

TSC STAFF RETIREMENT BENEFITS SCHEME



BOARD CHARTER AND CODE OF CONDUCT

2024

VISION

An exceptional pension scheme offering comfort in retirement

MISSION

To ensure prudent utilization of Scheme Funds and provide timely benefits to members and their beneficiaries

CORE VALUES

- Integrity
 - Equity and fairness
 - Respect for members
 - Accountability
 - Innovativeness
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1.0 Introduction

The Teachers Service Commission Staff Retirement Benefits Scheme operates under the governance of a Board of Trustees, which is committed to upholding the highest standards of governance, integrity, and accountability. This Board Charter and Code of Conduct outline the framework within which the Board operates, including its roles, responsibilities, and ethical standards.

2.0 Purpose and Scope

The purpose of this document is to provide clear guidance on the governance practices of the Board of Trustees and to establish a code of conduct that governs the behaviour of Trustees. This Charter applies to all Trustees and is intended to promote effective governance and ethical conduct in the management of the Scheme.

3.0 Board Composition and Structure

- **Composition:** The Board of Trustees shall be composed of individuals with diverse skills, experience, and expertise relevant to the governance of the Scheme. The composition will include representatives from the Teachers Service Commission and member representatives.
- **Term of Office:** Trustees are appointed for a term of three years, with the possibility of reappointment for a subsequent term, subject to performance and Board needs.

4.0 Roles and Responsibilities

4.1 Role and Responsibilities of Trustees

- **Fiduciary Duties:** Trustees have a fiduciary duty to act in the best interest of the Scheme and its members, ensuring that their decisions are made with due care, diligence, and loyalty.
 - **Oversight Responsibilities:** The Board is responsible for overseeing the management of the Scheme, including the administration of benefits, investment of assets, and compliance with legal and regulatory requirements.
 - **Strategic Direction:** Trustees are responsible for setting the strategic direction of the Scheme and ensuring that its objectives are aligned with the needs of its members.
 - **Risk Management:** The Board is responsible for identifying, assessing and managing risks that could impact the Scheme's operations and sustainability.
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4.2 The Role and Responsibility of the Chairperson

- **Leadership and Meeting Management:**
 - Proactively leading the Board without bias to any stakeholder;
 - Confirming the agenda for meetings and reviewing draft minutes;
 - Managing Board meetings to ensure sufficient time is allowed for discussion on relevant issues;
- **Board Performance and Accountability:**
 - Ensuring that the performance of the Board and Committees is reviewed and evaluated on a regular basis;
 - Managing non-performing Board members;
- **Representation and Communication:**
 - Acting as the spokesperson for the Scheme, where agreed by the Board and proactively raising any issues of concern.

4.3 The Role and Responsibilities of the Trust Secretary

- Governance and Compliance:
 - Ensuring the Board's decisions are implemented;
 - Ensuring the Scheme complies with the formal requirements of the law, including submission of reports to relevant authorities;
 - Providing guidance to the Board of Trustees on their duties, responsibilities, and governance matters;
 - Creating awareness of the Trustees on the relevant laws affecting the Scheme;
- Meeting Management and Documentation:
 - Ensuring timely preparation and circulation of Board Papers and minutes of the Board of Trustees and its committees;
- Stakeholder Liaison and Communication:
 - Liaising on behalf of the Board with external parties, such as service providers;
 - Facilitating effective communication between the Board of Trustees and stakeholders;
- Conflict and Governance Records:
 - Maintaining and updating the register of conflicts of interest;
- Scheme Oversight:
 - Providing feedback on the overall scheme governance and management.

5.0 Board Meetings

5.1. Frequency

Regular Meetings: The Board shall meet at least quarterly to review the performance of the Scheme and make decisions on key governance matters.

Special Meetings: Additional meetings may be called as needed to address urgent matters.

5.2. Quorum and Voting

Quorum: A quorum for Board meetings shall be half the number of Trustees and representation from sponsor and member elected.

Voting: Decisions of the Board shall be made by a majority vote of those present. In the event of a tie, the Chairperson shall have a casting vote.

Attendance and Participation: Trustees are expected to attend all Board meetings and actively participate in discussions and decision-making.

5.3. Minutes and Records

Minutes: Accurate minutes of all Board meetings shall be recorded and safely maintained as a permanent record. These minutes shall be circulated to all Trustees for review and approval at the subsequent meeting.

6.0 Decision-Making Process

- **Consensus:** The Board shall strive to make decisions by consensus. Where consensus cannot be reached, decisions shall be made by a majority vote. In the event of a dissenting opinion, the same shall be recorded as such.
- **Delegation:** The Board may delegate certain functions to committees or individual Trustees, provided that the Board retains ultimate responsibility.
- **Transparency:** All decisions made by the Board shall be transparent and documented, with clear rationale provided for each decision.

7.0 Code of Conduct

7.1. Integrity and Ethics

- Ethical Behaviour: Trustees shall conduct themselves with integrity and adhere to the highest ethical standards in all their dealings related to the Scheme.
- Honesty: Trustees shall act honestly and in good faith in all matters concerning the Scheme.

7.2. Confidentiality

- Confidential Information: Trustees shall respect the confidentiality of all information received in the course of their duties and shall not disclose such information to third parties without proper authorization.
- Data Protection: Trustees shall ensure that any personal or sensitive information is handled in compliance with data protection laws.

7.3. Conflict of Interest

- Disclosure: Trustees shall disclose any conflicts of interest in accordance with the Conflict of Interest Policy and shall recuse themselves from decisions where a conflict exists.
- Avoidance: Trustees shall avoid situations where their personal or financial interests conflict with the interests of the Scheme.

7.4. Duty of Care and Diligence

- Informed Decision-Making: Trustees shall exercise due care and diligence in their decision-making, ensuring that they are fully informed on matters before making decisions.
- Compliance: Trustees shall comply with all written laws and obtain professional advice when necessary.

7.5. Gifts and Hospitality

- Prohibition: Trustees shall not accept gifts, hospitality, or other benefits that could influence their decisions or create the appearance of a conflict of interest.
- Disclosure: Any gifts or hospitality received must be disclosed in accordance with existing regulations.

8.0 Evaluation of Board Performance

- Annual Review: The performance of the Board and individual Trustees shall be evaluated annually to ensure that the Board is functioning effectively and meeting its objectives.
 - Feedback: Trustees shall provide and receive feedback as part of the evaluation process, with a focus on continuous improvement.
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9.0 Training and Development

- Continuous Learning: Trustees shall undergo training and development programs to enhance their knowledge and skills in areas relevant to their roles.
- Induction: New Trustees shall undergo an induction program to familiarize them with the Scheme's operations, governance structure, and their assigned responsibilities.

10.0 Review and Revision of Policy

This policy will be reviewed every three years or as required by changes in legal, regulatory, or business requirements. Any revisions must be approved by the Board of Trustees.

11.0 Adoption and Sign Off

This policy is adopted by the Teachers Service Commission Staff Retirement Benefits Scheme and is effective from the date of approval by the Board of Trustees.

Signed by the Trustees of **Teachers Service Commission Staff**

Retirement Benefits Scheme on this ^{20th}.....day of SEPTEMBER.....2024

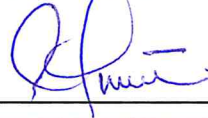
COMMISSIONER MBAGE NJUGUNA NG'ANG'A



MR. FRANKLIN KIPRONO CHOGE



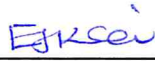
MR. GEORGE MUNENE GICHONJO



MS. JENNIFER WAITHIRA NDEGE



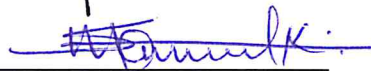
MS. ERICA KIPSOISOI RUTTO



MR. GEORGE ONYANGO ODAWO



MR. SAMUEL MWENDA KITHINJI



MR. JOSHUA KITHUNU KAMANA



In the presence of the Trust Secretary

MRS. SALOME KARAMBURI MWITI

