


Hybrid Investments for Retirement Benefits Scheme

Enwealth's 6th Global Investment Opportunities Conference (GIO),
Raddison Blu Hotel, Cairo Heliopolis

Agenda

1. About ICEA LION
 2. Guaranteed Investment Model
 3. Segregated vs Guaranteed Fund Management
 4. Q & A
- 



Who we are

About us

- ICEA LION Insurance Holdings is a one-stop financial services provider offering innovative products and services in **Insurance, Pensions, Investments** and **Trusts**
- The Group is a member of the **First Chartered Securities Group (FCS)**, a leading regional investment and trading group controlling major business enterprises in diverse sectors of the economy such as banking, insurance, logistics, manufacturing and agriculture.

One-Stop-Shop for Financial Services



Long-term life assurance products



Short-term, non-life insurance policies



Investment and Asset Management Services



Pension Fund Administration & Trustee Services





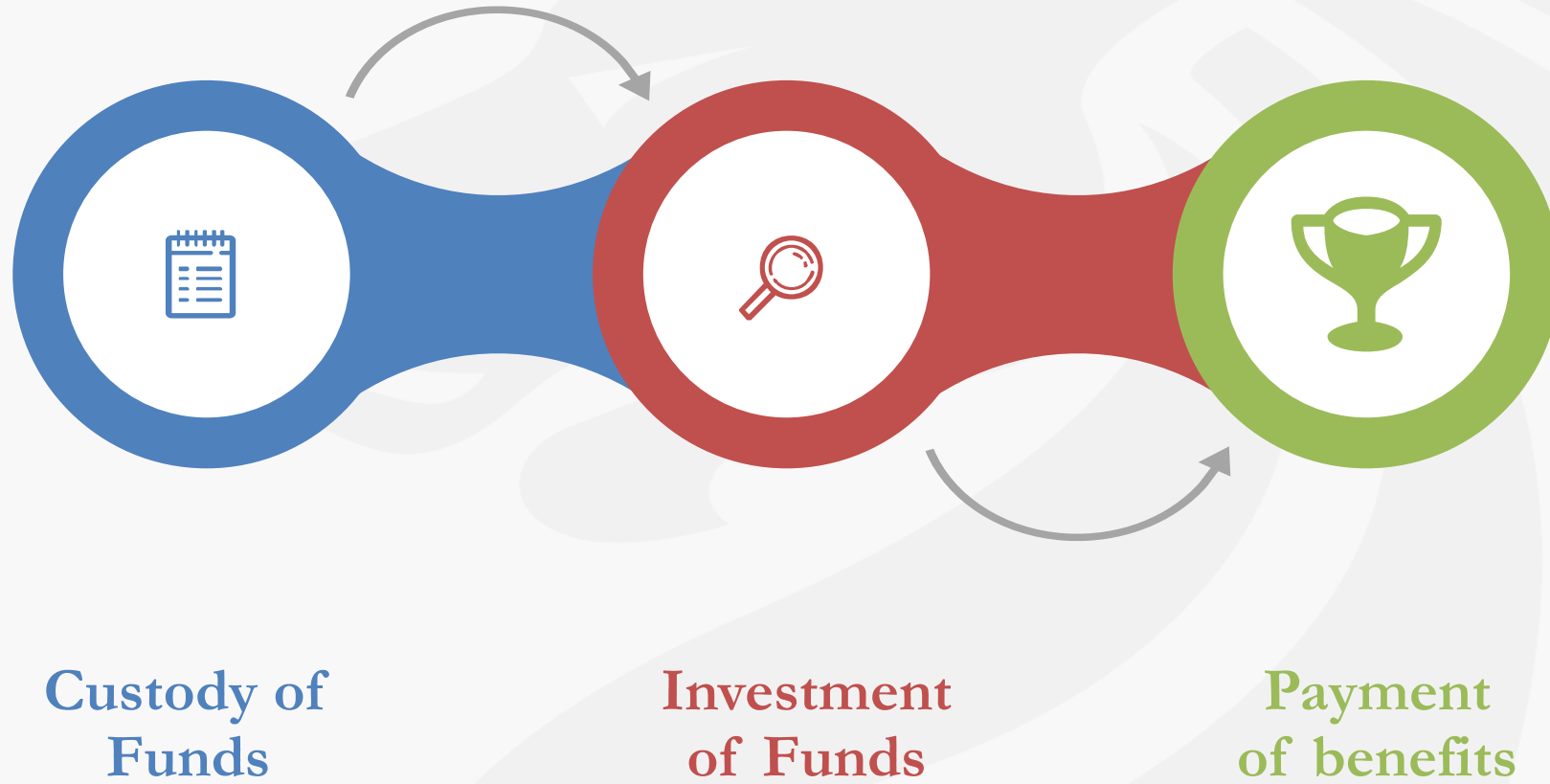
ICEA LION Market Leadership

	Attributes	Position	Why
1	Guaranteed Retirement fund	No 1 >113Bn	<ul style="list-style-type: none">Leading guaranteed pension provider in the regionMarket Leadership trusted by many corporates
2	Market Share <i>GWP+Contributions</i>	No 2 @ 16%	<ul style="list-style-type: none">Compelling customer value proposition throughout their lifecycle.
3	Total Assets	No. 1 >Kshs 152Bn	<ul style="list-style-type: none">Strongest balance sheet in Eastern & Central Africa for a life insurer
4	Life fund	No 1 >Kshs 133Bn	<ul style="list-style-type: none">Supports the largest policyholder and pensioner liabilities in the regionMark of responsibility and trust bestowed upon us by our clients
5	Capital Adequacy Ratio	No 1	<ul style="list-style-type: none">The most well capitalized Insurer in the region-CAR of 319%Can withstand shocks in moments of economic slowdownAmple liquidity ability to come through in moments of truth
6	Expense Ratio - Efficiency	No 3 (14%)	<ul style="list-style-type: none">Efficiency due to scale and size hence can afford competitive returnsNo risk of raiding client nest eggs to fund operations
7	GCR Rating	AAA(KE)	<ul style="list-style-type: none">Highest rating in the industryConfidence that insurer is strong and stable



INVESTMENT MODEL | PHILOSOPHY

Approved Issuer Role



Guaranteed Fund

CONTRIBUTIONS & ACCRUED INTEREST

Guaranteed 100% from impairment by investment loss

INVESTMENT RETURN

Minimum guarantee rate of 4% + bonus.

INVESTMENT RISK

Borne by ICEA LION LIFE ASSURANCE.

ECONOMIES OF SCALE

Cost advantages.

	30 th June 2023		30 th September 2023		31 st December 2023		31 st March 2024		
Asset Description	Market Value	% of Fund	Market Value	% of Fund	Market Value	% of Fund	Market Value	% of Fund	RBA Limit
Corporate Bond	176,753,963	0.18%	183,454,732	0.18%	179,074,017	0.17%	182,068,984	0.16%	30%
Money Market	13,107,272,058	13.08%	17,314,597,602	16.69%	20,801,319,262	19.38%	26,955,216,594	23.69%	30%
Government Bonds	74,357,757,965	74.19%	74,060,982,088	71.40%	74,371,275,484	69.30%	73,217,487,398	64.36%	90%
Equities	5,645,998,043	5.63%	5,230,583,660	5.04%	5,038,482,528	4.69%	6,183,342,491	5.44%	70%
Others (REITs)	255,910,392	0.26%	255,910,392	0.25%	255,910,392	0.24%	266,703,575	0.23%	30%
Property	6,678,042,986	6.66%	6,678,042,986	6.44%	6,678,042,986	6.22%	6,963,600,001	6.12%	30%
TOTAL	100,221,735,405	100%	103,723,571,460	100%	107,324,104,669	100%	113,768,419,043	100%	

Historical Interest Rate Declarations

Net Rate



Segregated vs Guaranteed Fund Management

Segregated Vs Guaranteed

- Risk appetite.
- Governance.
- Age.
- Rate of return (*transparency, control*).

Rate of Return

GUARANTEED FUND

A minimum rate of return is *normally guaranteed*. Bonus rate is also declared.

Investment returns are smoothed over time.

SEGREGATED FUND

No guarantee of returns.

Returns can be very high in good years driven by good fortunes in the bond yields and Equity market but drop significantly in bad years such 2023, 2022, 2020, 2015, 2011, 2009, 2008.

Equity Market returns

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NASI	39%	44%	19%	-11%	-8%	28%	-18%	19%	-9%	9%	-23%	-28%
NSE 20	29%	19%	4%	-21%	-21%	17%	-24%	-6%	-30%	2%	-12%	-10%

10-Year Average

NASI: -2%.

NSE 20: -10%.

Liquidity needs

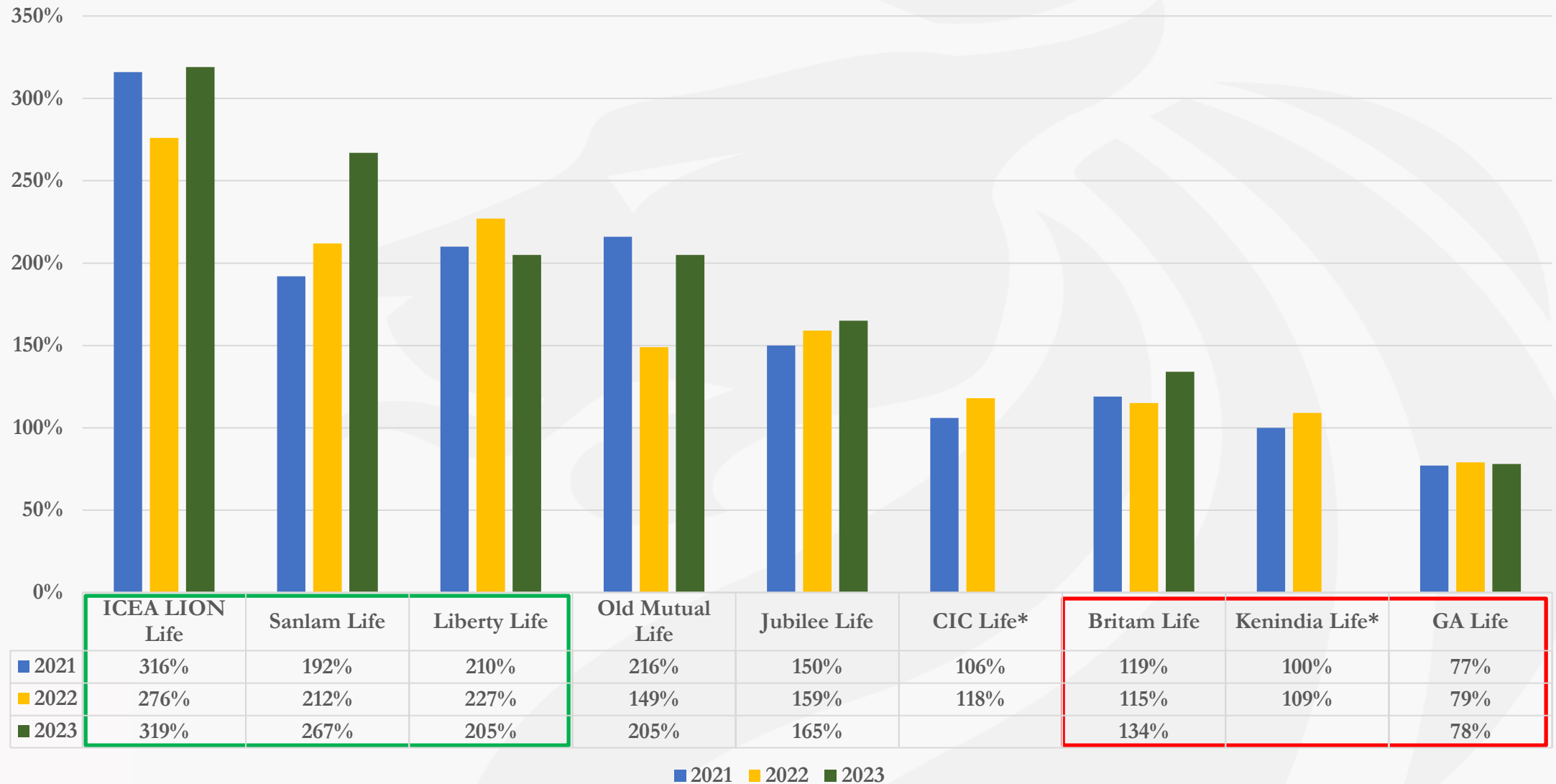
GUARANTEED FUND

The pool maintains adequate near cash assets for liquidity needs

SEGREGATED FUND

Massive exits in poor return seasons may require liquidating funds at a loss

Capital Adequacy Ratio



The ratio indicates the insurer's ability to fulfil its financial obligations to all contracts as they fall due as well as the ability to withstand financial shocks



Why ICEA LION?

ICEA LION Value Proposition



- **Largest
Guaranteed
Fund – >30%
Market Share**



- **Competitive,
Realistic
Returns**



- **Strongest
Company in
the Region –
Profits, Assets,
Capital**

ICEA LION Value Proposition



- Digital Capabilities
- (Including tool kits)



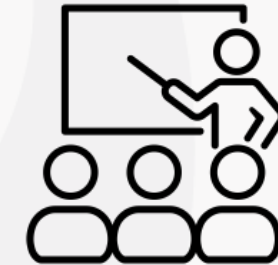
- Strong Brand



- Extensive Experience – 60 Years in the Market



- Bespoke Admin System



- Pre retirement
- Financial wellness
- Estate planning

Some of our Hybrid Clients

- Masinde Muliro University of Science & Technology
- Dedan Kimathi University of Technology
- Kenya Civil Aviation Authority
- Ernst & Young
- National Bank of Kenya.
- National Housing Corporation.
- Zamara Fanaka Fund.
- Octagon Umbrella Fund.
- ICDC/KDC.
- Minet Umbrella Fund

Implementation Road Map

Action item	By who
1. Review of Investment Policy Statement	Trustees
2. Appointment of ICEA LION as an Approved Issuer	Trustees
3. Completion of Group application form	Trustees
4. Issuing of contract documents for execution (DA Policy & SLA)	ICEA LION Life
5. Scheme set up	ICEA LION Life
6. Contributions & Asset split	Trustees/Admin/Fund Manager/Custodian
7. Member education/sensitization/Booklets	Trustees/Admin/ICEA LION
8. Performance review/ monitoring/funds transfer & allocations	Trustees/Admin/ICEA LION



We'd be happy to engage with you!

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