expenses	7,099,828	5,750,844
Trustees allowances and meeting expenses	5,992,000	3,386,556
Subscription fees	120,000	-
Procurement costs	-	560,000
Election cost	-	750,884
Member education expenses	1,127,365	404,200
Trustee retreat facilitation	1,338,800	1,614,100
AGM expenses	1,338,500	300,000
BOT expenses	865,450	619,961
Disbursements	663,651	688,325
Bank charges	34,149	2,621
Trustee indemnity	365,077	-
	33,617,254	**24,209,112**

11 Income tax payable

	2025 KShs	2024 KShs
At 1 January	4 ,747,738	(465,961)
Charge for the year (Installment taxes for 2025)	20,714,946	25,109,024
Tax paid (installment taxes and tax payable for 2024 paid during the year)	(25,462,684)	(19,895,324)
At 31 December	-	4,747,738

Tax computation

	2025 KShs	2024 KShs
Investment income - taxable	-	90,605,251.41
Apportionment of expenses	-	(6,908,504.60)
Taxable income	**69,049,820.00**	**83,696,746.82**
Tax thereon at 30% (2024: 30%)	**20,714,946.00**	**25,109,024.05**

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

12 Investments

	Value at 01/01/2025	Purchases at cost	Sales at cost	Gain/(loss) on disposal	Change in fair value	Change in accrued interest	Value at 31/12/2025
Government securities:							
Treasury bonds	3,203,306,272	1,662,998,621	(796,049,142)	33,937,183	150,355,710	21,662,636	4,276,211,280
Treasury Bills	234,143,453	7 1,853,997	(242,296,676)	-	-	(5,715,984)	5 7,984,790
	3,437,449,726	**1,734,852,618**	**(1,038,345,818)**	**33,937,183**	**150,355,710**	**15,946,651**	**4,334,196,069**
Offshore investments	211,243,096	4,000,000	-	-	14,991,848	-	230,234,944
Quoted shares	680,599,091	-	(89,784,387)	4,168,568	329,619,963	-	924,603,235
Quoted shares	-	1 21,552,531	-	-	-	-	121,552,531
Corporate bonds	5,973,646	-	(5,840,035)	-	-	(133,611)	-
	4,335,265,559	**1,860,405,149**	**(1,133,970,240)**	**38,105,751**	**494,967,521**	**15,813,040**	**5,610,586,779**

The following table analyses investments other than investment in shares (which have no fixed maturity date) into relevant maturity groupings based on the remaining period at 31 December 2025 to the contractual maturity date.

	Up to 1 year KShs	1 to 5 years KShs	Over 5 year KShs	Total KShs
Treasury bonds	46,976,192	902,454,138	3,326,780,951	4,276,211,280
Treasury bills	57,984,790	-	-	57,984,790
	104,960,981	**902,454,138**	**3,326,780,951**	**4,334,196,070**

The scheme does not hold any single asset class investment exceeding 5% of the net assets of the scheme except for;

	2025 %	2024 %
Government securities	76%	77.40%
Quoted equities	16%	15.32%

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NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

13 Cash and cash equivalents

For purposes of statement of cash flows, cash and cash equivalents comprise cash in hand, and deposits held at call with banks maturing within 3 months from the date of acquisition.

	2025 KShs	2024 KShs
(a) Bank balances		
Co-operative Bank custody account	1,865,418	22,401,639
	1,865,418	22,401,639
(b) Short term deposits		
Deposits held with banks and financial institutions:		
Coop Bank	30,011,507	48,242,740
ABSA Bank Kenya Plc	-	1,278,250
CFC USD	1,272,843	-
Coop USD	1,290,521	-
ABSA USD	1,317,415	-
KCB Bank	20,099,452	-
DTB Bank	3,008,918	-
NCBA Group Plc	57,186,239	34,099,521
	114,186,894	83,620,511
Total cash and cash equivalents	**116,052,312**	**106,022,150**

14 Bond revaluation reserve fund

	2025	2024
At the start of the year	76,805,020	(184,680,615)
Fair value gain on treasury bonds	150,355,710	261,485,635
At the end of the year	**227,160,730**	**76,805,020**

The Retirement Benefit (Occupational Retirement Benefit Schemes) (Amendment) Regulations, 2023 which were gazetted by the Cabinet Secretary for the National Treasury and Economic Planning on 21 December 2023 provide that unrealised gains and losses arising from valuation of financial assets (specifically debt instruments/ bonds) using the fair value approach shall not form part of the distributable income hence the creation of the bond revaluation reserve fund. The bond revaluation reserve fund is not distributable.

NOTES FORMING PART OF FINANCIAL STATEMENTS (cont.)

For the Year Ended 31 December 2025

15 Receivables

	2025 KShs	2024 KShs
Dividends receivable	806,169	657,653
Contributions receivable more than 30 days from sponsor	23,451,720	99,706
	24,257,889	**757,359**

16 Payables and accruals

	2025 KShs	2024 KShs
Custodial fees	809,563	611,925
Management fees	3,278,141	2,590,406
Audit fees	395,000	384,938
RBA levy payable	5,000,000	5,000,000
Administration fees	3,997,335	2,369,365
	13,480,039	**10,956,634**

17 Contingency liabilities

The Tax Appeal Tribunal on 30 August 2024 in Tax Appeal matter E754 of 2023 ruled in favour of pension schemes that they are not liable to paying Income Tax currently charged at 30% (2024: 30%). Trustees as guided by the industry position did not compute final tax as has been the practice in the past. Kenya Revenue Authority did not appeal the ruling and the Trustees do not foresee probability of tax arising based on the current interpretation of the Income Tax Act. However during the year installment taxes were paid.

18 Currency

The accounts are presented in Kenya Shillings (KShs).

NOTES


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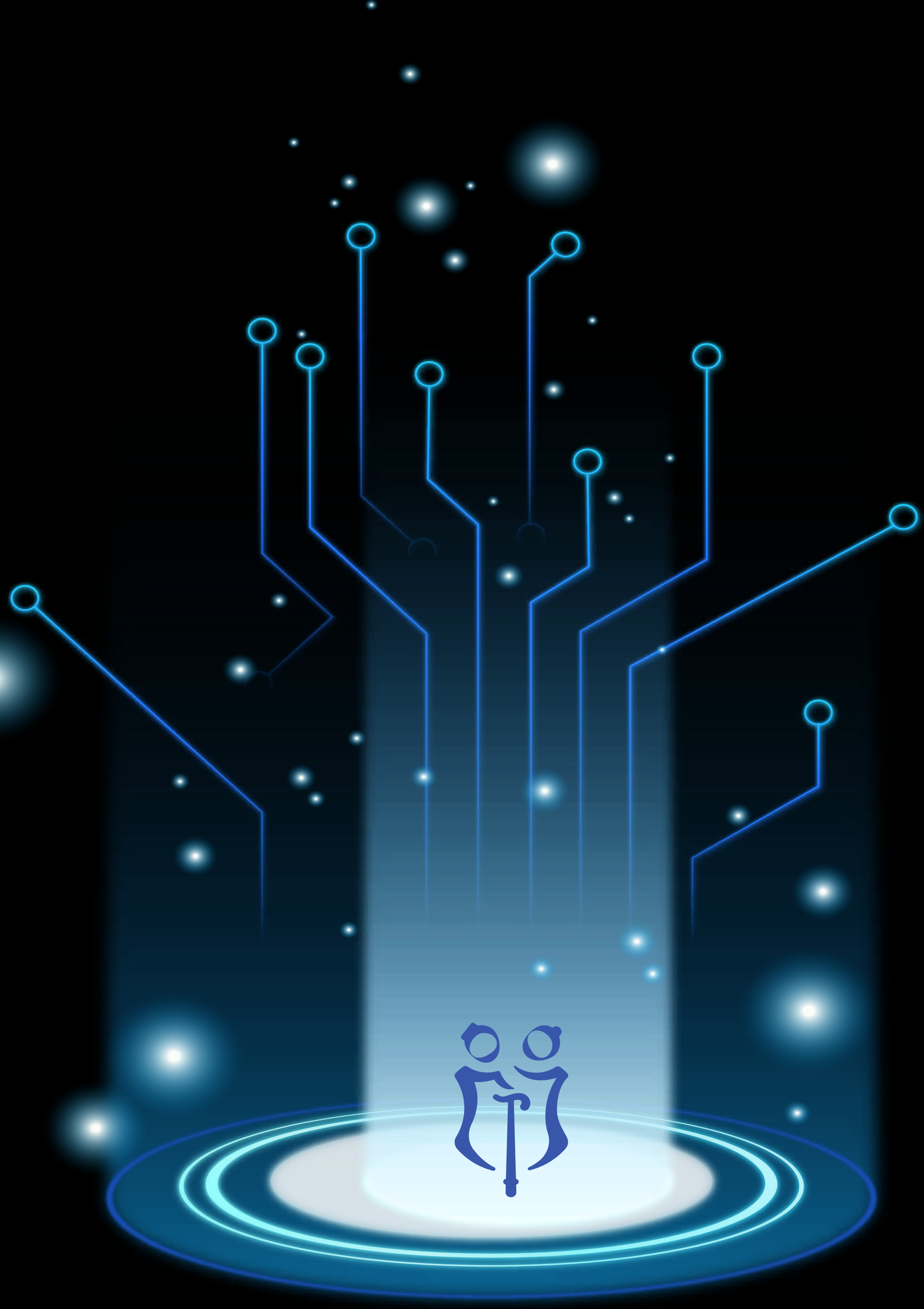

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