

NATIONAL SOCIAL SECURITY FUND
INTERGRATED REPORT
2023 - 2024



A new day

Creating shared value
for sustainable growth



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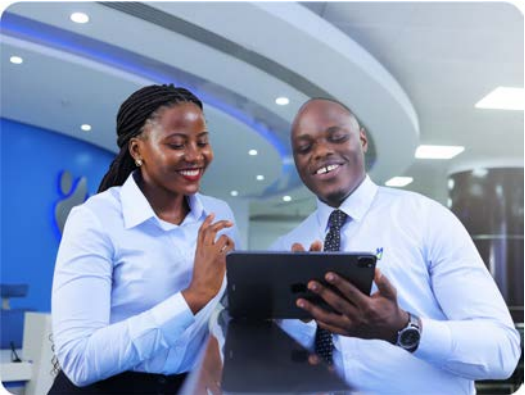
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Materiality

We adopt the concept of double materiality, encompassing both internal factors that influence our operations, risk management, and financial performance, and external factors with significant implications for stakeholders and the broader environment, including social and environmental risks, regulatory changes, and emerging trends.

This approach ensures stakeholders gain insights into the material factors driving our immediate operational success, as well as our strategic initiatives and investments shaping medium and long-term resilience, growth, and positive societal and environmental impacts.



Introduction

Purpose, scope, and boundary of our report

Our integrated report highlights our journey over the past year, focusing on our strategy, performance, opportunities, and outlook in financial, economic, social, governance, and environmental matters. Committed to value creation and preservation, we aim to mitigate any short- and long-term value erosion, ensuring a positive influence on all stakeholders through sustainable operations and responsible corporate citizenship.

Embracing integrated thinking, we incorporate environmental, social, and governance (ESG) factors into our strategic decision-making and operations. This report provides stakeholders with a forward-looking perspective on our financial and non-financial performance, including strategy, risks, opportunities, targets, and governance.

Our report aims to demonstrate our value creation and commitment to fostering shared prosperity for our members, the economy, and society. It offers a transparent view of how we create value across short, medium, and long terms, addressing material financial, economic, social, and governance issues.



This report discloses information about matters that substantively affect our ability to create value over the short, medium, and long term. Short-term refers to 12-18 months, medium-term spans 18 months to 5 years, and long-term extends beyond 5 years.



Our materiality determination process is continually assessed and approved by our Board to ensure relevance of our strategy.

Materiality determination process

[Read more about our material matters](#)

Aligned with the international Integrated Reporting (IR) Framework and Uganda's National Social Security Fund Act Cap 230, this report covers our progress for the year ending 30 June 2024. "National Social Security Fund," "NSSF," and "The Fund" are interchangeably used but refer to the same entity.



Identify matters by scanning the internal and external environment



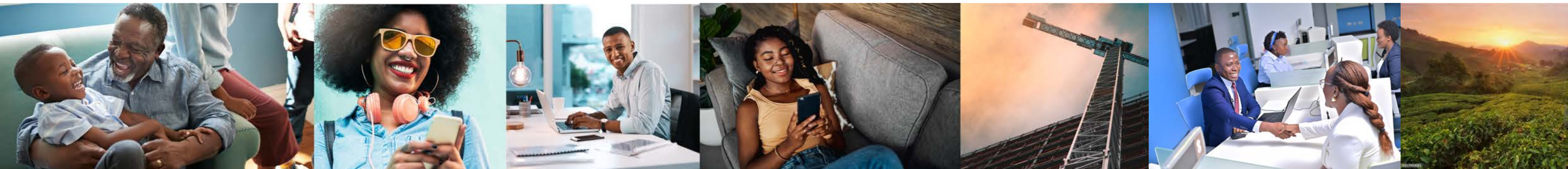
Prioritise matters and formulate the strategic risks and opportunity register



Define strategy and targets incorporating performance measures

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Forward-looking statements

This report may contain forward-looking statements with respect to the Fund's future performance and prospects. While these statements represent our judgment and future expectations at the time of preparing this report, several emerging risks, uncertainties, and other key factors could cause actual results to differ materially from our expectations. These include factors that could adversely affect our business and financial performance.

Outlook

Outlook information comprises challenges, opportunities, and disruptive factors we have identified that have the potential to affect the achievement of our strategic objectives and our mitigating response as well as opportunities identified. Outlook information can be found throughout this report; however, most of this information can be found in our outlook section. [Read more about our outlook](#)

Internal controls and assurance

Internal audit

The internal audit function plays a crucial role in supporting the integrity and transparency of integrated reporting at NSSF. It provides independent assurance on financial and non-financial reporting, governance, risk management, and control processes. By focusing on areas of greatest risk, internal audit ensures the design and operating effectiveness of the framework supporting integrated reporting objectives.

External audit

External auditors, KPMG Uganda, were appointed by the Auditor General, to conduct the annual audit of the Fund's Annual Financial Statements for the year ending 30 June 2024. They issued an unqualified audit opinion, aligning with International Financial Reporting Standards and regulatory requirements, affirming the Fund's robust financial health.

Combined assurance



In the three lines of defence model, Enterprise Risk Management, Legal, and Internal Audit collaborate to provide combined assurance on risk, compliance, and internal controls. This approach ensures comprehensive coverage and avoids duplication in assuring financial and non-financial information.

Internal audit's role in integrated reporting

Internal audit at NSSF is structured to support enterprise value creation through integrated reporting. It evaluates reporting processes, governance, risk management, and control adequacy related to financial and non-financial capitals. Providing objective assurance independent of management, Internal audit enhances the integrity of the integrated report's content, ensuring alignment with stakeholder interests.

Internal audit provides assurance on key areas across the six capitals:

This comprehensive assurance framework supports NSSF in delivering value and ensuring transparency in its operations and reporting.

	MANUFACTURED	IT infrastructure and real estate portfolio management
	FINANCIAL	Strategy execution, financial performance, investment processes, and financial reporting
	HUMAN	Organisational restructuring, recruitment, rewards, benefits, and training
	SOCIAL & RELATIONSHIP	Strategic partnerships, CSI activities, and community impact
	NATURAL	ESG frameworks and compliance
	INTELLECTUAL	Brand management, data security, and IT frameworks

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Reporting frameworks

Our Integrated Report is guided by various codes and standards including:

- King IV Report on Corporate Governance for South Africa (King IV™)
- UK (United Kingdom) combined Code on Corporate Governance
- Integrated Reporting Framework
- Global Reporting Initiative (GRI standards)
- Sustainable Development Goals (SDGs)
- International Financial Reporting Standards (IFRS)
- Uganda Retirement Benefits Regulatory Authority Act and the NSSF Act

Our approach to value creation, preservation, and erosion

Our financial, human, manufactured, intellectual, social and relationship, and natural capitals facilitate every aspect of our business and our ability to create long-term value.

We have accordingly defined our structure, activities, and performance against our strategy in this report in terms of these six capitals. Value creation, preservation, and erosion are the consequences of how we apply and leverage our capitals as part of our strategy execution and are evident in how these capitals change over time.



Value creation

We empower people to secure their financial future and well-being by fostering a culture of saving, contributing to a more prosperous society.



Value preservation

The Board prioritises long-term value creation for all stakeholders by integrating ESG factors into responsible decision-making, fostering stability, and contributing to sustainable economic growth.



Value erosion

The Board actively mitigates value erosion for stakeholders by strategically leveraging our capitals and considering trade-offs in decision-making.

Our value creation process is illustrated in our business model.

Integrated thinking

Integrated thinking guides our decisions, expanding our view beyond short-term gains to consider the broader impact on stakeholders and the environment. This holistic approach is reflected in our strong stakeholder engagement, robust risk management, responsible governance, commitment to employee well-being, and focus on digital innovation. We remain agile, adapting to the new NSSF Act Cap 230 to ensure business resilience.

Integrated report recognition

The Institute of Certified Public Accountants (ICPAU), the Uganda Securities Exchange (USE), and the Capital Markets Authority (CMA) host the Financial Reporting (FiRe) Awards on an annual basis.

NSSF secured a prestigious Silver Award at the 2023 FiRe Awards, outshining over 100 competitors. We also received recognition for outstanding Sustainability Reporting, presentation, and Public Sector Reporting, along with a commendation for corporate governance practices.

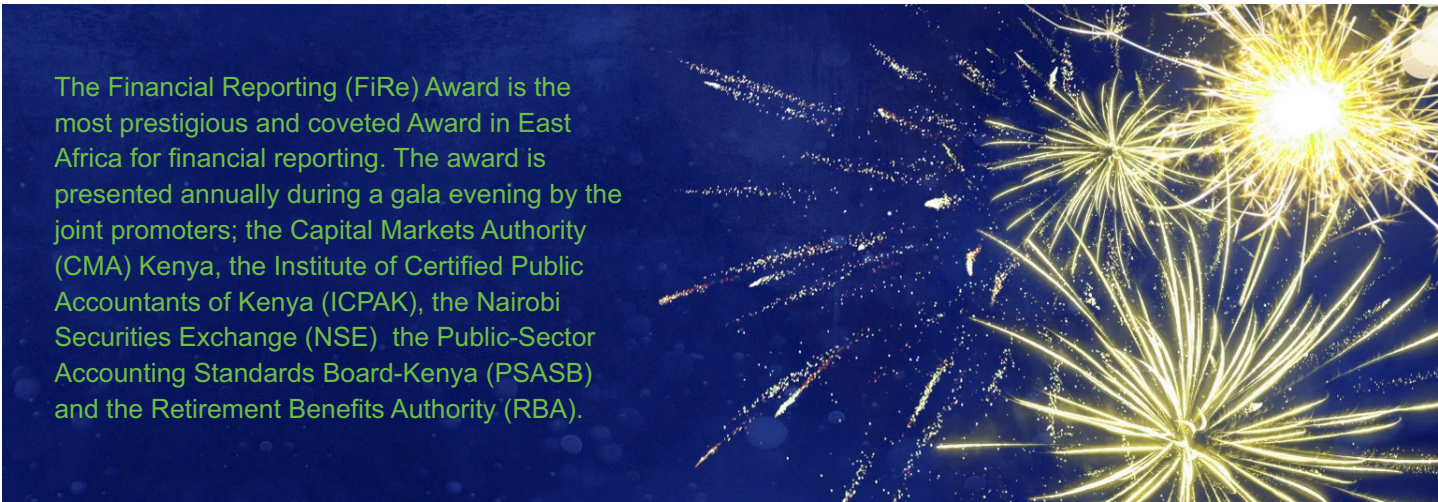
The Fund also won the Regional Category in the Corporate Governance Institute of South Africa (CGISA) awards.



NSSF employees led by Chief Financial Officer Stevens Mwanje pose with Awards won at the 2023 FiRe Awards Ceremony at Kampala Serena Hotel



CGISA Award



The Financial Reporting (FiRe) Award is the most prestigious and coveted Award in East Africa for financial reporting. The award is presented annually during a gala evening by the joint promoters; the Capital Markets Authority (CMA) Kenya, the Institute of Certified Public Accountants of Kenya (ICPAK), the Nairobi Securities Exchange (NSE), the Public-Sector Accounting Standards Board-Kenya (PSASB) and the Retirement Benefits Authority (RBA).

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Process to produce our integrated report

Our Board governs the integrated report process, with a dedicated IR Team led by the CFO. Information is gathered from Board and committee meetings, financial data, and non-financial reports. Drafts undergo rigorous review by a specialised forum before reaching the Executive Committee and Board for approval. The Audit and Risk Assurance Committee ensures report integrity through internal and external audits, verifying the accuracy of information presented. This includes oversight of work performed by independent service providers.

Board approval

Ensuring report integrity and credibility

NSSF prioritises the accuracy, completeness, and fair representation of information within our integrated report. This is achieved through a multi-layered approach:

- **Robust systems and controls:** We implement strong internal controls and procedures that emphasise diverse input sources, verification processes, and the use of reputable data.
- **Subject matter expertise:** Dedicated teams of internal and external experts, including auditors and various committees, contribute to content creation and thorough review.
- **Board oversight:** The Board plays a critical role in overseeing the entire preparation process. They approve the process itself, determine materiality, set the report's scope, and conduct a final review and approval of content.

Board confirmation and approval

The Board, supported by its committees, is ultimately responsible for the report's integrity. They confirm the information is accurate, comprehensive, and fairly reflects NSSF's material matters, adhering to the Integrated Reporting Framework. The 2024 annual Integrated Report was approved by the Board on 26 September 2024, with all material events up to that point included.



Dr. David Ogong
CHAIRMAN, BOARD OF DIRECTORS from 1 September 2024



Patrick Ayota
MANAGING DIRECTOR

About our theme

A New Day - creating shared value for sustainable growth

The National Social Security Fund (NSSF) has experienced remarkable growth over the years, positioning itself as the largest social security fund in East Africa with an asset base of UGX 22.13Tn. This success is not solely attributed to internal efforts but is also a reflection of the prosperity of our members and stakeholders.

Every new day brings with it emerging needs from our membership, ranging from personal business challenges to shifts in the economic landscape and the global arena. These evolving needs present significant opportunities for the Fund, emphasising the importance of providing solutions to address these challenges promptly.

Visualising the terrain ahead

"A New Day" signifies our commitment to expanding social security coverage to more working Ugandans, aiming to deliver sustainable value to our members and stakeholders. By capitalising on the needs of our members and the opportunities presented by the NSSF Act Cap 230, we are developing strategies to enhance members' lives throughout their life journey and beyond retirement, while also driving long-term profitability for the Fund.

We are achieving this through investing in innovations and forming strategic partnerships that aim to improve members' capacity and willingness to save. These initiatives reflect our commitment to creating shared value for sustainable growth.

The future 50:50:95

As we approach the end of our current 10-year strategic period, our passion and ambition continue to grow. Looking ahead to the next 10-year strategic period up to 2035, our vision is to make NSSF a Fund for everyone. We aim to extend our services to 50% of the country's labour force and increase our asset base to UGX 50 trillion by 2035. We strive to achieve a 95% stakeholder satisfaction rating.

Our commitment

We are dedicated to building strong connections with our customers and the public by offering valuable experiences in all our interactions and services, making saving a fundamental aspect of life. Inspired by innovation, reliability, and a forward-thinking vision, we strive to remain relevant and beneficial to all our stakeholders.



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Navigating our report

Navigation icons

Throughout this report, we use the following navigational icons to show the interconnectivity between core concepts and the various sections of this report. Working together and separately, these elements have the potential to impact (positive and negative) our ability to create value over the short, medium, and long term.

Capitals

Our financial, human, manufactured, intellectual, social and relationship and natural capitals facilitate every aspect of our business and our ability to create long-term value.

We have accordingly defined our structure, activities, and performance against our strategy in this report in terms of these six capitals.

The 6 Capitals

 FINANCIAL	▶ This tackles how we manage the Fund responsibly and in a profitable manner. We do this by making prudent investment decisions from our members contributions and competitive investment returns, which enable us to sustainably grow our assets and the members' Fund.
 HUMAN	▶ This resides in our employees, who are also members of the Fund and have a strong alignment with the rest of the NSSF members. In addition, the ability to attract, develop, enable, and retain the best talent is one of the Fund's top objectives. We aim to create an exciting and vibrant work environment and we work continuously to provide our people with attractive career paths that will make them experts in their fields.
 INTELLECTUAL	▶ This lies in the Fund's reputation. Institutional knowledge and experience are intangible assets that have been built over time and have instilled confidence in us among our stakeholders and in Uganda at large.
 MANUFACTURED	▶ This comprises our governance, business processes, building infrastructure, leading systems as well as our investment in information technology infrastructure and innovation that together enable us to manage the organisation in a prudent and professional manner.
 NATURAL	▶ This is the effect of our operations on the environment and the sustainable development goals.
 SOCIAL & RELATIONSHIP	▶ This comprises the relationships and collaborations we have with our key stakeholders - our members, employees, suppliers, communities, the Board, the Ministry of Finance, the Ministry of Gender, Labour, and Social Development and our regulator URBRA.



Strategic objectives



Stakeholders



Materiality themes



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Sustainable development goals

We have prioritised stakeholder issues according to their economic, environmental, social, and financial impact as guided by the GRI reporting framework and have adopted the Global Reporting Initiative's (GRI Standards (2016) (GRI) for purposes of this report.

 [See our GRI Report as at 30 June 2024](#)

GRI supports the UN (United Nations) 2030 Sustainable Development Goals (SDGs), and our report demonstrates that the activities undertaken by the Fund contribute to the objectives of the SDGs. Our business activities are geared to have a positive impact on people, the planet and prosperity.

Last year, the Fund conducted a comprehensive baseline assessment of all key strategic initiatives. This involved detailed research and analysis to evaluate our current practices, identify areas for improvement, and assess our progress against various frameworks, such as the UN Sustainable Development Goals (SDGs). As a result, we have aligned and prioritised specific SDGs, focusing on integrating sustainability into our overall strategy and financial reporting.

The Fund contributes to the following 7 SDGs:



Top Risks

- | | |
|-------------------------------------|-------------------------------|
| 1 Cyber risk | 6 Technology risk |
| 2 Strategic risk | 7 Financial crime risk |
| 3 Compliance/litigation risk | 8 Governance risk |
| 4 Market risk | 9 Liquidity risk |
| 5 Operational risk | 10 Reputational risk |

“Through a clear social purpose, we aim to create long-term sustained value underpinned by sound ESG principles”
Dr. Peter Kimbowa - CHAIRMAN, BOARD OF DIRECTORS

Board and Board Committees



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Chairman's statement

"Building on the momentum of "A New Day - creating shared value for sustainable growth", our 2024 Integrated Report theme emphasises our commitment to creating shared value not just for financial security, but for a sustainable future. We acknowledge the stark realities of climate change and environmental degradation. As responsible stewards, NSSF goes beyond financial security, aiming to create a thriving social and environmental ecosystem for all Ugandans."

Dr. Peter Kimbowa, Chairman, Board of Directors

 [Watch the video](#)



The Fund's steadfast performance

The Fund's FY2024 performance has been truly exceptional. Assets under management reached an impressive UGX 22.13Tn, while the number of Fund members increased by 9% and contributions grew by 13%. This achievement comes despite facing six investigations over eight months. The team's resilience and recovery are a source of immense pride for the Board. We have not only achieved but surpassed most of our set milestones. While we celebrate these successes, we must remain vigilant against potential disruptors to our business model.

The Board and our entire team are committed to staying ahead of any challenges. The Fund is proactively preparing for the future. A dedicated team is actively engaged in scenario building and horizon scanning. This proactive approach will enable us to identify and pre-empt potential threats, ensuring the Fund's continued success. Vision 2035 will also foster a culture of excellence and execution, continuously challenging us to improve.

Vision 2035: A roadmap for the future

At NSSF, we prioritise purpose over profits or dividends. Uganda is transitioning from a primitive economy to a modern and prosperous one. The key question will be what value is the Fund bringing to the country? This provides NSSF an opportunity to play a central role in this transformation, contributing meaningfully to the UN Sustainable Development Goals (SDGs).

We are rallying all our stakeholders including partners, regulators, and the public into a common line of sight. NSSF aims to:



Expand its coverage to 15 million members



Grow assets under management to 50 trillion Uganda Shillings



Maintain satisfaction levels at a minimum of 95% for both members and employees.



We strive to process benefits within hours, even though our current target is one day as outlined in Vision 2035.

We aspire to lead in ESG and sustainability; benchmarking ourselves against international frameworks such as Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), and target to win several global accolades related to this. Our strategies are integrated with robust frameworks to achieve these goals.

The New Dawn: Purpose beyond profit

The Fund's purpose remains to make lives better by passionately dedicating ourselves to making saving a way of life to enable more and more people improve their wellbeing.

In today's world, it is imperative to develop the ability to use the resources available on our planet for our needs while being conscious that future generations should also be able to thrive. Our generation has been a poor steward of the planet, as we now face not just global warming but global melting. In Africa, particularly East Africa, the Congo basin with its 300 million hectares of forest provides significant carbon sequestration, yet deforestation rates of one million hectares per year are alarming. In Kampala, the volume of air pollutants is ten times the global average, and only a small percentage of the 600 tonnes of plastic waste generated daily is disposed of properly.

The Fund remains ambitious and is committed to leveraging its great pool of talent to continue maximising contributions and earnings to create broad based value over a long-term period. Our commitment is to place people at the centre of corporate purpose, fostering a green environment, green technology, and green skills. This dedication aligns with our Vision 2035, signaling our commitment to a new dawn. NSSF is dedicated to empowering future generations to thrive in a greener, more prosperous future.



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Focus areas for the next 12 months

Over the next 12 months, I see opportunity for the Board, the regulator, principal supervisors; Minister of Gender Labour & Social Development as well as the Minister of Finance, Planning and Economic Development and management to achieve five major pillars;

- 1. Grow the asset portfolio**
Diversify our assets under management to drive growth.
- 2. Utilise data analytics, digital channels and AI**
Use technology to enhance member satisfaction, understanding their concerns and needs, and building a broad basket of benefits.
- 3. Accelerate efficiency:** Leverage technology and data analytics to improve turnaround time on benefit payouts and dispute resolution.
- 4. Maintain employee satisfaction:** Foster a culture of continuous learning and introduce a new concept of "uncommon valor – the courage to experiment, inquire and discover new possibilities."
- 5. Champion sustainability and ESG in Uganda:** Lead national efforts in sustainability and ESG, integrating these principles into our core strategy.

Appreciation

I express infinite gratitude to the Fund supervisors, and my fellow Board members for their guidance, continued support and collaboration. In addition, and on behalf of the Board of Directors, I extend my gratitude to the Fund's employees and the Management Team for their unwavering dedication and hard work. The Team's resilience and commitment have been instrumental in driving the Fund's success and progress towards our strategic goals.

Finally, to our valued members, you remain at the heart of our endeavours. We are committed to being your social security provider of choice, and we will continue to strive for excellence in serving your needs and ensuring your future security.

Dr. Peter Kimbowa
CHAIRMAN, BOARD OF DIRECTORS

Managing Director's statement

"The past year stood out as one of resilience, determination, and remarkable performance. Despite the intrusive months of rigorous public investigation inquiry, we emerged from a challenging year even stronger. Our strong governance prevailed and sustained us. Member trust in NSSF remained steadfast. Demonstrating our members' unwavering faith in us, contributions and enrolments increased. The Fund grew by almost UGX 4Tn, underscoring the strength of our strategy."

This resilience gives us the foundation to lay out our strategy for Vision 2035. We are thinking bigger and bolder not only to solve today's problems; but to invest in solutions for a better tomorrow, for our members and for Uganda."

Mr Patrick M Ayota - Managing Director

[Watch the video](#)



Reflections on the past year

As we reflect on the past year, I am proud to share that the Fund has navigated through a period of both challenges and opportunities with resilience and strategic foresight. Our commitment to innovation, excellence, and sustainability has been the cornerstone of our success, and I am pleased to report that we have achieved significant milestones in alignment with our long-term vision. The Fund has continued to earn the goodwill of our valued members and stakeholders. Our reputation and strength remain steadfast, attracting top talent and positioning ourselves as a leading organisation within the region.

During FY2023/24, amidst the challenging environment, the Fund registered very good performance in the following key financial areas:

- Fund's Assets grew by 19% from UGX 18.6Tn in the previous year to UGX 22.13Tn, exceeding our 2025 target of UGX 20Tn
- Total realised income grew by 15% from UGX 2.2Tn to UGX 2.5Tn, mainly driven by interest income
- Dividend income earned in the year grew by 21% from UGX 145Bn in the previous year to UGX 175Bn
- Contributions collected in the year grew by 13% from UGX 1.72Tn in the previous year to UGX 1.93Tn

This performance is a clear testament to the trust and confidence that our members continue to place in the Fund.



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Vision 2035: Building a brighter future

Building upon our 2025 strategy, we have set ambitious targets for the next decade. Central to our strategy is an active role in the daily lives of young Ugandans, especially in the areas of agriculture and job creation. By promoting a culture of saving and enhancing the capacity to save, we aim to empower Ugandans to achieve greater financial security and prosperity. For 2035 we envision:



Coverage - 50%
As the Fund matures, more and more members will qualify to take their benefits, which will eventually exceed contributions. The Fund, therefore, must widen its coverage to attract new members. Currently, our coverage is at 11% of Uganda's working population. We aim to expand this to 50%, reaching 15 million members. We aim to reach a significant portion of the eligible workforce, particularly within the informal sector.



Growth - UGX 50Tn
While our investment portfolio remains resilient, it faces global and local headwinds. We are focused on innovative growth strategies that align with national priorities in infrastructure development and industrialisation. We aim to grow the Fund to UGX 50Tn.



Satisfaction Rate - 95%
Our goal is to create value for all stakeholders—members, employees, government, and the public. We aim for an engagement and satisfaction rate of 95% as we roll out new initiatives including financial education, job creation programmes, and co-investments in priority economic sectors.

Strategic initiatives and technological advancements

As we enter a new decade, we must rethink and innovate our investment approaches to address long-term societal issues like unemployment. Our Hi-Innovator Programme has successfully created over 12000 jobs and led to new contributions of UGX 530M in savings. By supporting entrepreneurs and focussing on long-term investments, we not only help solve societal issues, but also stimulate economic growth, and environmental sustainability. Our specialised and female focussed entrepreneurial programs promote gender parity.

We are enhancing our in-house capabilities, nurturing talent, and driving technological innovation. Our internally developed Smart Life product is expanding our value proposition to meet short- to medium-term savings needs. We have also established a dedicated department to explore partnerships, further supporting our Vision 2035 initiatives. By ensuring a smooth transition from Strategy 2025 to Vision 2035, we are committed to making lives better through meaningful and purposeful actions.

Sustainability and ESG commitments

We have seamlessly integrated ESG principles into our operations, solidifying our dedication to environmental, social, and governance responsibility. We understand that sustainability is crucial for the long-term success of the Fund and our society. Our initiatives align with SDG 8 (decent work and economic growth), SDG 1 (no poverty), SDG 5 (gender equality) and SDG 2 (zero hunger). We are actively involved in programmes that enhance financial literacy and create economic opportunities, particularly in agriculture.

Our emphasis is that sustainability is about building a strong organisation with longevity and prosperity while being a good corporate citizen. Our efforts are not just about ticking boxes; they are about genuinely making a difference for our planet, our place and our people.

Culture change at the Fund

In pursuit of our ambitious Vision 2035, we acknowledge the necessity of evolving our organisational culture. We are currently charting a roadmap to transition from our current state to our desired future. This initiative aims to enhance our agility, foster innovation, and ensure that every team member aligns with our vision and values.

Looking ahead: Transition to Vision 2035

As we pivot from Strategy 2025 to Vision 2035, our purpose remains clear: making savings a way of life and building a prosperous future for Uganda. We are mindful of our role in driving the country's development and growth agendas. By increasing domestic savings, we can significantly impact Uganda's economic stability. With Uganda's long term domestic savings currently at 11% of GDP, we aspire to reach levels similar to those of Asian countries, which save at least 30% of GDP.

Exciting prospects include designing affordable housing using advanced technology. We aim to collaborate with other relevant partners to offer affordable healthcare insurance, ensuring access to basic healthcare for all. Additionally, we plan to work with key stakeholders to advocate for modifications to Uganda's trust laws, which have been unchanged since 1949. We expect these efforts will lead to substantial advancements.

Appreciation

I extend my heartfelt gratitude to the Supervising Ministers, Chairman, members of the board of directors, and all stakeholders for their unwavering support. Special thanks to the Executive Team and NSSF employees for their hard work, dedication and commitment. Together, we are steadfast in our mission to make NSSF the Social Security Provider of Choice.


Patrick M Ayota
MANAGING DIRECTOR



Organisational overview, products and services

A secure foundation for your future

The National Social Security Fund (NSSF) is the leading provident fund in Uganda, established to provide financial security for workers in the private sector.



A new day for NSSF members

NSSF has grown significantly, becoming East Africa's largest social security fund with assets totalling UGX 22.13Tn. This success embodies our integrated report theme, "A New Day - Creating Shared Value for Sustainable Growth," reflecting our belief in shared prosperity with members and stakeholders.

Each day brings new challenges for our members, from personal business issues to shifts in the economic landscape. These evolving needs emphasise the importance of prompt solutions.



Our mandate



Legal foundation

NSSF was established by the National Social Security Fund Act, Cap 230 (Laws of Uganda).



Regulation

The Ministry of Gender, Labour and Social Development and the Ministry of Finance, Planning and Economic Development are jointly charged with the oversight of the Fund. Additionally, we are regulated by the Uganda Retirement Benefits Regulatory Authority (URBRA), as applicable.



Coverage

We cover all private sector workers, regardless of company size or employee count.

Expanding social security coverage

A "New Day" signifies our commitment to broadening social security coverage and delivering sustainable value to more working Ugandans. We leverage member needs and opportunities from the Amendment Act to develop strategies that enhance lives and drive long-term profitability. Our approach involves investing in innovations, forming strategic partnerships, increasing membership outreach, boosting financial literacy, and offering innovative products and services tailored to evolving needs.



NSSF at a glance

Funding and management

- **Contributory scheme:** NSSF is funded by mandatory contributions from both employees (5% of gross monthly salary) and employers (10% of employee's gross monthly salary).
- **Voluntary contributions:** We accept voluntary contributions from self-employed persons and allow members to make additional contributions (top-ups) on their mandatory savings.
- **Investment and returns:** Member contributions are invested, and we provide annual returns in the form of interest to our members.
- **Benefit processing:** We process and pay out prescribed benefits to qualifying members, such as retirement benefits, withdrawal benefits, exempted employment benefit, invalidity or emigration, and survivor benefits.



Widespread network

17 Branches
4 Sub - Branches
77 Outreach Centres

Individual contributions can be made over the counter at all 56 dfcu bank branches at no fee.



Expanded agent network coming soon

NSSF is working to make collection and registration services available at Agent Banking Company and Interswitch powered agents countrywide, increasing service points from 1,439 to over 17,000 locations.



Financial strength

Total contributions
UGX 1.93Tn

Total realised income
UGX 2.53Tn

Total asset value
UGX 22.13Tn

UGX, 1.0% Cost of administration



Dedicated workforce

A committed team of 605 employees



Strong membership base

2.4m registered members
32,3K registered employers



Benefits turnaround time

10.1 days

Our locations

Northern Region

Lira
Plot No.43
Bazar Road
P. O. Box 406, Lira

Gulu
Plot No. 23
Andrea Olal Road (Opposite Total)
P.O. Box 730, Gulu

Arua
Plot No. 49
ML Plaza, Adumi Road
P.O. Box 418, Arua

Masindi
Plot No. 17/19
Port Road (Opposite Masindi Court)
P.O. Box 199, Masindi

Hoima
Plot No. 33
Lusaka, Hoima-Kampala
Road (Next to Messiah
Clinic)

Western Uganda

Fort Portal
Plot No. 1
Maliba Road

Mbarara
1st Floor
Mbarara City House

Ishaka
Plot No. 112
Block 14
Bushenyi-Ishaka Municipality

Kabale
Plot No. 91-95
Mbarara Road
P. O. Box 203, Kabale

Masaka
Plot No.21
Edward Avenue
P. O. Box 1290, Masaka

Eastern Region

Mbale
Plot No.1, Oval Plaza
Court Road
P. O. Box 1574, Mbale

Soroti
Cell A
Central Ward, Eastern Division
Soroti City

Moroto
Plot 24
Lia Road

Jinja
Ground Floor
Jinja City House
Lubas Road

Tororo
Plot No. 8A
Uhuru Drive
P. O. Box 1574, Mbale

Mukono
Plot No 3A
Bishop Tucker Road
Central Business Area
Mukono

Central Region

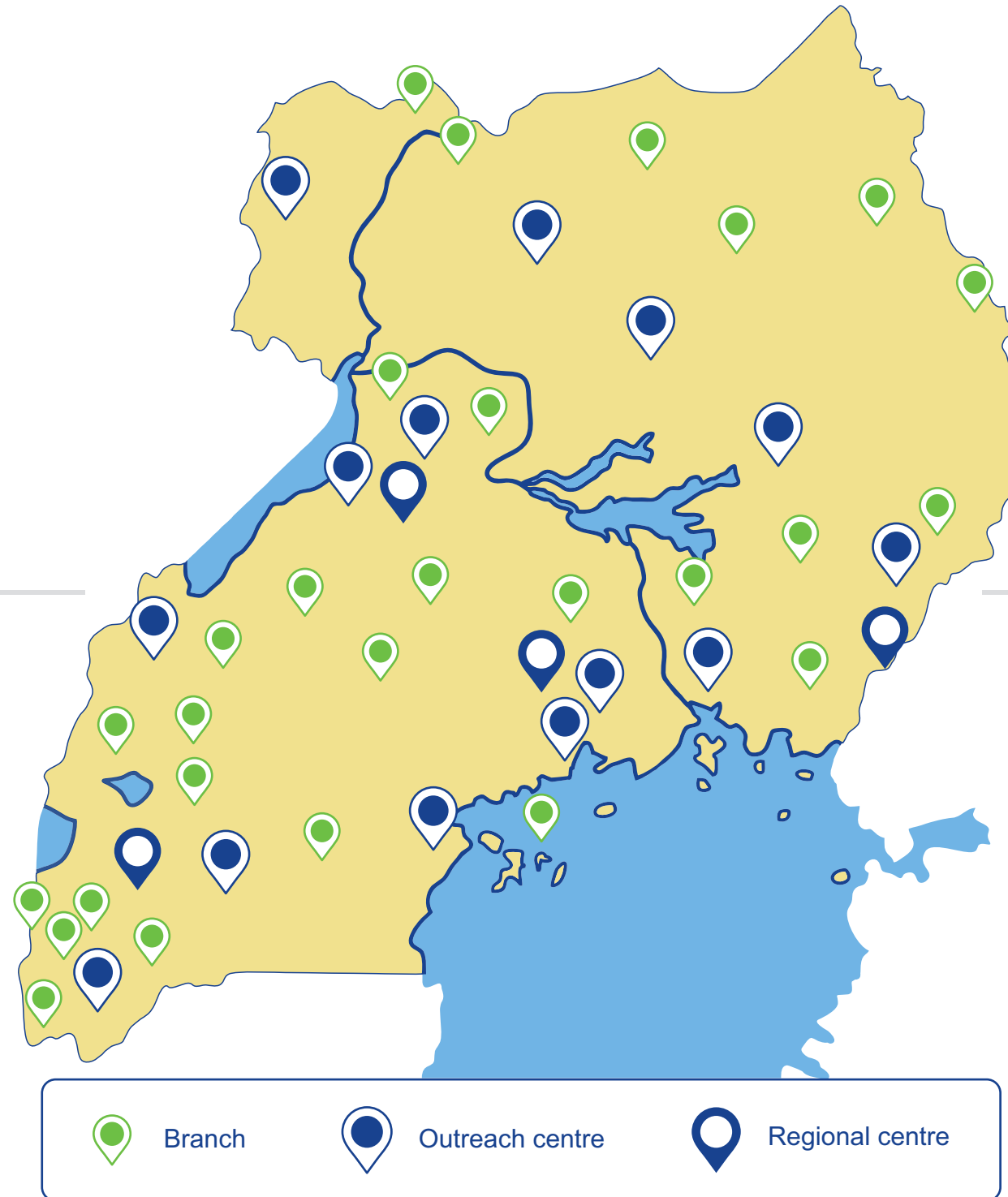
Kampala
City Branch Ground floor
Workers House Plot No.1
Pilkington Road
P.O. Box 7140
Kampala

Bugolobi
1st Floor Village Mall
Bugolobi
Plot 7-9
Luthuli Avenue

Acacia
Ground Floor Acacia Mall
John Babiha Avenue
Kisementi

Bakuli
Plot No. 719
Sir Apollo Kagwa Road
K Hotel Building

Entebbe
Entebbe Imperial Mall
Plot M79
Lugard Avenue
Kampala-Entebbe Road



Purpose, vision and mission



Our Purpose
Our purpose is to make lives better. We passionately dedicate ourselves to making saving a way of life, to enable more and more people to improve their wellbeing.



Our Vision
To be the social security provider of choice.



Our Mission
To be a relevant partner to our members through continuous innovation in provision of social security.



Core values



Innovation
We are a robust organisation that is always looking for new ways of delivering value to our members.



Customer centric
We are committed to achieving higher levels of customer satisfaction through continuous improvement in our services.



Efficiency
We promise to continuously collaborate with stakeholders to discover and apply safer, better, faster, and more cost-efficient ways to provide services that our customers value.



Integrity
We commit to be ethical and honest to inspire trust by matching our words to our actions.



Teamwork
We are committed to developing and maintaining healthy internal relations that harnesses respect, positive attitude, and open mindedness in order to meet the demands of our customers.

Products and services

NSSF offers a variety of products and services designed to empower financial security throughout a member's life journey:

Conventional Benefit Products	▶ Provide financial security after retirement or during life's unexpected events.	Read more
Midterm Access Benefits	▶ Allows eligible members to access a portion of their accrued benefits before retirement.	Read more
NSSF Voluntary Membership Plan	▶ Enables voluntary contributions in addition to mandatory savings.	Read more
NSSF Diaspora Connect	▶ A secure way for NSSF voluntary members living abroad to contribute to their retirement savings.	Read more

Introducing NSSF Smart Life: A glimpse into the future

NSSF is excited to unveil Smart Life Flexi, a new, voluntary goal-based savings plan currently undergoing a pilot phase. This product is designed to address the growing need for flexible and accessible saving options, allowing members to save towards their short- and medium-term goals.



Our business

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Operating context

Member value creation

“The year ended June 2024 will be remembered for our strong focus on creating value for members. We launched the Yo Benefits Campaign, targeting members eligible for age-related benefits, to support them in making prudent financial decisions. Collaborating with our Investments Department and experienced financial and retirement advisors, we pushed beyond traditional retirement benefits, addressing the adequacy, sustainability, and predictability of social security benefits.”

Geoffrey W. Sajjabi Chief Commercial Officer



Enhancing compliance and contributions

We introduced a new Whistleblower platform to empower members to report cases of non-compliance, thereby enhancing overall compliance and contributions, key to ensuring long-term security for our members. Additionally, we scaled our AI-supported integration with partners like the Uganda Revenue Authority, automating the generation of social security bills for employers. This initiative tackled under-declaration in employer remittances, creating additional value for our members.

Robust performance amidst challenges

Our initiatives contributed to impressive results across various areas, though we faced challenges in benefits turnaround time and voluntary contributions. Collections grew by 13%, reaching UGX 1.93Tn, compared to UGX 1.72Tn in the previous year. Arrears and new registrations added UGX 157Bn, accounting for over 70% of the growth. Active members increased by 5%, from 734,000 to 771,000, with significant contributions from the Trade and Financial Services sectors.

We registered 8,374 employers compared to the 6,827 recorded the previous year accounting for 23% growth. We also registered 203,446 new members compared to the 180,802 registered in the previous year. 58% of the newly registered members made contributions.



Ready yourself for a better life

Sign up for the **NSSF Financial Literacy Program** and start your journey to financial freedom.

Claim Preparations | Investing | Retirement Planning

To apply, visit www.nssfug.org/financialliteracy or Dial *254# or Call 0800 286 773 toll-free for details.



NSSF Managing Director Patrick Ayota (l) and Barbra Teddy Arimi the Head of Marketing and Corporate Affairs (r) at the launch of the Whistleblower Campaign during a media presser held in Kampala in November 2023



NSSF Managing Director Patrick Ayota elaborates on the Whistleblower Campaign during a media presser in Kampala. The campaign aimed at encouraging employees to report non-compliant employers using the NSSF Whistleblower platform

Member engagement and financial advisory impact

Through the Yo Benefits Campaign, we provided financial advisory services to over 12,000 members, leading to a notable shift toward drawdown plans and partial benefits. As a result, 1,069 members chose these options, retaining UGX 94Bn, a 56% retention rate. This effort also saw an increase in deferred benefits, with over 76,673 members deferring applications totalling UGX 1.01Tn, reflecting growing member confidence in the Fund.

Addressing operational challenges

While we made progress, the Fund's benefits payout time averaged 10.1 days, slightly above the 9-day target but an improvement from the previous year's 12 days. Voluntary contributions fell short at UGX 18.9Bn against a target of UGX 24Bn, due to delays in gazetting new regulations. However, we reduced unallocated member funds to UGX 49Bn, the lowest in over five years, demonstrating our commitment to resolving this issue.

Priorities for the new year

As we move into the new year, our focus remains on member-centred initiatives that generate new value. We will continue to scale AI-enabled integrations with new partners to improve compliance and contributions, leverage data analytics to identify compliance gaps, and expand our physical and electronic footprint to enhance member convenience. We are also committed to implementing an automated customer feedback solution for real-time member input, and further reducing benefits turnaround time.

Internal environment

Introduction

As we reflect on the financial year 2023/2024, our commitment to creating shared value and driving sustainable growth has been central to our efforts. This year, we focused on building a future-ready workforce, revitalising our organisational culture, and expanding our reach through innovative products and structural adjustments in line with our new 10-year strategy.

Reskilling employees for the future

Over the past year, we focused on reskilling our employees to align with the Fund's strategic goals. We implemented several key training programmes to enhance skills across the Fund. Notably, the "Manager as a Coach" programme aimed to equip managers with essential coaching skills, improving their ability to guide and support their teams. Additionally, the Pathfinder Catalyst Academy was launched to empower our female employees with leadership skills, preparing them for future leadership roles and advancing the Fund's mission.



Cohort 2 of the NSSF Pathfinder Programme after their session

Change management - Project Ignite

Change is crucial for every organisation, including the Fund. At NSSF, we are committed to staying relevant to both our internal and external customers. This year, we launched "Project Ignite," a transformative cultural change programme aimed at rejuvenating our organisational culture and reaffirming our identity.

To ensure broad representation and inclusivity, Heads of Departments selected members for the Project Ignite Committee. This diverse group brought a wide range of perspectives and ideas, helping to shape our cultural rejuvenation journey and ensure the programme's success.

Restructuring - the establishment of the Enterprise Growth and Development department

To stay relevant and aligned with the Fund's purpose, we continuously adapt to the evolving business environment. This year, we restructured to create a new department, Enterprise Growth and Development. This department's mandate focuses on expanding membership coverage to at least 50% of eligible Ugandans, with a particular emphasis on voluntary membership. Due to this strategic focus, which is essential for advancing our vision of extending services and achieving sustainable growth, the new department has created 41 new jobs.

Continuation of SmartLife

Our commitment to encouraging voluntary savings remained strong with the continuation of the Smartlife product pilot among NSSF employees. Smartlife is instrumental in promoting a savings culture among our members, especially contributing to their financial well-being and the Fund's overall sustainability. To date, a total of 183 staff have enrolled for the product.



External environment

Global economic outlook

In FY 2023/24, the global economy continued to demonstrate resilience in navigating the enduring impact of the pandemic, the Russia - Ukraine conflict, and the resultant cost-of-living crisis. Despite disruptions to energy and food markets caused by geopolitical instability and aggressive monetary tightening to combat decades-high inflation, economic activity slowed but persisted. The ongoing effects of the Russia-Ukraine conflict, exacerbated by other geopolitical tensions like the Gaza conflict further complicated the global operating landscape. However, the IMF projects a steady decline in global inflation from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Meanwhile, the global economy is forecast to maintain a growth rate of 3.2% throughout 2024 and 2025.

Impact

The Fund continues to face cost pressures due to global supply chain disruptions. These challenges are particularly pronounced in the Real Estate Portfolio where certain construction inputs are imported. Additionally, elevated energy prices, a lingering consequence of the Russia-Ukraine conflict, have contributed to increased operational and capital expenditures.

Our response

The Fund continually adjusts its budget and operations in response to escalating costs driven by global supply chain disruptions and rising energy prices. These measures have mitigated the immediate impact while a more comprehensive approach, including investment diversification, enhanced risk management, cost optimisation, and strategic partnerships with contractors and suppliers, is being implemented to minimise the impact.

Regional overview

Kenya

According to the World Bank, Kenya's economy grew by 5.6% in FY2023/24, surpassing the previous year's growth rate of 4.9%. This growth was primarily driven by the agriculture, fishing, and forestry sectors. While projections indicate continued growth, averaging 5.3% in 2024 according to the IMF and World bank and 5.5% according to the National Treasury, the operating landscape remains uncertain.

Kenya's inflation has remained within the Central Bank of Kenya's target range of 2.5% to 7.5% due to a stronger shilling, reduced fuel and electricity prices, and the Central Bank's policy rate increases. While inflation is currently under control, the Central Bank maintains a cautious stance due to global inflationary pressures.

The Kenyan shilling recovered from the previous year, appreciating by 17.2% in the first half of 2024. This improvement was due to factors such as Eurobond buybacks, infrastructure bond issuance, and improved investor sentiment. However, underlying vulnerabilities, including a persistent current account deficit, and dwindling foreign exchange reserves, pose risks to currency stability. Additionally, the government's fiscal position remains challenged by revenue collection targets, exacerbated by the withdrawal of the Finance Bill 2024.

Impact

Kenya is a significant market for the Fund, with its economic performance directly influencing investment returns. The shilling's appreciation positively impacted the Fund's portfolio for FY2023/24. However, recent unrest poses risks to future returns.

Our response

Kenya remains a key market for the Fund. To mitigate risks and capitalise on opportunities, we maintain close monitoring of the Kenyan economic landscape. Our investment strategy emphasises diversification across sectors and industries to enhance portfolio resilience. This approach enables us to navigate short-term volatilities while maintaining a long-term perspective.

Tanzania

Tanzania's economy has shown steady growth, with a 5.7% increase in 2024, driven by public and private investment. The country has maintained low inflation, which is a key strength. However, challenges persist, including foreign exchange liquidity shortages. While the Central Bank has taken steps to stabilise the economy, such as raising interest rates, the full impact of these measures is yet to be seen. The government's focus on infrastructure development and social spending aims to boost economic growth and improve living standards.

Impact on the Fund

Tanzania's relatively stable macroeconomic environment is a positive factor for the Fund. However, foreign exchange liquidity constraints limit investment opportunities.

Our response

The Fund closely monitors the Tanzanian market, seeking to capitalise on emerging opportunities. A diversified investment approach and a long-term perspective are essential in navigating the market's challenges.



Our business

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Local overview

Uganda

Uganda's economy grew by 6.0% in FY 2023/24, driven by gains in agriculture, industry, and services. This momentum is projected to continue, with GDP estimated to grow by 6.4% in FY 2024/25. While inflation moderated to an average of 3.0% in FY 2023/24, the Bank of Uganda's maintenance of the Central Bank Rate (CBR) at 10.25% since April 2024 reflects a cautious approach to managing inflationary pressures. Although current monetary conditions are deemed adequate to contain inflation around the medium-term target of 5%, the Central Bank remains vigilant given the projected increase to 5.4% in FY 2024/25.

The Ugandan shilling, exhibited relative stability, appreciating by 1.7% quarter-on-quarter in June 2024, supported by factors including tight monetary policy, increased foreign inflows, and robust export performance. However, the currency's sustainability remains contingent on addressing the underlying current account imbalances.

Impact on the Fund

The Fund's investments in Uganda are exposed to local economic conditions given that the Fund's largest portion of investments is held locally. Rising inflation poses a risk to the real return on the fixed income investments, while overall economic performance impacts the profitability of equity holdings.

Our response

The Fund employs a diversified investment strategy combined with a long-term perspective to mitigate short-term economic fluctuations and generate sustainable returns.

Regulatory landscape

The National Social Security Fund (Amendment) Act, 2021, has yet to be fully implemented due to the pending subsidiary legislation. The conclusion of these regulations is crucial for the effective operationalisation of the Act's expanded scope.

Our response

As we await conclusion of the regulations, the Fund has proactively undertaken a comprehensive review and alignment of its business model, reorganised its structure to include a dedicated department for expanding social security coverage, and is developing innovative products to cater to the needs of the expanded beneficiary base.



CASUAL
LABOURERS
SUB CONTRACT
WORKERS
SMALL
EMPLOYERS

NOW YOU CAN SECURE THEIR FUTURE

The NSSF Amendment Act now requires all formally registered employers to make monthly NSSF contributions for their staff regardless of the number of staff they employ.

Register your company, visit www.nssfgo.app or the nearest NSSF branch.
Call 0800 286 773 for more information.

Our business

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Retirement journey



No matter your age, it is never too late or too early to save. Your financial needs and priorities will vary, but saving consistently is key. Here is a guide for each life stage:

Age 20s: Laying the foundation

- **Focus:** Start saving early, even if your income is low. Small amounts can grow significantly over time.
- **Action:** Save consistently and live within your means.

You can start saving for your retirement with NSSF from as young as 16 years old through

[SHOW ME HOW HERE](#) 

Age 30s: Setting priorities

- **Focus:** Grow your income and avoid withdrawing retirement savings. Preserve and invest wisely.
- **Action:** Use bonuses and promotions to boost retirement savings. Consider a 15-year mortgage for home financing to secure your home for retirement.

You can make your tomorrow better by enrolling on the NSSF voluntary savings programme

[SHOW ME HOW HERE](#) 

Age 40s: Accumulating wealth

- **Focus:** Save aggressively, manage responsibilities, and create additional income streams.
- **Action:** Start another stream of income you can continue into retirement.

If you have been saving for at least 10 years and are 45 years old or older, you may access your midterm benefits of a sum not exceeding 20% of your accrued benefits

[SHOW ME HOW HERE](#) 

In addition, you can unlock your business potential - [CLICK HERE](#)

Age 50s: Retirement in sight

- **Focus:** Pay off debt and increase retirement savings.
- **Action:** Invest in traditional and passive income tools like government bonds and insurance products. Plan how to enjoy your retirement.

You can access your retirement benefits

[SHOW ME HOW HERE](#) 

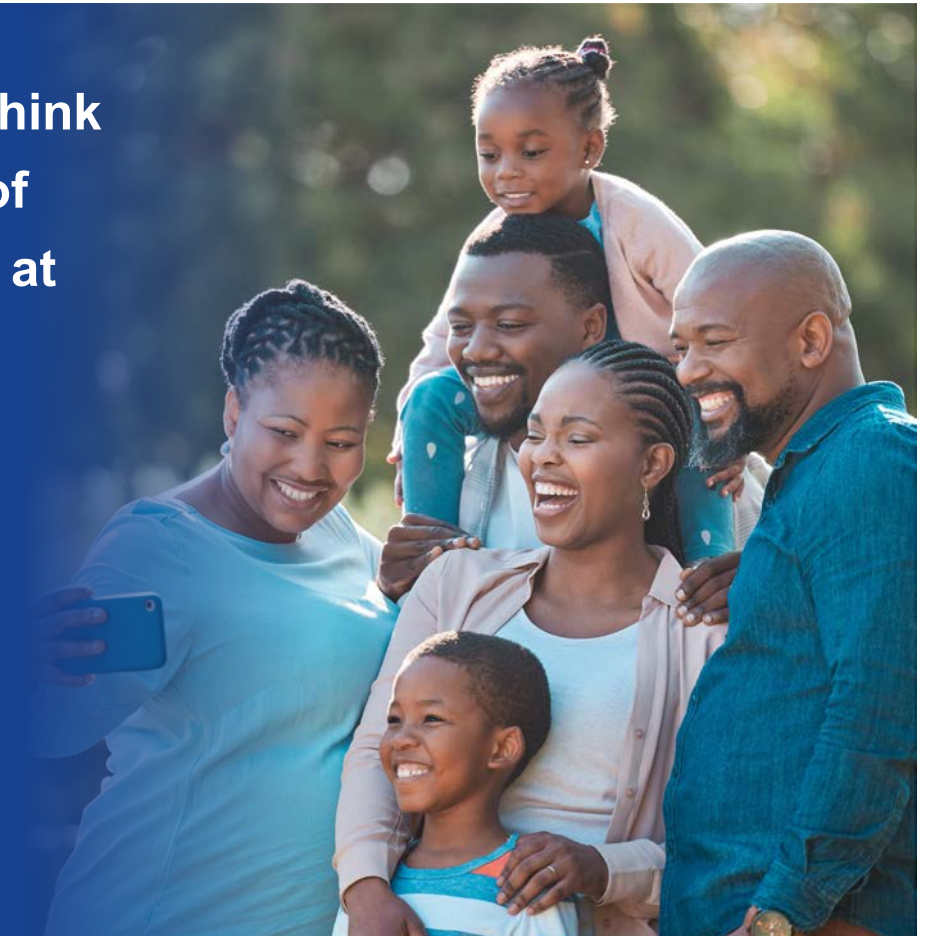
Age 60+ and beyond: Embracing retirement

- **Focus:** Manage your money carefully to ensure sustainability.
- **Action:** Invest in low-risk, short-term products for emergencies.

The Fund is in the process of developing short-term products which are now made possible through the NSSF Act Cap 230.

“Often when you think
you’re at the end of
something, you’re at
the beginning of
something else.”

Fred Rogers



Benefits of saving with NSSF

Meet Nakamya Annet

A resilient entrepreneur, devoted wife, and mother of three, living in Seeta, Mukono District. Nakamya is the visionary behind Psalms One Enterprises Limited, a thriving business located on Nkrumah Road in Musana House, specialising in graphic design, printing corporate wear, and promotional items. Her journey with NSSF began in 2005, and it has been a pillar of support throughout her career transition and health challenges.

 Watch the video



1. When did you start your saving journey with NSSF?

I began my savings journey with NSSF in 2005 while working for various companies, with Graphics Systems (U) Limited being my first employer. In 2019, I decided to start my own business. I withdrew my savings in 2021 under the Invalidity Benefits Scheme.

After starting my business in 2019, I decided to enrol in the NSSF Voluntary Programme and have been saving consistently since then.

2. When you commenced your savings journey with NSSF, how did you feel?

I had mixed feelings at the beginning since I did not have much knowledge about savings. But because it was mandatory, my employer continued to remit my savings until those savings saved my life in 2021 when I got Covid-19.

It was the best thing that ever happened to me, and I had no doubt that the moment I started my own business, I would continue saving with NSSF.

3. How did you utilise your retirement benefits?

In 2021, I contracted Covid-19 and was admitted to the ICU for three weeks, relying on oxygen. Everything around me had crumbled. While in the hospital, I overheard my neighbour listening to the news on her phone, where I learned that NSSF was providing invalidity benefits to its members battling Covid.

Unable to access a computer or my phone, I asked my husband to apply and submit a request for my benefits. A doctor later came to validate some of the required information, and within three days, all my benefits were deposited into my account. These funds arrived incredibly quickly and proved invaluable. They enabled me to access the necessary medication, which was expensive at the time, and also helped me treat the post-Covid side effects, aiding in my recovery.

After I recovered, I used the remaining money to boost my business, which has since grown significantly. I am forever grateful for that support.

4. What message do you have for people struggling to save money or having challenges with managing their finances?

Initially, I believed that NSSF was only for those in formal employment, but you can contribute voluntarily even if you are self-employed.

Saving can be simplified by setting up a monthly standing order with your bank, which can be automatically remitted to your savings plan.

As you spend, make it a habit to set aside some money to secure your future and take care of your family. Consider short-term investments that can be easily liquidated in case of emergencies, such as medical expenses or school fees.

It is important to manage your debts wisely. Only take on debt that you can comfortably repay with your available disposable income.

5. What message do you have for people planning to withdraw their retirement benefits?

If you are still able to work and earn, avoid withdrawing your NSSF savings prematurely. Your money is safe with NSSF. Consider enrolling in programmes like the voluntary savings plan, which allows you to continue saving even after the age of 55.

Before accessing your benefits, make sure you have a clear plan for how you will use them, particularly after retirement. Withdrawing your money in small amounts is less effective, as it may not be sufficient to invest in significant, rewarding projects. Instead, let your funds accumulate and earn interest, which you can access once you have a solid plan for how to use them.

The more you save, the greater your returns will be.

Avoid withdrawing your voluntary savings to pay off debts or cover school fees. Keep your retirement savings as a safety net for your family in case you are no longer able to work or provide for them. Ensure that your personal information in the NSSF system is up to date so that, in the event of an emergency, your survivors can easily access the benefits.

6. Having accessed your retirement benefits, what advice do you have for people saving or planning to start saving with NSSF?

With NSSF, your savings are secure and wisely invested to generate a good return in the form of interest. Take advantage of the upcoming voluntary products that align with your financial goals.

Think of saving as an essential emergency plan. These savings can be a lifeline in times of health issues or family challenges.

For business owners, NSSF offers certificates that are essential when applying for supplier bids, providing an additional benefit of being an NSSF member.

In conclusion, I encourage everyone with dreams of enjoying a secure retirement to register through the self-registration process on the NSSF website and start saving with NSSF for a better future.

Our business

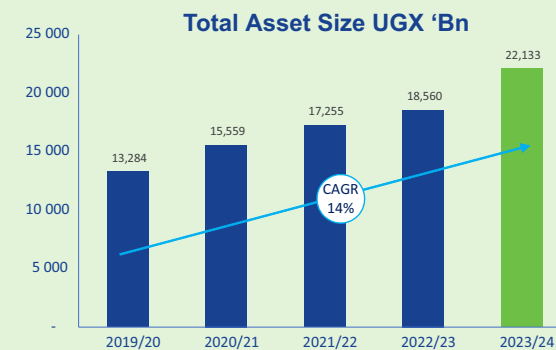
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Financial and operational highlights

Financial highlights

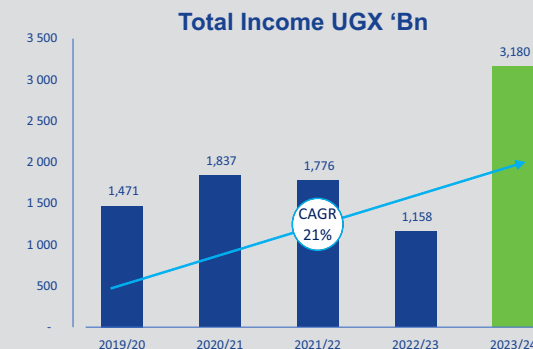
Asset Growth (UGX 'Bn)

Asset size has significantly grown over the past five years posting a CAGR of 14% driven by investment capital expenditure that is undertaken from the increasing member contributions and income generated net benefits paid out.



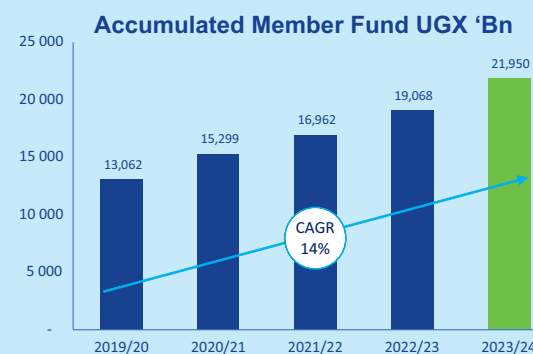
Total Income (UGX 'Bn)

Total income constitutes interest income, real estate income, dividends, share of results from associates and other income earned. This has grown by a CAGR of 21% over the past five years with the major contributor being treasury bonds invested over the East African Region. The sharp increase in FY2023/24 from FY2022/23 was due to unrealised foreign exchange and capital gains incurred on our regional investments.



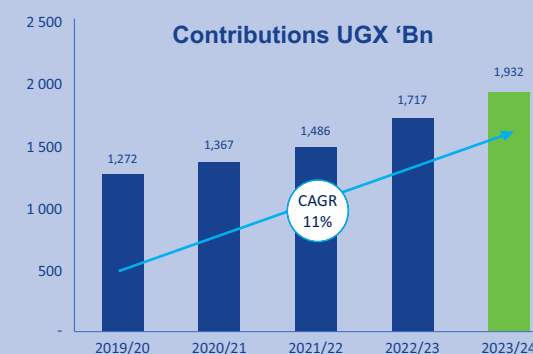
Accumulated Member Fund (UGX 'Bn)

Accumulated members' fund constitutes member contributions, interest credited to member accounts less benefits paid out. This has grown by a CAGR of 14% in the last five years driven by the growing member contributions, increasing interest credited to member accounts net of total benefits pay-outs.

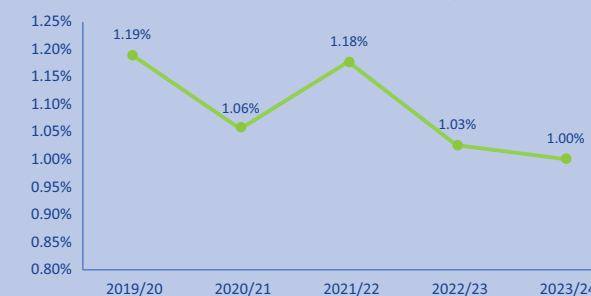


Growth in Contributions Collected (UGX 'Bn)

Contributions from members have grown by a CAGR of 11% in the past five years driven by new members, employers' increased registration due to change in the legislation and the increased focus on growing voluntary membership in the past five years.

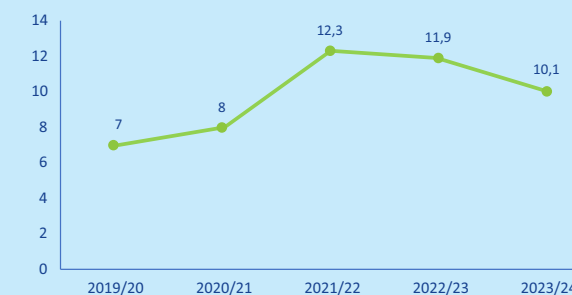


Cost of Administration (%)



The Fund's Cost of Administration largely reduced due to the Fund's cost saving mechanisms.

Benefits Turnaround Time (days)



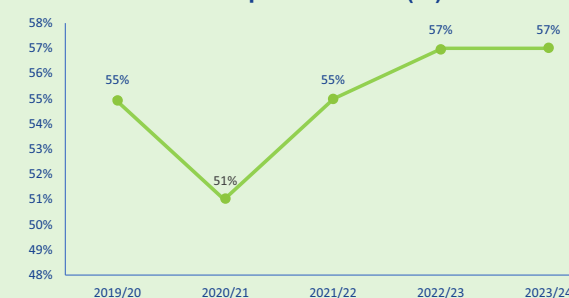
The Turnaround time for benefit pay-outs was 10.1 days in FY2023/24. This was slightly better than previous year due to the improved internal processes in the delivery of services to members e.g. user experience of the pension administration system.

Benefits Payments (UGX 'Bn)



Benefits paid grew by a CAGR of 23% in the last five years. The spike in FY2021/22 and FY2022/23 was due to midterm benefit claims. The slight decrease in FY2023/24 is attributed to the reduction in traffic of the midterm claims.

Compliance Level (%)



Compliance for FY2023/24 closed at 57% as of 30 June 2024. This remained stable with the previous year's compliance rate.

Financial and operational highlights

Five year performance review

Income Statement	Actual 2019/20 Ushs. Billion	Actual 2020/21 Ushs. Billion	Actual 2021/22 Ushs. Billion	Actual 2022/23 Ushs. Billion	Actual 2023/24 Ushs. Billion	Budget 2023/24 Ushs. Billion	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Total Income	1,471	1,837	1,776	1,158	3,180	2,349	175%	35%	21%
Total Revenue (Core)	1,472	1,696	1,912	2,201	2,529	2,349	15%	8%	14%
Total Costs*	158	164	203	191	222	228	16%	-3%	9%
Profit Before Interest & Tax	1,312	1,672	1,573	968	2,958	2,121	206%	39%	23%
Profit After Tax	1,160	1,505	1,393	774	2,742	1,908	254%	44%	24%

Financial Position (UGX' Bn)	Actual 2019/20 Ushs. Billion	Actual 2020/21 Ushs. Billion	Actual 2021/22 Ushs. Billion	Actual 2022/23 Ushs. Billion	Actual 2023/24 Ushs. Billion	Budget 2023/24 Ushs. Billion	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Total Assets	13,284	15,559	17,255	18,560	22,133	21,095	19%	5%	14%
Fixed Income Investments	10,235	11,773	13,061	14,340	17,293	16,332	21%	6%	14%
Equity Investments	1,912	2,378	2,607	2,370	2,924	2,878	23%	2%	11%
Real Estate	943	1,142	1,173	1,303	1,536	1,691	10%	-15%	11%
Total Investments	13,090	15,292	16,842	18,013	21,752	20,901	20%	4%	13%
Accumulated Members' Funds	13,062	15,299	16,962	19,068	21,950	20,790	15%	6%	14%

Financial Performance (%)	Actual 2019/20	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Budget 2023/24	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Realised Return on Average Investment (%)	12.1%	11.9%	11.9%	12.6%	12.7%	11.2%	1%	13%	N/A
Cost Income Ratio (%)	10.77%	8.95%	11.44%	16.45%	6.97%	9.69%	58%	28%	N/A
Cost of Administration (%)	1.19%	1.06%	1.18%	1.03%	1.00%	1.08%	2%	7%	N/A

Member's Fund Statistics (UGX'M)	Actual 2019/20	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Budget 2023/24	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Contributions Collected	1,272	1,367	1,486	1,717	1,932	1,920	13%	1%	11%
Benefits Paid	496	642	1,189	1,199	1,121	1,572	6%	29%	23%
Interest Credited to Members**	1,154	1,516	1,380	1,584	2,073	1,906	31%	9%	16%

Member's Fund Statistics	Actual 2019/20	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Budget 2023/24	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Interest Declared (%)	10.75%	12.15%	9.65%	10%	11.5%	10.00%	15%	15%	N/A
Compliance Level (%)	55%	51%	55%	57%	57%	60%	0%	-5%	N/A
Benefits Processing Time (Days)	7	8	11	12	10	7	-15%	44%	N/A

Customer Satisfaction Rate (%)	Actual 2019/20	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Budget 2023/24	Actual 2023/24 Vs Actual 2022/23 Var %	Actual '2023/24 Vs Budget 2023/24 Var %	CAGR (2019/20 -2023/24)
Internal Customers (Staff)	93%	94%	93%	86%	89%	90%	-8%	-4%	N/A
External Customers (Members)	88%	86%	86%	88%	87%	90%	2%	-2%	N/A

Total Costs (Operating Expenditure)*
Operating expenses represent costs incurred to support income generation for the Fund. Major categories include staff costs, equipment costs, costs associated with Fund Premises and other costs. These have grown at a CAGR of 9% over the past 5 years in line with the fund's initiatives expected to deliver the target values and activities.

Interest Credited to members**
Interest credited to members has grown by a CAGR of 16% in the past five years due to continued exceptional performance posted by the Fund. The rates declared have consistently surpassed the 10-year average inflation threshold.

Operational highlights

NSSF received the Building and Construction Authority (BCA) Green Mark Award certification for the Lubowa Housing Development.



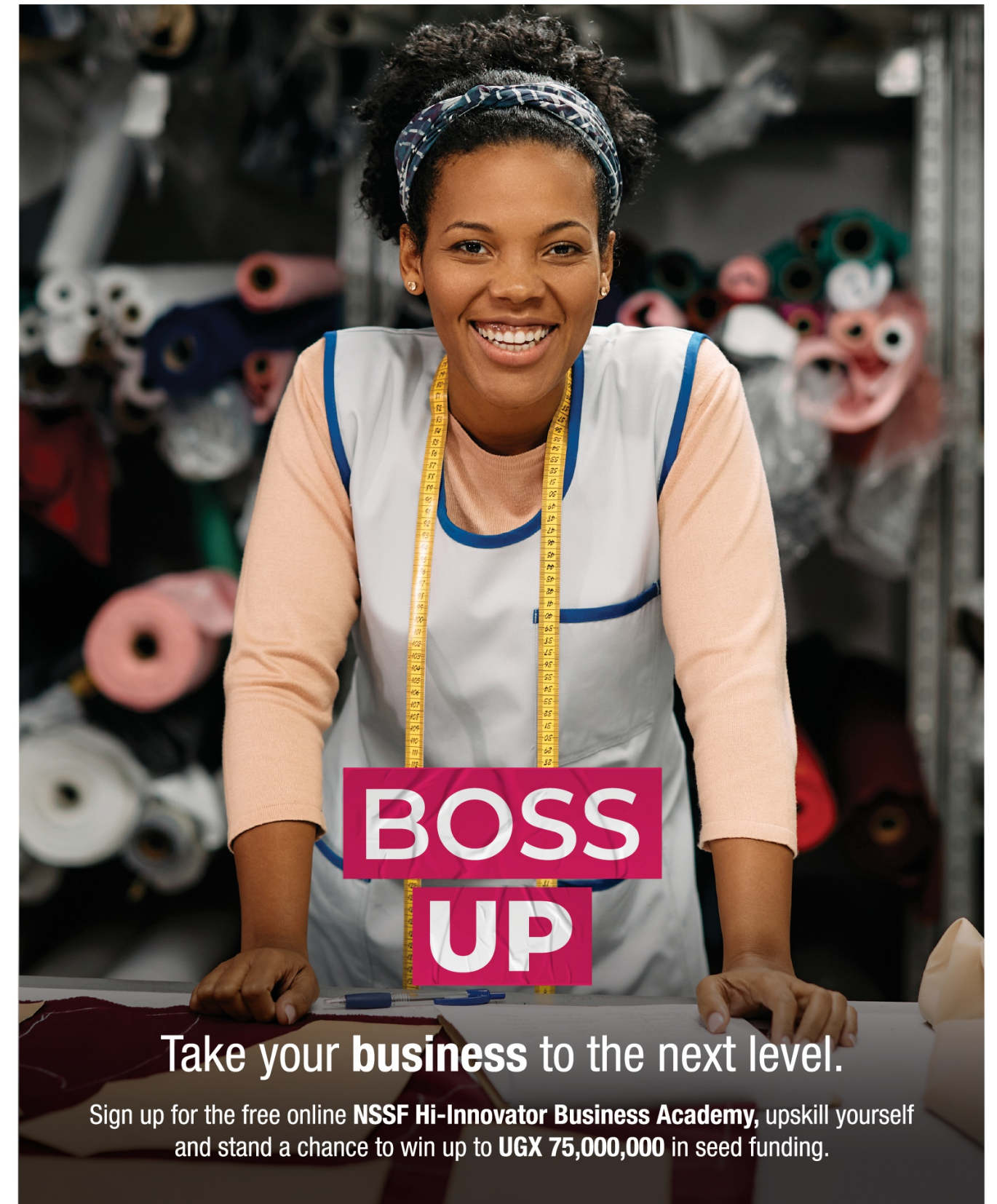
Our business

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NSSF business model

How we run our business




We create, preserve and defend value by using our resources responsibly to generate value maximising outputs and outcomes for our Members and all stakeholders.














Our business







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




Business model inputs outcomes and outputs

 Value creation	 value preservation	 Value erosion
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Key inputs	Key outcomes and outputs
Financial Capital 	<ul style="list-style-type: none">Cost-to-income ratio of 8.8% (June 2023: 10.2%) Cost-of-Administration ratio of 1.0% (June 2023: 1.02%) Interest to members (RoE) of 11.5% (June 2023: 10%) Benefits paid UGX 1.12Tn (June 2023: UGX 1.19Tn) Benefits TAT 10.1 days (June 2023: 11.9 days) 57% of employer compliance (June 2023: 57%) 
<ul style="list-style-type: none">Members' Fund of UGX 21.95Tn (June 2023: UGX 19.07Tn)Cash balance UGX 295.12Bn (June 2023: UGX 191.47Bn)Contributions received UGX 1.93Tn (June 2023: UGX 1.72Tn)	
Trade-offs	
<ul style="list-style-type: none">Increasing investment in East AfricaIncreasing investment in fixed deposits while reducing investment in treasury bondsBuilding more affordable houses for our stakeholders	

Key inputs	Key outcomes and outputs
Intellectual Capital 	<ul style="list-style-type: none">Tonality score of 92% (June 2023: 79%) Customer satisfaction rate of 87% (June 2023: 85%) Retention of specialist skills (Data Science Specialists, Software Developers, and CFAs) 
<ul style="list-style-type: none">A deliberately shaped, customer-centric cultureA strong brand that resonates with consumersBrand costs of UGX 5.5Bn (June 2023: UGX 9.9Bn)	

Key inputs	Key outcomes and outputs
Human Capital 	Maintained employee motivation, skills and diversity through: <ul style="list-style-type: none">Percentage salary increase for lower staff is equal to Management for the same performance ratings Investment in upskilling employees of UGX 3.25 Bn (June 2023: UGX 3.66 Bn) Equity 53% Male and 47% Female (June 2023: 54% Male and 46% Female) Employee attrition of 3.4% (June 2023: 6.5%)  Improved people satisfaction levels: <ul style="list-style-type: none">89% (June 2023: 86%) 
<ul style="list-style-type: none">605 skilled, customer-centric employees (June 2023: 579)Experienced and ethical leadership teamEmployee satisfaction and engagement surveySignificant investment in learning and development of UGX 3.25Bn (June 2023: UGX 3.66Bn)Employment equity initiativesUGX 114.5Bn (June 2023: UGX 89.3Bn) paid in salaries and benefitsEmployee wellness programmes. Investment of UGX 3.15Bn (June 2023: UGX 2.82Bn)	
Trade-offs	
<ul style="list-style-type: none">Aligning the organisational structure with the Fund's business model	

Key inputs	Key outcomes and outputs
Manufactured Capital 	<ul style="list-style-type: none">91% of our member transactions and interactions were hosted digitally (June 2023: 92%) Uptime of application systems at 99.7% (June 2023: 99.3%) Employees efficiently working from home: 100% 2.34 million customers (June 2023: 2.26 million) Digital Index 74% (FY 2023: 66%) Pay-out of benefits 10.1 days (2023: 11.9 days) 
<ul style="list-style-type: none">Digital channel and innovation spend UGX 2.32Bn (June 2023: UGX 1.799Bn)Infrastructure spend (branches and contact centres) UGX 11.2Bn (June 2023: UGX 10.5Bn)Substantial investment in our Enterprise Architecture UGX 4.6Bn (June 2023: UGX 12.9Bn)	
Trade-offs	
<ul style="list-style-type: none">Increasing IT capacity of building more resilient and agile IT systems	

Key inputs	Key outcomes and outputs
Social & Relationship Capital 	<ul style="list-style-type: none">Responsible corporate citizen and commitment to SDGs UGX 236.77Bn (June 2023: UGX 216.27Bn) direct and indirect tax contributions Buy Uganda Build Uganda (BUBU) (98.8% of procurements are with local suppliers) (June 2023: 99.9%) Financial literacy campaigns UGX 0.5Bn (June 2023: 0.37Bn) Employer Compliance 57% (June 2023: 57%) New membership 8%: (June 2023: 6%) 94% of customers who logged complaints were resolved at the first attempt (June 2023: 90%) 
<ul style="list-style-type: none">A focus on responsible procurement and supplier developmentStakeholder engagementFocused and committed to corporate social investmentPrioritising commitment to identified SDGs and responsible ESG practices	
Trade-offs	
<ul style="list-style-type: none">Building more affordable houses for our stakeholders	

Key inputs	Key outcomes and outputs
Natural Capital 	<ul style="list-style-type: none">27% increase in water consumption (June 2023: 6%) 123% increase in energy consumption (June 2023: -28%) 5% reduction in paper consumption (June 2023: 15%) 100% of the waste from buildings diverted to KCCA pipelines in line with City Council Solid Waste Management Ordinance of 2000 Green certificates for Pension Towers and the Lubowa housing project 
<ul style="list-style-type: none">Energy efficiency and managementA meaningful contribution to our environmental sustainability, aligned to the national, regional and global development goalsWater conservation and waste management	

Our business

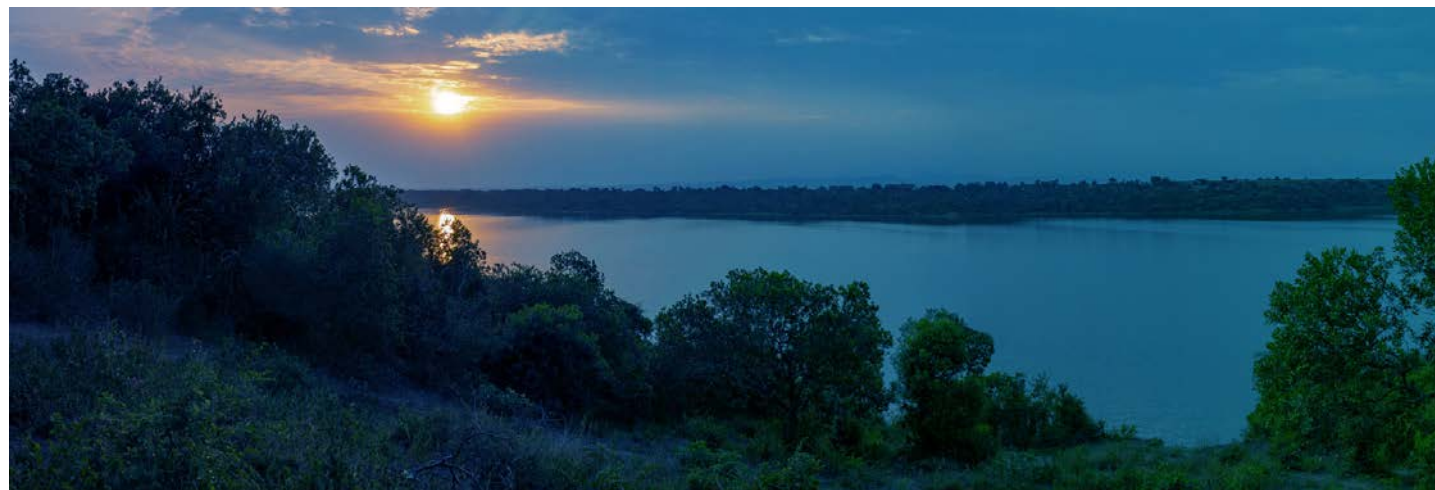
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How our outcomes have delivered value for our stakeholders

Apart from creating and preserving value, there are instances where value is diminished through our activities. When making decisions on how to manage our business, we consider the trade-offs between capitals: we aim to maximise positive outputs and outcomes and limit negative impacts.

Value created	value preserved	Value eroded

Members	
Financial Capital	Intellectual Capital
Interest to members (RoE) of 11.5% (June 2023: 10%)	Customer satisfaction rate of 87% (June 2023: 85%)
Benefits paid UGX 1.12Tn (June 2023: UGX 1.19Tn)	
Human Capital	Manufactured Capital
Investment in upskilling employees of UGX 3.25 Bn (June 2023: UGX 3.66Bn) to improve productivity and increase customer satisfaction levels	Substantial investment in improving our enterprise architecture UGX 4.6Bn (June 2023: UGX 12.9Bn) to build capacity to improve business process turn around times
Social & Relationship Capital	Natural Capital
Investment in Financial literacy campaigns UGX 0.5Bn (June 2023: 0.371Bn)	Responsible ESG leadership and investment
Responsible ESG leadership and investment in corporate social responsibility initiatives to improve the lives of members and the communities in which we operate	



Employees	
Financial Capital	Intellectual Capital
Significant investment in employee wellness Spending on employee wellness of UGX 3.15bn (June 2023: UGX 2.82bn)	Retention of specialist skills (Data Science Specialists, Software Developers, and CFAs) Employee attrition of 3.4% (June 2023: 6.5%)
Human Capital	Manufactured Capital
89% (June 2023: 86%) employee satisfaction rate Equity 53% Male and 47% Female (June 2023: 54% Male and 46% Female)	Uptime of application systems at 99.7% (June 2023: 99.3%)
	Employees efficiently working from home: 100%
Social & Relationship Capital	Natural Capital
94% of customers who logged complaints were resolved on the first attempt (June 2023: 90%)	<ul style="list-style-type: none"> 27% increase in water consumption (June 2023: 6%) 123% increase in energy consumption (June 2023: -28%) 5% reduction in paper consumption (June 2023: 15%)

Suppliers	
Financial Capital	Intellectual Capital
Local supplier contracts awarded: UGX 24.4Bn (June 2023: UGX 190.3Bn)	Hi-Innovator Programme in partnership with Mastercard Foundation to support highly impactful and scalable small and growing businesses to access seed capital and technical support thereby creating an efficient business ecosystem. 27 businesses received grant funding of USD 30,000
Human Capital	Manufactured Capital
Employee wellness programmes. Spending on employee wellness of UGX 3.15Bn (June 2023: UGX 2.82Bn)	Digital channel and innovation spend UGX 2.32Bn (June 2023: UGX 1.799Bn)
	Infrastructure spend (branches and contact centres) UGX 11.2Bn (June 2023: UGX 10.5Bn) Substantial investment in our Enterprise Architecture UGX 4.6Bn (June 2023: UGX 12.9Bn)
Social & Relationship Capital	Natural Capital
Buy Uganda Build Uganda (BUBU) (98.8% of procurements are with local suppliers)	Green certification services for Pension Towers and Lubowa Housing Development
500 (2023: 383) contracted suppliers	

How our outcomes have delivered value for our stakeholders, *cont*

Communities		
Financial Capital		Intellectual Capital
Responsible corporate citizen and commitment to SDGs; Taxes Paid (Direct & Indirect) spend of UGX 236.77Bn (June 2023: UGX 216.27Bn)	↑	Tonality score of 92% (June 2023: 79%)
Human Capital		Manufactured Capital
32 hours dedicated to CSI initiatives	↑	Digital Index 74% (FY 2023: 66%) which is an average of: 1. Online sentiments 74% (FY 2023: 63%) 2. Digital penetration growth 56% (FY 2023: 42%) 3. E-channel to walk-in ratio 91% (FY 2023: 94%)
Social & Relationship Capital		Natural Capital
Responsible corporate citizen and commitment to SDGs Responsible ESG leadership and investment in corporate social responsibility initiatives to improve the lives of members and the communities in which we operate	↑	A meaningful contribution to our environmental sustainability, aligned to the national, regional and global development goals Water conservation and waste management

Regulators and Legislators		
Financial Capital		Intellectual Capital
57% of Employer compliance (June 2023: 57%)	↑	Responded with agility to comply with the NSSF Act Cap 230 and process midterm (MTA) Benefits Access provisions within a short period of time
Human Capital		Manufactured Capital
The Fund maintains good relationships with supervisory regulators and a broad array of other policymakers. Our senior leaders and Board commit a significant amount of their time to meet with our regulators and policymakers, providing opportunities for us to understand their needs, expectations and priorities and to keep them informed about developments in our business	↑	Procurements processed using e-Government procurement system, and complied to the provisions of the PPDA amended Act of 2023
Social & Relationship Capital		Natural Capital
Responsible corporate citizen and commitment to SDGs; Taxes Paid (Direct & Indirect) spend of UGX 236.77Bn (June 2023: UGX 216.27Bn) Compliance with regulatory requirements of the URBRA Act, 2011	↑	100% of the waste from buildings diverted to KCCA pipelines in line with the City Council Solid Waste Management Ordinance of 2000 Water and waste handling, treatment, and disposal are conducted in accordance with regulations, as identified in Section 4.2, Global Environmental Health and Safety (GEHS), which guide water monitoring and management Environmental Impact Assessments by the National Environmental Management Authority (NEMA) on all the Fund's construction projects in compliance with Regulation 37 of the Environmental Assessment Regulations, Statutory instrument No.13 of 1998



Strategic trade-offs impacting our capitals

Our business model is designed to optimise capital inputs for the best possible outputs and outcomes for our stakeholders. While we strive to make decisions that serve our stakeholders' interests, we sometimes face tough choices that require strategic trade-offs to ensure future growth and resilience.

In addition to creating and preserving value, we recognise that some activities may diminish value. When managing our business, we carefully consider these trade-offs, aiming to maximise positive outcomes and minimise negative impacts.

The trade-offs that we have made during the reporting period and the rationale for our decisions are reflected below.

Trade-offs in our use of **financial capital**




Contributed to the following SDGs



The investment portfolio allocation presents trade-offs: increasing investment in East Africa.

We manage the Fund's investments with the goal of achieving the highest possible long-term returns, guided by our Investment Policy Statement (IPS) and employing a range of strategies. The financial year 2023/24 was affected by unexpected global events, such as Russia's invasion of Ukraine and the global surge in inflation, which altered the economic outlook and affected investment performance.

Key actions	
Since 2023/24, the East African region, particularly Kenya, faced a challenging economic environment, leading the Fund to adopt a more conservative portfolio strategy. Consequently, we did not fully capitalise on the market recovery by June 2024. However, improved investor confidence, spurred by Kenya's successful \$1.5Bn Eurobond issuance and the settlement of the June 2024 Eurobond, drove a positive shift in performance. During the financial year, we invested UGX 892Bn in Kenya through treasury and infrastructure bonds, up from UGX 583Bn in 2022/23.	
Looking ahead, the Fund is exploring opportunities in alternative investments, including the oil and gas sectors and major infrastructure projects within Uganda. These initiatives will help diversify our portfolio and mitigate some of the risks associated with our current investment exposure.	
Long term positive impact	Risk
<ul style="list-style-type: none">• Diversification of the investment portfolio, reducing overall investment risk• Potential for higher long-term returns compared to a concentrated investment• Expanding market opportunities	<div><div>4</div>Market risk</div>
	<div><div>9</div>Liquidity risk</div>
Short term negative impact	Material matters
<ul style="list-style-type: none">• Lower return on investment• Increased volatility/additional market risk• Fluctuating currency exchange rates	<div><div></div></div>

Trade-offs in our use of **human capital**



Contributed to the following SDGs








The organisational redesign involved trade-offs: aligning the organisational structure with the Fund's Strategy.

To remain relevant and enhance our members' experience, we continuously adapt our business model to meet evolving needs. As part of this, we set up the new Enterprise and Growth department, tasked with expanding membership coverage to at least 50% of eligible Ugandans, with a focus on voluntary membership.

Key actions	
The Fund undertook a comprehensive assessment and realignment of its business processes and employee structure to foster a more agile and skilled workforce. In line with the Board's commitment to job security, we will continue investing in reskilling programmes to address skill gaps and support employee transfers within the Fund.	
Long term positive impact	Material matters
<ul style="list-style-type: none">• Increased productivity• Increase in staff skills and agility• Increased staff confidence• Positive staff/member engagement and feedback	<div><div></div></div>
Short term negative impact	
<ul style="list-style-type: none">• Employee morale continues to be affected by the organisational redesign• Organisational redesign negatively impacted workforce productivity	



Our business

Strategic trade-offs impacting our capitals, *cont*

Trade-offs in our use of **manufactured and financial capital**



Contributed to the following SDGs



The trade-offs involved in increasing IT capacity revolve around the goal of building more resilient and agile IT systems.

The implementation of the Fund's Pension Administration system, OctoPAS, as part of our digital acceleration strategy, has created many opportunities. These include the development of new products, which required extensive business process re-engineering and the introduction of new roles such as data scientists, business analysts, and data engineers, with a focus on testing and quality assurance.

Key actions

- Enhanced system performance and resolved issues by addressing the root causes, particularly in the Finance and Contribution modules
- Piloted the compliance module
- Set up a new OctoPAS environment (Sandbox) to enhance testing capabilities and improve the adoption success rate
- Implemented Dynatrace Monitoring to enhance oversight of web and internal applications, optimising performance, detecting issues more quickly, and minimising downtime
- More enhancements will be made in FY25, with ongoing implementation of user-submitted change requests

Long term positive impact	Risk
<ul style="list-style-type: none">• Increased productivity and system performance through root cause analysis and advanced monitoring• Increased system usability and improved customer experience within the new testing environment• Increased system adoption through piloting new system functionalities	<div>1 Cyber risk</div> <div>5 Operational risk</div> <div>6 Technology risk</div>
Short term negative impact	Material matters
<ul style="list-style-type: none">• Considerable time and effort is needed while focusing on root cause analysis and implementing new business requests• Increased IT spending by improving current processes and providing ongoing support for OctoPAS will require increased investment	<div></div>



Trade-offs in our use of **financial, social and relationship capital**



Contributed to the following SDGs



The trade-offs of affordable houses: Building more affordable houses for our stakeholders.

Real estate is a key part of our investment portfolio. Uganda faces a housing deficit of approximately two million homes, and constructing affordable, decent housing is still costly due to high infrastructure expenses, including land, roads, water, and electricity. These fixed costs elevate real estate development expenses, affecting the final house price.

Despite the societal need for affordable housing, these challenges can affect the returns on real estate projects, and the total return which we aim to maintain at least 200 basis points above the 10-year average inflation for our members.

Key actions

During the financial year, the Fund made noteworthy progress on the construction of affordable housing in Temangalo. The feasibility study confirmed that the site will support affordable housing for middle- and lower-income segments. The project, which will eventually include 3,500 units, is progressing as planned. Phase one, featuring 550 units, is on track for completion by December 2025.

Long term positive impact	Risk
<ul style="list-style-type: none">• Increased public confidence• Future reduction in the housing deficit in the country• Good gross return to members	<div>2 Strategic risk</div> <div>4 Market risk</div>
Short term negative impact	Material matters
<ul style="list-style-type: none">• Increased cost of houses given increased basic infrastructure costs	<div></div>



Risk and opportunity management

“The FY2024 was characterised by persistent geopolitical tensions that disrupted global economic recovery and intensified risk complexities. This evolving environment has introduced new challenges, impacted economic momentum and shaped a dynamic risk landscape. NSSF remains committed to proactive risk management and seizing opportunities to ensure the long-term security of our members.”

Edward Senyonjo, Chief Risk Officer



Balancing risk and return

Balancing risk and return is crucial for success, as higher risks can yield greater rewards but also significant losses. We manage this delicate balance using our risk appetite framework, which has consistently supported our strong financial performance. We view risk management as integral to our operations and shared by all key stakeholders. This fosters a cohesive culture that enhances stakeholder value.

Risk appetite statement

"The Fund exercises prudence in pursuing opportunities, avoiding risks that could significantly erode member value or harm our reputation."

This statement guides our decision-making, setting boundaries and establishing risk tolerance limits based on forward-looking assumptions. We proactively assess risks before implementing new systems, products, or processes to ensure alignment with our risk appetite and minimise potential negative impacts on member value and reputation.

Risk intolerance limit	The amount or type of risk that is above the Fund's tolerance limits	If a risk exposure falls in this area, we are in breach of the tolerance limit
Risk tolerance limit	The amount or type of risk that the Fund is prepared to tolerate above its risk appetite	If a risk exposure falls in this area, we are in breach of risk appetite but within tolerable limit
Risk appetite	Level or nature of risk that the Fund deems acceptable in pursuit of business objectives	If the risk is within this area, it is within our risk appetite

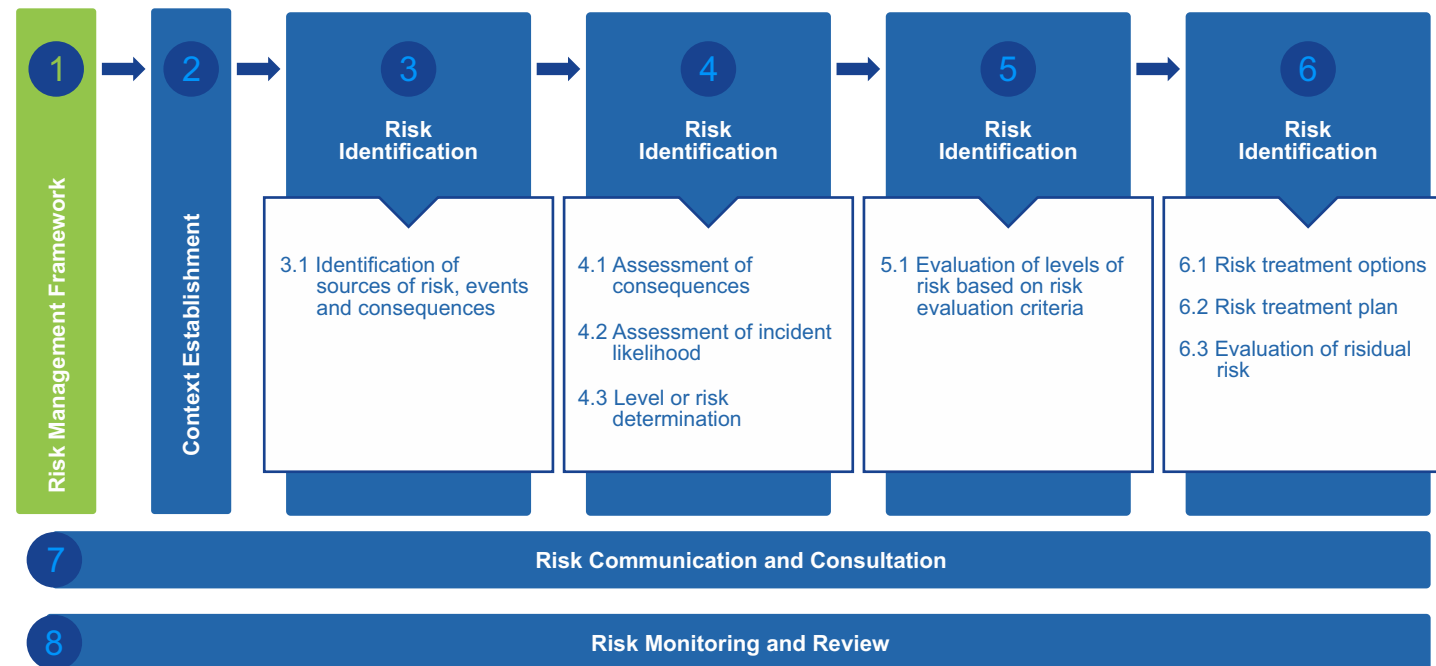
Party	Accountability
Board of Directors	The Board oversees the Fund's overall risk management strategy, ensuring effective enterprise risk management and compliance with relevant policies, laws and regulations.
Audit & Risk Assurance Committee (ARC)	The ARC ensures the integrity of financial reporting, the effectiveness of internal controls, and compliance with policies, laws and regulations. It reviews risk reports from management and advises on the adequacy of the Fund's risk management strategy.
Executive Committee (EXCO)	Management handles risks and opportunities within the Board-approved risk appetite to create value, ensuring alignment with strategic objectives and effective risk management.
Risk Management Committee (RMC)	The RMC evaluates the effectiveness of the enterprise risk management strategy and activities, providing guidance to the Chief Risk Officer on managing risk exposures.
Enterprise Risk Management (ERM) department	The ERM department is crucial in coordinating the risk management process across the Fund and delivering risk awareness training and sensitisation throughout the Fund.
Risk Owners	Risk Owners are employees directly responsible for managing risks effectively by implementing actions to mitigate them.

Combined assurance

Combined assurance integrates activities across the three lines of defence, aligning with our business model and risk appetite. This strategic approach enhances risk management, mitigates risk exposures, and maximises opportunities for stakeholders in the medium and long term.



Our risk assessment process



Overview of the 2023/24 risk landscape

Despite starting the FY2023/24 with heightened regulatory compliance risks due to several investigative reviews by regulatory agencies, the Fund achieved strong performance, as reflected in the financial statements. The Fund's image, previously impacted by negative press, significantly improved from 56% in July 2023 to 93% by 30 June 2024, according to media tonality measurements. The NSSF risk landscape has been shaped by various global, regional, and local factors.

Global factors

The escalation of the Israel-Hamas conflict, which began with Hamas's attack on Israel on October 7, 2023, followed by Israel's extensive bombardment of Gaza, alongside the ongoing Russia-Ukraine war, is likely to disrupt the global oil and gas supply chain. This disruption is expected to lead to higher oil prices and contribute to increased global inflation.

Regional factors

During the period under review, the East African region experienced heightened geopolitical tensions, including escalating conflicts led by the M-23 and Allied Democratic Forces (ADF) in Eastern DRC. These conflicts disrupted trade among DRC, Rwanda, and Uganda and resulted in significant loss of life. Additionally, violent protests against the Finance Bill in Kenya in June 2024, which led to 23 deaths and property damage estimated at Kshs 2.4 billion, may deter foreign investors in the short to medium term.

Social and environmental factors

East Africa is highly vulnerable to climate change, experiencing extreme weather such as heavy rains leading to flooding and prolonged dry spells causing water and food shortages. These conditions severely impact human and animal lives, especially children and the elderly.

The CDP (Carbon Disclosure Project) 2024 report highlights significant flooding from intense seasonal monsoons and heavy rains in Kenya, Ethiopia, Uganda, Tanzania, Burundi, and Somalia. Approximately 1.6 million people were affected, with 473 fatalities and over 410,000 displaced by these extreme weather events.

Uganda, Kenya, and Ethiopia continue to host substantial numbers of refugees, particularly from conflict-affected regions like South Sudan, DRC, Somalia, and Eritrea. As of March 31, 2024, **Uganda alone had 1,611,732 refugees**, according to UNHCR statistics.

The influx of refugees strains the host countries' resources and complicates the delivery of essential services such as housing, education, and healthcare.

Overview of the 2023/24 risk landscape, *cont*

Macroeconomic factors

Economic growth reached 6% in the year, surpassing the previous year's 5.3% (Budget Speech Year 2024/2025). This robust growth contributed to increased contributions to the NSSF from UGX1.72Tn in 2022/3 to UGX 1.93Tn 2023/4.

Inflation:

The low level of inflation enabled the Fund to improve its cost of administration from 1.03% in 2022/23 to 1.0% in 2023/24. Inflation remained low at an average of 3.2% in the 12 months to May 2024 (Budget speech FY 2023/24). Annual headline inflation reduced from a peak of 10.7% in October 2022 to 3.6% in May 2024.

Interest rate:

Interest rates in the domestic market remained generally stable, averaging at 11.2% on the one-year government treasury bills. Interest rates on the 20-year, 15-year, 10-year and 5-year bonds averaged at 15.87%, 16.40%, 15.53% and 14.72%, respectively. As a result, the Fund's interest income grew from UGX 2.04Tn in 2022/23 to UGX 2.24Tn in 2023/24.


Exchange rate:

The Uganda shilling depreciated against majority of the foreign currencies through most of the year and traded at an average of 3,771 against the USD. The depreciation of the UGX against the KES enabled the Fund to reverse the unrealised foreign currency losses registered in the previous year.

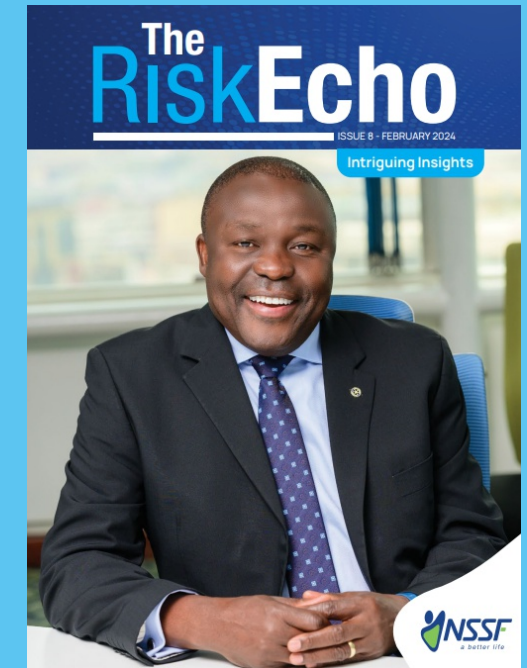
Embedding risk awareness culture

We believe effective risk management begins with awareness. Our comprehensive risk awareness programme includes face-to-face training and sensitisation for employees.

Additionally, we publish "The Risk Echo," a unique magazine dedicated to risk management topics. This publication features contributions from both internal and external experts and is the only one of its kind in the country.

 Read more on the [NSSF website](#)

We issue weekly bulletins to all staff with key advisories on managing various risks. This extensive risk awareness programme and proactive monitoring have led to 94% staff satisfaction with the Fund's risk management culture, as reported in a recent survey.



The Enterprise Risk Management team

Knowledge transfer though benchmarking

In FY 2023/24, NSSF was recognised as a benchmark for excellence in enterprise risk management. We hosted employees from NAPSA (Zambia), the Public Procurement and Disposal of Public Assets Authority (Uganda), and the Uganda Electricity Transmission Company (UETC) Ltd, who sought to learn from our practices.

Resilience

The Fund operates a fully-fledged disaster recovery site with real-time data replication from our primary location at Workers House. However, merely having the site is not enough; it must be rigorously tested to ensure effective recovery during major incidents.

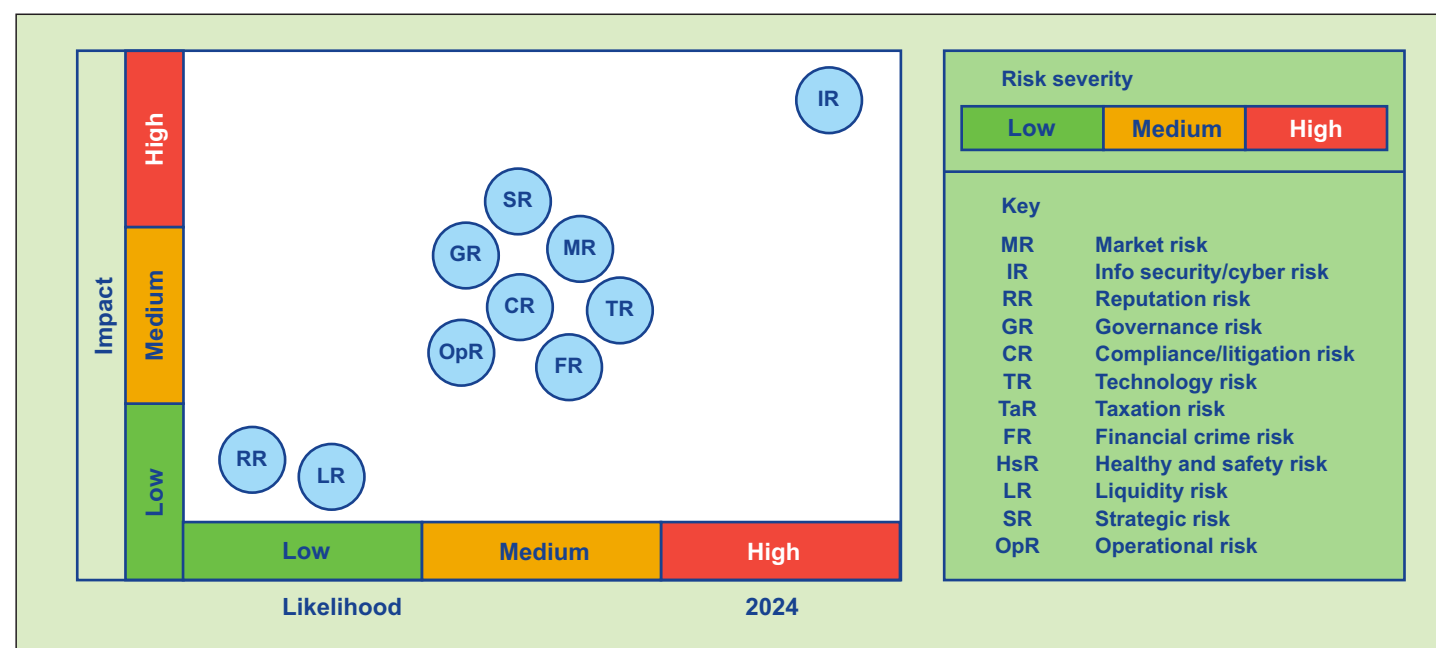
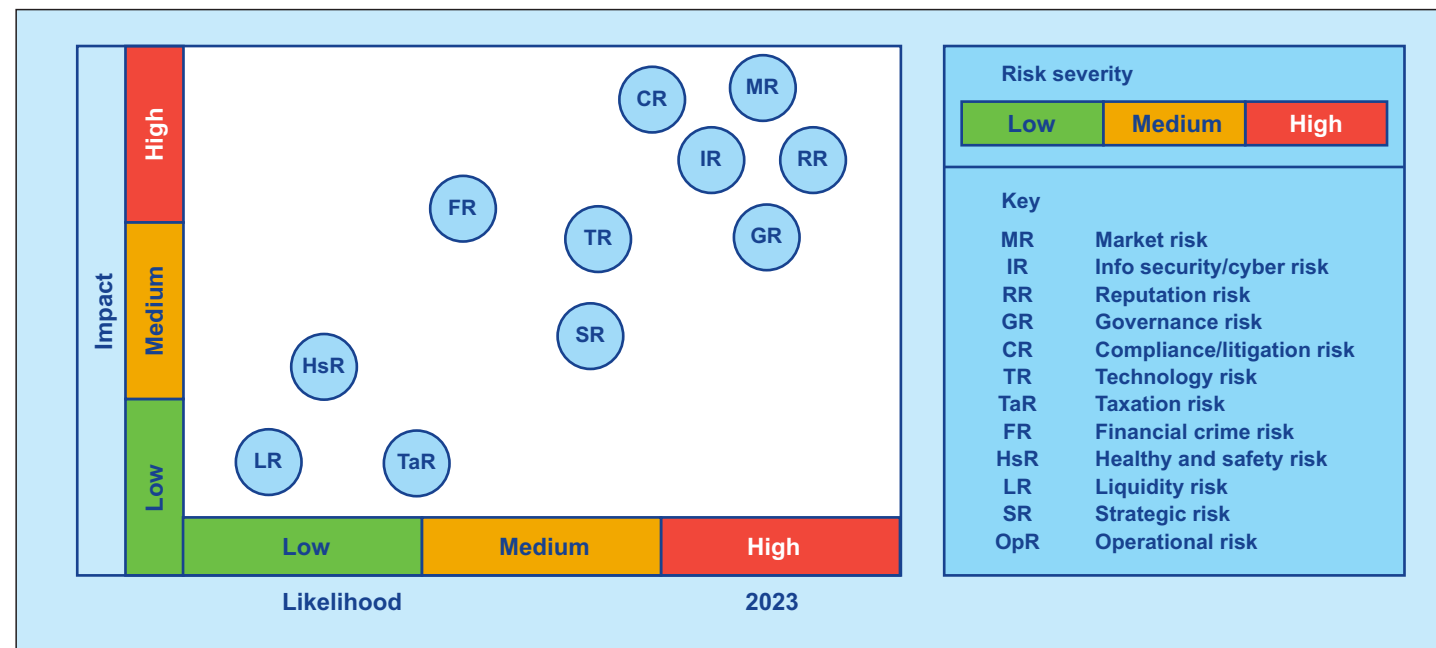
In June 2024, we conducted a comprehensive disaster recovery test, simulating a worst-case scenario where the primary site was assumed destroyed, and all operations shifted to the recovery site. The test results indicated that we met our target recovery time objectives for all critical systems.



Key risks in 2023/24, treatment, opportunities, trend and outlook

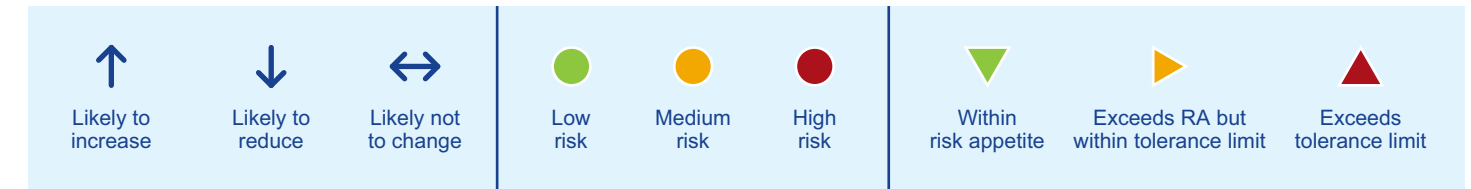
This section provides a comprehensive overview of the risks faced by NSSF, including mitigation strategies, outlook and potential opportunities.

Heatmap (severity and trend): 2022-23



Risk, treatment and the outlook

Risk severity, risk appetite and risk movement



1. Cyber risk

Risk and mitigation

The Fund relies heavily on technology, which expands our attack surface. To mitigate this risk, we conduct regular system vulnerability and penetration testing to address security gaps proactively.

Risk outlook

Cyber risk is likely to escalate due to increasing cyber threats globally and locally.

Opportunity

Attempted attacks provide us with an opportunity to review and assess the resilience of our systems.

Outlook



Capitals impacted



Stakeholders impacted



Material matters



Strategic objectives impacted



2. Strategic risk

Risk and mitigation

Currently, the Fund is engaged in real estate projects totalling approximately UGX 456Bn. These projects have faced construction delays and increased costs due to global inflation caused by the Russia-Ukraine war. To mitigate this risk we are reviewing the performance of all contractors with a view to holding them accountable to agreed timelines.

Risk outlook

We expect this risk to stabilise or decrease as we address the causes of the delays.

Opportunity

The country's high housing deficit presents an opportunity for significant returns on real estate investments.

Outlook



Capitals impacted



Stakeholders impacted









Material matters














Strategic objectives impacted











Risk, treatment and the outlook, *cont*

3. Compliance/litigation risk			
Risk and mitigation <p>Compliance risk arises from the complex landscape of laws affecting our operations, increasing the likelihood of non-compliance.</p> <p>To manage this, we monitor legislative developments and maintain a comprehensive compliance framework with a zero-tolerance policy for non-compliance.</p>		Risk outlook <p>New laws and regulatory changes periodically heightens the risk of non-compliance, potentially leading to legal challenges.</p>	
Opportunity			Outlook
Compliance with laws and regulations helps us avoid penalties and enhances transparency and accountability in our operations.			↑
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted
 	 		

4. Market risk			
Risk and mitigation <p>Appreciation of the UGX against foreign currencies, particularly the KES, which represents a significant portion of the Fund's foreign currency-denominated assets, results in unrealised foreign exchange losses.</p> <p>We minimise foreign exchange (FX) risk through allocation of more funds to the domestic market (About 63% of the portfolio).</p>		Risk outlook <p>The expected rise in foreign currency inflows from oil development is likely to strengthen the UGX against foreign currencies, which may lead to FX losses on regional investments.</p>	
Opportunity			Outlook
The oil and gas sector presents significant investment opportunities that can stabilise the UGX.			↔
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted
			 

5. Operational risk			
Risk and mitigation <p>Operational risk is the risk of loss arising from inadequate or failed internal processes, people, and systems, or external events. To mitigate this risk, we have automated most of our processes and we ensure that our systems are robust.</p>		Risk outlook <p>This risk is likely to decrease or stabilise as automation becomes more integrated into the Fund.</p>	
Opportunity			Outlook
Operational risk assessment helps identify and address process weaknesses proactively.			↔
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted
 	 		

6. Technology risk			
Risk and mitigation <p>Technology risks result in system malfunctions, which impact the operations of the Fund. We resolve system malfunctions by analysing root causes and implementing patches or reconfigurations to ensure reliability.</p>		Risk outlook <p>This risk is expected to decrease with the implementation of a real-time monitoring tool that detects malfunctions and recommends corrective actions.</p>	
Opportunity			Outlook
The tool will help to reduce system downtime and enhance operational efficiency.			↔
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted
 	 		  

Risk, treatment and the outlook, *cont*

7. Financial crime risk ▶ ● 7 Financial crime risk			
Risk and mitigation Despite the inherent high risk of financial crime, the Fund has robust internal control systems in place.		Risk outlook We expect this risk to rise as criminals use more sophisticated technology. To counter this, we've strengthened our cybersecurity measures.	
Opportunity			Outlook
In the rare event of a financial crime incident, it provides an opportunity to review and strengthen the affected controls.			↑
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted

9. Liquidity risk ▽ ○ 9 Liquidity risk			
Risk and mitigation Liquidity risk was rated low, as the Fund enjoyed a strong liquidity position, as indicated by a net positive position of cash and cash equivalents as at 30/06/2024 - Refer to the statement of cash flows in the AFS.		Risk outlook We do not anticipate an increase in liquidity risk, given the strength of our cash flow position.	
Opportunity			Outlook
A strong liquidity position allows the Fund to seize investment opportunities.			↔
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted

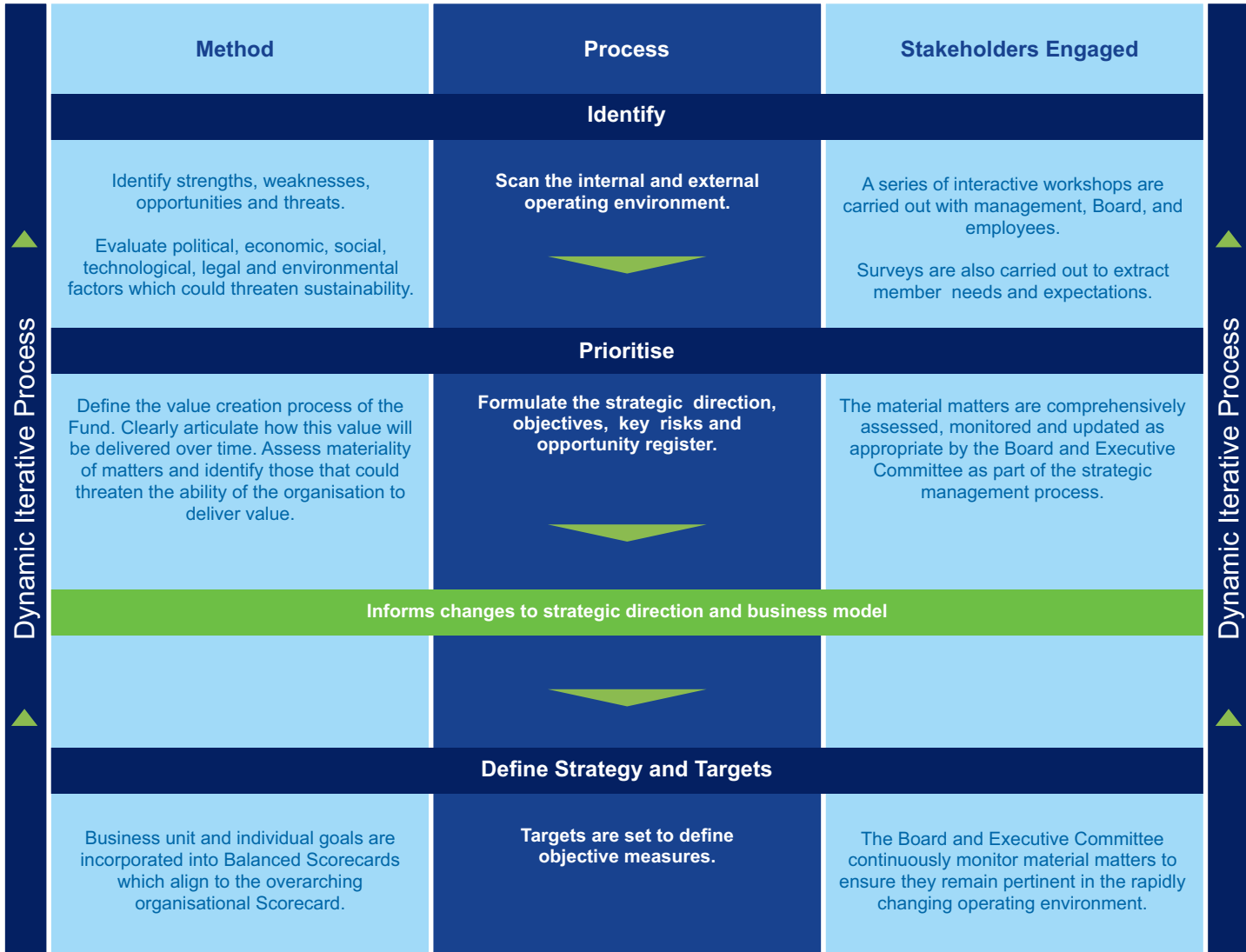
8. Governance risk ▶ ● 8 Governance risk			
Risk and mitigation Governance risk increased due to litigation over Mr. Patrick Ayota's appointment as Managing Director. However, the Fund successfully defended his appointment in court, affirming his lawful status.		Risk outlook The Board's term ends in August 2024. Any delay in appointing a new Board could create a governance gap. The Fund has informed the Minister to begin the appointment process.	
Opportunity			Outlook
The new Board will be crucial in guiding the Fund as it embarks on its strategic journey towards 2035.			↑
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted

10. Reputational risk ▽ ○ 10 Reputational risk			
Risk and mitigation Negative press from regulatory reviews and litigation over Mr. Patrick Ayota's appointment initially harmed the Fund's image at the start of FY 2023/24. However, following the dismissal of the case, the Fund restored its credibility, as reflected in a rise in positive media coverage.		Risk outlook The expectation gap (i.e. The difference between the Fund's legal mandate and public expectations), frequently leads to negative perceptions.	
Opportunity			Outlook
The new stakeholder engagement framework enables the Fund to improve public engagement, bridging the expectation gap and addressing concerns more effectively.			↓
Capitals impacted	Stakeholders impacted	Material matters	Strategic objectives impacted

Material matters

Material matters are issues that could significantly impact our ability to create value in the short, medium, and long term. These matters influence our strategy, how we manage associated risks, and the opportunities we explore as a result.






The process we follow to determine our material matters is as follows:



Our materiality process has prioritised the following themes. While these themes do not differ significantly from those identified in FY 2023, governance-related challenges involving investigations into the Fund following negative press from the Parliamentary probe, as well as investigations by the Auditor General and Inspector General of Government (IGG), have been adequately addressed (see risks 8 and 10 on page 33).






A new material matter for the Fund is the strategic execution of Vision 2035, which is critical for NSSF's long-term viability (see material matter #2).

1. Regulatory restrictions

What it means to NSSF	NSSF faces persistent challenges in expanding its product range due to regulatory restrictions. These limitations hinder our ability to enhance our product offerings.		
Short-term mitigation response		Long-term mitigation response	
<ul style="list-style-type: none">• The Fund is in the final stages of obtaining regulatory approval for new products, particularly in the voluntary savings space• To address immediate and medium-term savings needs, NSSF has developed and piloted the Smart Life Savings Plan product		<ul style="list-style-type: none">• NSSF plans to roll out several new products in the medium and long term, aligning with our mission to promote savings as a lifelong habit	
Opportunities and impact on the business model			
<ul style="list-style-type: none">• Potential membership growth: Once the regulatory framework that supports the provision of our voluntary product offering is finalised, there is an opportunity to attract new members• Increased outreach: New products are expected to expand membership, particularly among Ugandans in the informal sector, supporting our goal of making saving accessible to more people			
Targets			
<ul style="list-style-type: none">• Accelerate delivery of value-adding products: Insurance Partnerships, Unit Trusts, Wealth Management• Implement a new business model to enhance product and service offerings• Roll out the Smart Life Savings Plan to promote voluntary savings			
Risks		Capitals impacted	
		   	



2. Strategic execution of Vision 2035

What it means to NSSF	The ambitious goals outlined in Vision 2035 are critical for NSSF's long-term viability. As our membership base ages and accesses benefits, contributions may not keep pace, potentially impacting the Fund's and members' financial health. To ensure a sustainable future, we must focus on three key areas: <ul style="list-style-type: none">• Maximise contributions: By creating a willingness and capacity to save for our members• Maximise earnings within our risk tolerance: Through creating a stream of alternative investments for the Fund• Maximise value to members so they do not exit				
Short-term mitigation response		Long-term mitigation response			
<ul style="list-style-type: none">• Establish and operationalise a dedicated department to develop partnerships with organisations that can support the informal sector• Scale-up the successful Hi-Innovator programme, empowering a larger number of young entrepreneurs through financial support• Define a clear roadmap to foster a culture of innovation and agility, aligning our employees with Vision 2035 goals• Expand existing financial literacy initiatives to educate Ugandans on the importance of saving and responsible financial management		<ul style="list-style-type: none">• Empowering farmers: Agriculture is a crucial sector for Uganda's development and NSSF's success. We will create programmes to:<ul style="list-style-type: none">- Improve market access: Connect farmers with reliable domestic and international markets to ensure fair prices for their produce- Boost productivity: Provide resources and support to help farmers increase their yields and overall income• Empowering rural women: Recognising their critical role in Uganda's economy, the Fund will develop initiatives to financially empower rural women• Livelihood programme: Expanding our membership base by reaching grassroots communities within the informal sector			
Opportunities and impact on the business model					
<ul style="list-style-type: none">• Innovative investment approaches: Rethinking our investment strategies to address long-term societal issues like unemployment• Economic stability: Increasing domestic savings to significantly impact Uganda's economic stability					
Targets					
<ul style="list-style-type: none">• Set up a venture fund as part of the alternative asset class offering, focusing on social impact to establish a more sustainable model for the Hi-Innovator programme• Finalise the establishment of the National Marketing Company (NAMCO) with the aim of improving farmers' livelihoods by granting them access to markets with advantageous pricing, thereby empowering them and facilitating savings					
Risks		Capitals impacted			
<div><div>2</div></div>		<div><div></div><div></div><div></div><div></div><div></div></div>			

3. Global economic uncertainty

What it means to NSSF	The ongoing Russia-Ukraine conflict and the resulting global economic uncertainty pose a significant challenge. Additionally, the situation in some East African countries, including potential for renewed political unrest, adds to the overall uncertainty. This volatile market environment could impact the performance of our investment portfolio, potentially leading to slower membership growth and contribution levels as economic downturns affect household income and willingness to save.		
Short-term mitigation response		Long-term mitigation response	
<ul style="list-style-type: none">• The Fund is a long-term investor; hence our strategy is not to respond to short term market movement		<ul style="list-style-type: none">• Monitoring market variables and adjusting the portfolio mix to respond to the changing market environment	
Opportunities and impact on the business model			
<ul style="list-style-type: none">• There is an opportunity to acquire stock at a cheap price for companies whose investment fundamentals are strong• There is an opportunity to acquire assets at low prices as soon as there are indications of economic stability in Kenya			
Targets			
<ul style="list-style-type: none">• Return to members is at least 3% above 10-year average inflation• Collections - UGX 1.93Tn• New members recruited – 180,000			
Risks		Capitals impacted	
<div><div>4</div><div>9</div></div>		<div><div></div><div></div><div></div><div></div></div>	

Vision 2035

50 50 95


Expanding coverage | Financial sustainability | Stakeholder focus




4. Digital acceleration

What it means to NSSF		NSSF has implemented a robust core pension system aimed at improving efficiency, enabling product innovation, and creating a seamless customer experience. However, maximising the system's potential and ensuring security requires a particular focus on: <ul style="list-style-type: none">Automating manual processes (registration, collection, claims initiation) to ensure effective system use and faster member benefit payoutsIncreased automation creates efficiencies but introduces potential vulnerabilities to cyberattacks, requiring robust security measuresLeveraging member data effectively for informed decision-making and improved member services	
Short-term mitigation response		Long-term mitigation response	
<ul style="list-style-type: none">We are rolling out an Enterprise Resource Planning (ERP) system to centralise data management and decision-making processesWe continuously monitor our systems using advanced tools to quickly identify and resolve vulnerabilities. This proactive approach ensures a high-performing and secure environment for our members		<ul style="list-style-type: none">Developing a strategic roadmap for digitisation that aims to enhance our core system with advanced digital solutions, utilising our in-house talentNSSF places a high priority on continuous cybersecurity training for employees and conducts regular system testing and scenario analysis. These measures are aimed at enhancing the organisation's resilience against future cyber threats and technological disruptions	
Opportunities and impact on the business model			
<ul style="list-style-type: none">Our ongoing digitisation efforts, which have led to the automation of several processes, have significantly improved the customer experience and expanded our coverage. Our members can now register from any part of the world at any time, making our services more accessible and convenient as reflected in our customer satisfaction scoreThe implementation of new systems has enhanced our ability to serve customers globally, ensuring efficient and timely support regardless of their location, significantly reducing turnaround time for benefits payments			
Targets			
<ul style="list-style-type: none">The ERP deployment will centralise data and decision-making, including the implementation of virtual customer service agents and language-based support to enhance customer interactionsWe are developing a robust internal compliance module to ensure adherence to regulatory requirements and enhance overall system integrityWe will introduce new value-driven features and improvements within OctoPAS, leveraging our internal expertise			
Risks		Capitals impacted	
<div><div>1</div><div>6</div><div>7</div></div>		<div><div></div><div></div></div>	


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NSSFGo App



NSSFGo Web App





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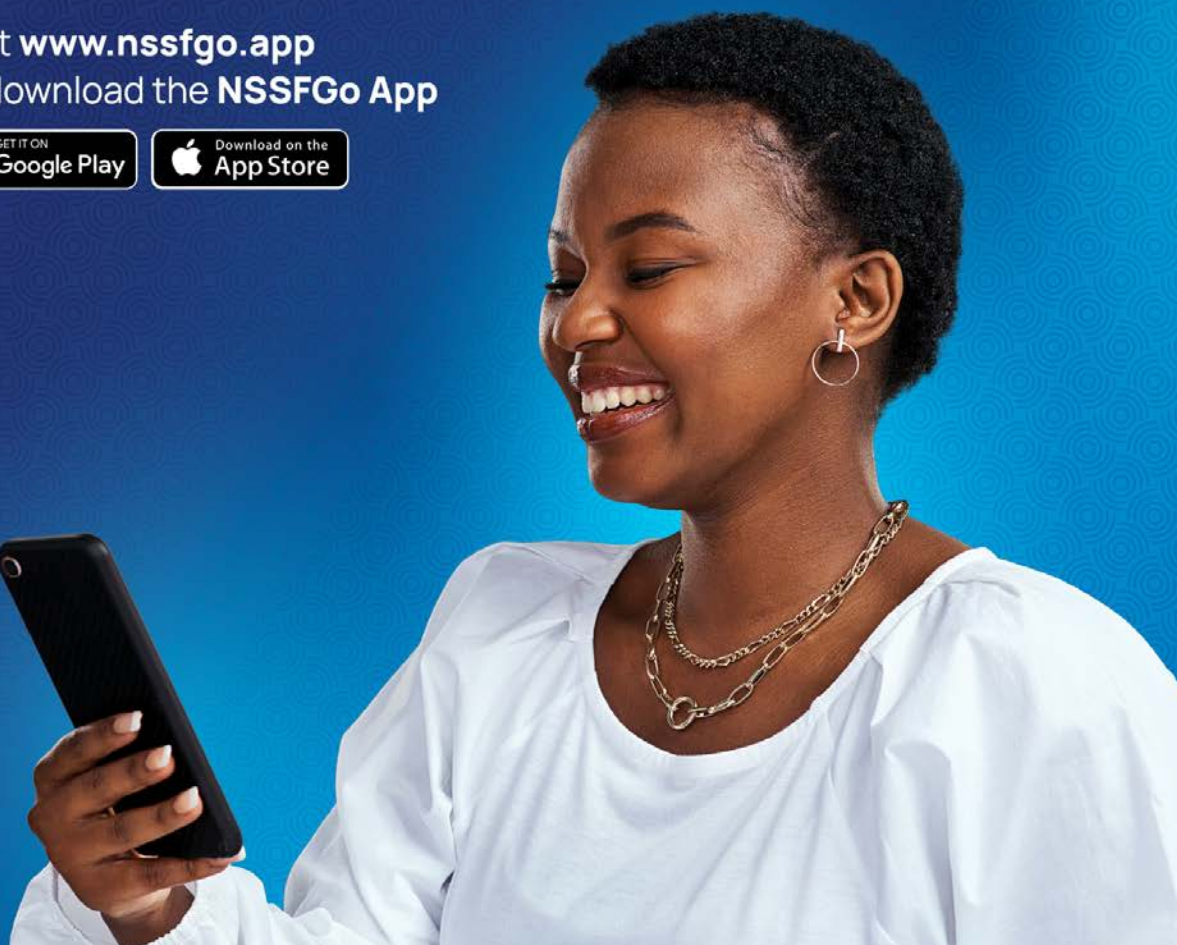


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Our strategy

OUR REPORT OVERVIEW | OUR BUSINESS | **OUR STRATEGY** | OUR GOVERNANCE | OUR SUSTAINABILITY | OUR PERFORMANCE

Our strategy

Introduction

FY 2024/25 marks a pivotal year for the Fund. We will be concluding our 10-year strategic plan, endorsed by the Board in 2015, and embarking on a new transformative journey that will shape the business through 2035. A strategic plan is not merely an expression of intent—it is a commitment that holds the Board and Management accountable, serving as a cornerstone of sound corporate governance.

As we reflect on our journey since 2015, it is important to revisit the core principles that guided our strategic vision:

1. Preserve the value of members' savings
2. Simplify services through accessible and seamless channels
3. Empower members through innovative products

Mr. Alex Rumanyika
Head of Strategy and Performance

As we close this chapter and prepare for the future, we remain steadfast in our commitment to these foundational goals.

Did we fulfil our intentions?

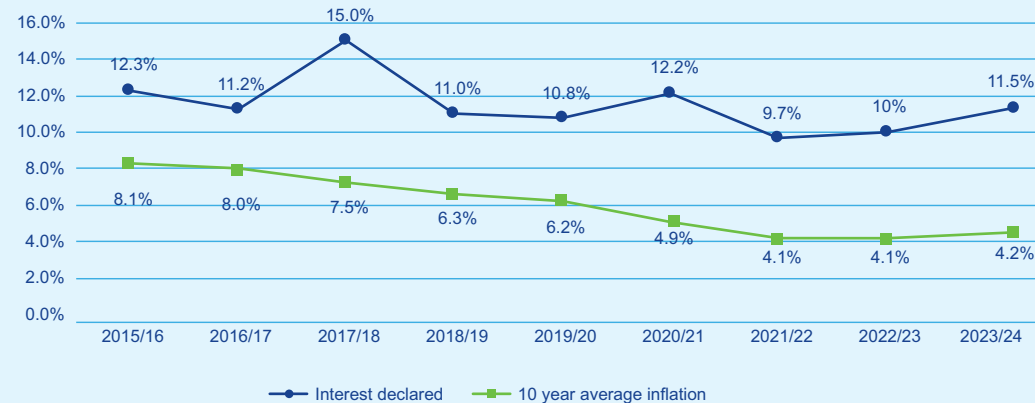
Here is the scorecard.

Preserve Value - Sustain a return on member savings that is at least 2% above the 10-year moving average rate of inflation.

Members' savings are protected from inflation



Comparison between NSSF interest declared and 10 yr average inflation



Member interest on accumulated savings continues to consistently be above the 10-year average inflation rate

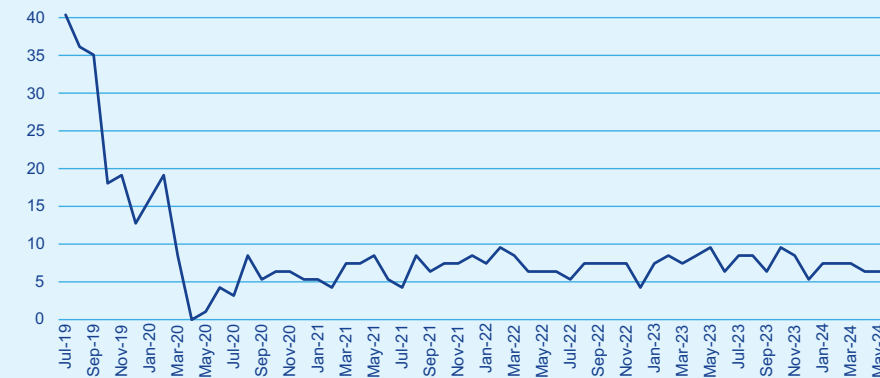
The results validate the investment strategy of the Fund, which is designed to protect members savings against inflation-based erosion.

Simplify service through ubiquitous and seamless channels - In 2015, over 70% of our members were served through a physical channel. Covid-19 changed the narrative. The pandemic presented a catalytic opportunity to transform our service offering to the point that digital is now the default service channel.

Members access our services anytime, anywhere



Branch walk-in ratio July 2019 - June 2024



Today, **90% of our major services are conducted through digital channels**, a significant achievement considering where we started in 2015. Back then, we processed 15,000 benefit claims. Fast forward to 2023, and the Fund has processed over 40,000 claims, disbursing UGX 1.1Tn - most of which was facilitated through our digital platforms.

Empower members through innovative products - The Fund's traditional mandate has been to offer a basic retirement package. However, in 2015, the Board challenged us to think beyond this. We committed to becoming a "relevant partner" in our members' journey to economic security. Our financial literacy programme is a key initiative in this mission, and we recognised that innovation is crucial in empowering our members.

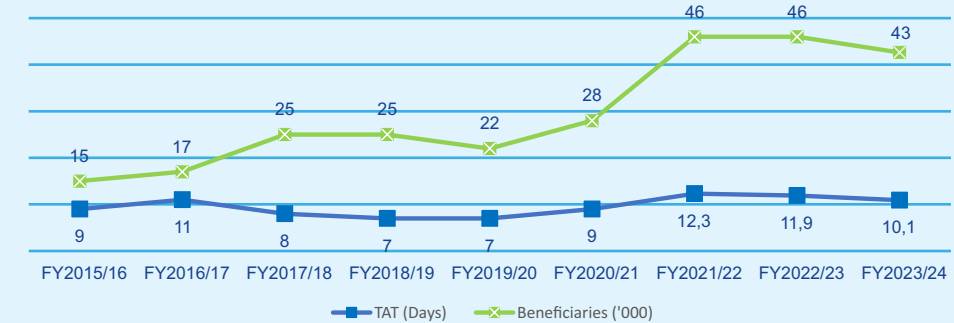
To this end, we developed an innovation strategy focused on transforming members' lifestyles through saving. By engaging with communities and co-creating value within these ecosystems, we have launched initiatives like Hi-Innovator, which supports start-ups and creates employment, expanding our membership base.

Additionally, we advocated for amending the NSSF Act to introduce new benefits addressing social security needs before retirement, leading to the creation of the Mid-term Access (MTA) benefit.

Benefits processing time (days) vs number of beneficiaries



TAT, days vs. beneficiaries, '000



Our strategy

The impact of MTA is clear; we nearly doubled the benefits paid in 2024 (43,000) compared to 28,000 in 2021. Initially introduced to help members cope with the adverse effects of the Covid-19 pandemic, MTA has become a mainstream benefit. However, members are now seeking more from the Fund, with affordable housing and medical insurance among their top demands.

This aligns with the Managing Director's Vision 2035 commitments. Our new strategic intent focuses on sustainability and shared value, positioning the Fund as a catalyst for Uganda's sustainable transformation. This vision is guided by three key metrics: 50%, 50 trillion, and 95% (50,50 95).

Strategic goal 1

50% Make saving a way of life to the extent that 50% of the labour force is consciously and actively saving for long-term economic security

50% - Coverage of Social Security

Uganda's active labour force, currently at 17 million, is projected to reach 30 million by 2035. Yet, less than 10% of the workforce currently accesses our services. With 50% of the population under 18, fostering a culture of long-term saving is crucial to prevent widespread old-age poverty. Over the next 10 years, we aim to expand our membership from 2 million to 15 million, covering 50% of the workforce. Our strategy includes investing in strategic agricultural value chains to boost the earnings of 4 million farmers, who will then become active NSSF members.

Strategic goal 2

50TR Leverage the balance sheet to grow the alternative investment portfolio to sustain double-digit return on investment for the benefit of the member

UGX 50 trillion - Assets under Management (AuM)

We recognise the need to diversify our investment portfolio, especially given our current exposure to government bonds and the evolving economic landscape. While prioritising safety and returns, the Fund will leverage its balance sheet over the next 10 years to attract private capital into strategic sectors of the economy.

The Government aims to grow GDP from USD 55 billion to USD 500 billion in this period, with a significant portion driven by infrastructure investment. However, relying solely on government borrowing (with a current debt-to-GDP ratio of 49%) is unsustainable. To achieve these goals, Uganda must adopt innovative financing models like Public-Private Partnerships (PPPs). NSSF will use its balance sheet and investment expertise to position Uganda as a prime destination for PPPs, ensuring sustainable double-digit returns for our members.

Strategic goal 3

95% Stakeholder satisfaction rate - premised on a robust environment, social, and governance (ESG) framework of change

95% - Stakeholder Satisfaction Rate

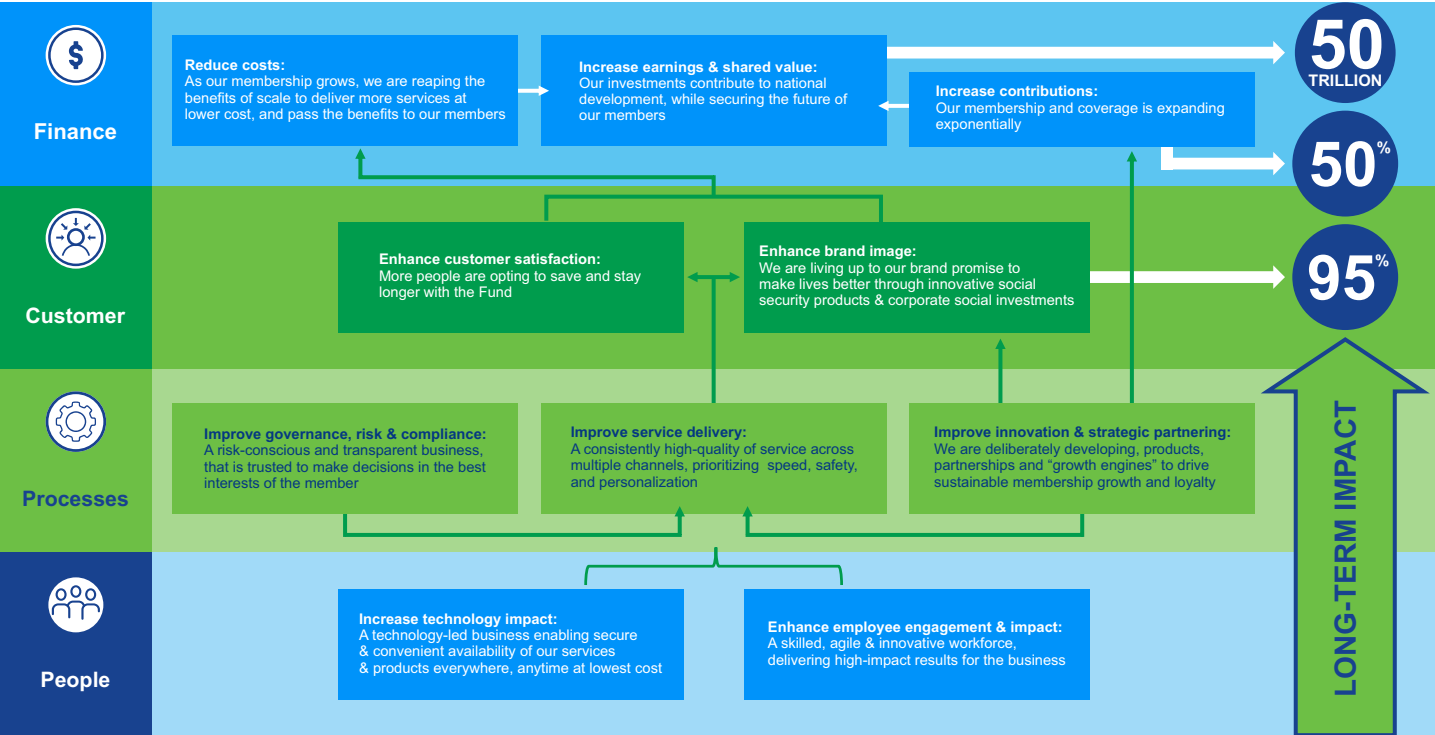
The Fund is a vital national institution, with a diverse range of stakeholders-starting with our people. Investing in their future is essential for our long-term sustainability. Our people strategy is built on key pillars: skills development, diversity, wellness, and fair pay. This foundation supports a customer-centric business, enabling us to develop products and services that resonate with our members and the public.

The success of the Fund is of public interest, especially in a country where 42% of the population lives in poverty. As a responsible institution, we are committed to closing the equity gap by creating jobs through responsible investing, entrepreneurship support, and financial literacy initiatives.

Our impact

50,50 95 encapsulates our sustainability strategy and intent over the next 10 years. We are creating a Social Security Fund that works for every Ugandan. We call this shared value!

Our theory of change



Our strategy

OUR REPORT OVERVIEW | OUR BUSINESS | **OUR STRATEGY** | OUR GOVERNANCE | OUR SUSTAINABILITY | OUR PERFORMANCE

Strategy @ a glance

Our FY2025 Strategy commenced in 2015 and remains relevant in our operating context, despite uncertainties in the external environment.

The illustration on the right depicts an overview of our FY2025 Strategy.

Key risks impacting achievement of strategy

2	Strategic risk	Strategic risk refers to risks that could substantially impact the Fund's assets and earnings.
3	Compliance/litigation risk	Complexity of laws and regulations impacting the Fund's operations.
4	Market risk	The Fund's revenue stream is at risk due to regional market volatility and currency fluctuations, leading to unrealised losses resulting from the appreciation of the Ugandan shilling against the Kenyan shilling.
7	Financial crime risk	The instability of the core system presents a potential risk.
10	Reputational risk	Ongoing investigations have created a reputational risk, impacting internal processes, employees, and member services.

Measured through defined **Key Performance Indicators** to track performance included in the organisation's Balanced Scorecard and cascading to employee scorecards.

Reward and remuneration is linked to both individual and business performance.



Integrating ESG into our FY2025 Strategy

Good corporate governance is implemented in an integrated manner, promoting an ethical culture, good performance, effective control and legitimacy

Our Core Purpose

Our purpose is to make lives better. We passionately dedicate ourselves to making saving a way of life, to enable more and more people improve their well-being

Our Vision

To be the social security provider of choice



Our **core purpose and vision** guide our strategic direction and remind us of why we exist for long-term sustainable value creation

Our Aspirations - Underpinned by Digital Innovation

Providing world class service to our members

Achieve a customer satisfaction rate of 95%

Achieving competitive Returns

Achieve a Fund Asset size of UGX20Tn underpinned by digital innovation

Increasing efficiencies to improve service delivery

Pay members who claim within 24 hours

Becoming the employer of choice

Achieve a staff satisfaction rate of 95%



Our **aspirations** illustrate the four pillars that underpin our strategy and what we aim to achieve by the end of FY2025. Our digital innovation strategy is key to remaining relevant and supports the achievement of our measurable objectives

Unlocking Sustained Value through ESG Considerations

Create value

Through initiatives to address sustainability challenges (SDGs)

Protect value

By mitigating social, environmental and governance risks

Enable value

Through partnerships and stakeholder engagement



Our commitment to **create, protect and enable value** is demonstrated through our support of ESG imperatives and our strong stakeholder relations

Our Values

Innovation

Customer centric

Efficiency

Integrity

Teamwork



Our **values** form the foundation of our commitment on how we engage internally and externally with our stakeholders and support integrated thinking across our operations

Our Environmental, Social and Economic Sustainability Drivers

Customer satisfaction

Social responsibility

Financial resilience

Inclusivity

Environmental protection



Our sustainability drivers are embedded in our strategy and are focused on ensuring sustainability for our business, our customers, communities, society, the economy and the environment

Our Stakeholders

Customers

Communities

Employees

Regulators & policymakers

Industry associations



Our stakeholders are integral to our business and play a vital role in enabling us to create a stronger legacy in our promise to make lives better now and for generations to come. Our stakeholder conversations shape how we define and execute our strategy to include materiality, new business opportunities and sustainable development

Reflection on strategy for the period under review

As we enter the final year of our 2025 strategy, we celebrate significant milestones and unwavering commitment to our core goals.

During this period, we continued to focus on our four key objectives:

- **Member satisfaction:** We aimed for a 95% customer satisfaction rate.
- **Financial strength:** We targeted a Fund Asset size of UGX 21.10Tn (up from the initial UGX 20Tn). In addition, despite the challenges posed by escalating global supply chain prices, we have maintained a strong focus on improving cost efficiency across our operations.
- **Operational efficiency:** We strived to pay members claiming benefits within 1 day.
- **Employee well-being:** We prioritised a 95% staff satisfaction rate.

This year, the Fund made considerable progress towards these goals. Key strategic initiatives included:

- **Building strategic partnerships:** We established a dedicated department to explore and establish partnerships, expanding our reach and impact.
- **Driving innovation:** We embraced technological advancements to enhance our services and member experience.
- **Enhancing culture:** We conducted a culture benchmark exercise to identify strengths and weaknesses, creating a roadmap for building a future-proof workplace culture.
- **Embracing ESG:** Partnering with an ESG Advisor, we implemented a comprehensive approach to integrate environmental, social, and governance practices within our operations. This included policy development, cultural evolution, and a dedicated team.
- **Empowering agriculture:** Recognising its importance to Uganda's economy, we strategically invested by establishing the National Agricultural Marketing Company (NAMCO). NAMCO empowers farmers by connecting them to new markets and opportunities, promoting job creation, food security, and financial inclusion at the household level.
- **Expanded value proposition:** We piloted the "Smart Life" product, expanding our offerings to meet short- and medium-term savings needs of our members.
- **Livelihood programme:** This new initiative is designed to support economically disadvantaged youth and young women in grassroots communities across Uganda. By facilitating their transition into business, the programme aims to boost their income-generating capabilities and improve their quality of life. Additionally, it seeks to expand its membership base and enhance social security through contributions from community members.

Looking forward to Vision 2035


Our 2025 strategy has proven remarkably successful, positioning us to achieve most targets ahead of schedule. This sturdy foundation allows us to look forward with ambition. Building upon these successes, we have established ambitious targets for the next decade in our Vision 2035:

- **Expanding coverage:** We aim to achieve a 50% coverage rate of Uganda's working population, increasing our membership base to 15 million. Targeted initiatives will focus on the informal sector, fostering a culture of saving and building the willingness and capacity to save.
- **Financial sustainability:** We aim to grow our asset size to UGX 50 trillion.
- **Stakeholder focus:** We are committed to achieving a 95% stakeholder satisfaction rate, encompassing members, employees, and partners.


Progress on aspirations

The 2025 strategy is anchored on four pillars which denotes our long-term aspirations. Progress against each of our aspirations for the reporting period and outlook ahead is illustrated below:


Providing world-class service to our members

<div>Delighting our members – customer satisfaction</div>			
2021/2022 Target: 85% Achieved: 82%	2022/2023 Target: 85% Achieved: 85%	2023/2024 Target: 90% Achieved: 88%	2025 Target: 95%
Key developments for 2023/2024			
<p>New business model: We continued to review, organise, and implement our new business model to ensure the Fund is ready for a voluntary product offering. The success of our voluntary model hinged significantly on regulatory compliance and technological integration.</p> <p>Smart Life savings plan: On the product development front, we successfully completed the development and pilot testing of the Smart Life Voluntary Savings Plan. Currently, we are in the process of awaiting regulatory approval for the draft regulations.</p> <p>Partnerships: Throughout the year, we strategically leveraged our existing partnerships while forging new ones to explore diverse business opportunities. This included successful collaborations with Ministries and Government departments, expanding our network and enhancing our ability to serve a broader range of clients and stakeholders.</p> <p>Financial literacy campaigns: Through our financial literacy campaigns, we educated claimants about the advantages of unit trusts, empowering them to make informed investment decisions.</p>			
Outlook for the year ahead			
<p>As we strive to maintain a competitive edge in the market, our focus will be on accelerating the delivery of value-adding products and services to our clients. Three key areas that present significant growth opportunities are insurance partnerships, trusts, and wealth management.</p> <p>We will continue implementing our new business model, characterised by streamlined processes, innovative technologies, and a client-centric approach. Our objective is to launch the Smart Life Savings Plan, designed to empower individuals with a powerful value proposition for voluntary savings.</p>			

Achieving competitive returns and sustainable growth


 Sustainable growth – value creation for long-term sustainability			
2021/2022	2022/2023	2023/2024	2025
Target: UGX 17.19Tn Achieved: UGX 17.25Tn	Target: UGX 18.98Tn Achieved: UGX 18.56Tn	Target: UGX 21.10Tn Achieved: UGX 22.13Tn	Target: 20Tn
Key developments for 2023/2024			
<p>This year, we exceeded our projected target, driven primarily by a 13% increase in annual contributions compared to last year. Additionally, our total revenue exceeded the budget by 30.1%, due to unrealised gains from both currency and capital gains.</p> <p>Several key initiatives contributed to our financial success, including:</p> <p>Reviewing the strategic asset allocation: We continued to review our Strategic Asset Allocation (SAA) with the objective of further diversifying our portfolio. This helped us ensure that our investments remain well-balanced and resilient, allowing us to capitalise on emerging opportunities and mitigate potential risks in the market.</p> <p>Value-based-budgeting: This year, we implemented "value-based budgeting" as a practice across the Fund, concentrating on the "cost-to-realised-income" metric to enhance financial efficiency and maximise returns.</p> <p>Partnerships to drive up compliance and coverage: This was aimed at helping the Fund accelerate compliance and expand coverage. We collaborated with external entities to increase awareness and ensure regulatory adherence.</p>			
Outlook for the year ahead			
<p>Our focus will be on implementing strategic actions that align with our growth and development objectives. These priority initiatives will aim to maximise value from partnerships, enhance our voluntary product offerings, refine asset allocation strategies, and address challenges in real estate development. Together, these efforts will pave the way for a more successful and resilient future.</p> <p>National Marketing Company (NAMCO): Here, we aim to improve farmers' livelihoods by granting them access to markets with advantageous pricing, thereby empowering them and facilitating savings for 8 million households with the Fund.</p> <p>Livelihoods programme: We plan to launch the first official cohort aimed at expanding our membership base by reaching grassroots communities within the informal sector. This initiative will focus on providing tailored financial education and support, enabling these communities to benefit from the Fund's services and contribute to their financial stability and growth.</p> <p>Enhancing asset allocation: We will continue to review our strategic asset allocation. Our focus will be on incorporating more "alternative assets" into our portfolio to mitigate risks and enhance returns for our members.</p> <p>Addressing real estate development challenges: In collaboration with government bodies and other partners, we will tackle obstacles hindering real estate development, thereby unlocking the sector's growth potential.</p> <p>Hi-Innovator programme: We will continue to seek new partnerships to establish a more sustainable model for the Hi-Innovator programme. To this end, we plan to set up a venture fund as part of the alternative asset class offering focusing on social impact. In addition, we will continue our partnership with Master Card Foundation to drive our agenda on job creation via catalytic interventions in the SMME ecosystem.</p>			

Increasing efficiencies to improve service delivery

 Operational excellence – turnaround time for payout of members' benefits			
2021/2022	2022/2023	2023/2024	2025
Target: 7 days Achieved: 12.3 days	Target: 9 days Achieved: 11.9 days	Target: 4 days Achieved: 10.1 days	Target: 24 hours
Key developments for 2023/2024			
<p>Our primary focus for the year has been on re-engineering and enhancing the benefits process to support our strategic objective of paying out benefits within one day. While we have made significant progress, we have not yet achieved the target we set. However, we believe that the developments we have implemented have substantially improved the overall experience for our members.</p> <p>Key developments include:</p> <p>Optimising OctoPAS: We were able to optimise our OctoPAS system to enable straight-through processing across core pension services such as registration, contribution, and claims. This optimisation is crucial for enhancing efficiency, reducing manual interventions, and improving the overall member experience.</p> <p>Digital transformation: We successfully transitioned 44.8% of claims applications to online and walk-in digital formats. This shift has significantly reduced manual interventions, streamlined processes, and provided our members with more convenient and efficient ways to manage their claims.</p> <p>AI-driven financial literacy conversational agent: Internally developed and tailored specifically for the Ugandan audience, this agent is designed to enhance financial education. It provides support in English, Luganda, and Swahili, making financial literacy more accessible and inclusive for all users.</p>			
Outlook for the year ahead			
<p>In the coming year, our focus will be on building new capabilities by leveraging our in-house talent to enhance the Fund's core system, OctoPAS. Our priority actions will include:</p> <p>Developing a compliance module in-house: Creating a robust compliance module internally to ensure adherence to regulatory requirements and enhance overall system integrity.</p> <p>Implementing value enhancements in-house: Introducing new value-driven features and improvements within OctoPAS, using our internal expertise.</p> <p>Creating a medium-term digitisation transformation roadmap: Developing a strategic roadmap for digitisation that aims to enhance our core system with advanced digital solutions, utilising our in-house talent.</p> <p>Achieving significant cost savings and faster time-to-market: The initiatives are expected to result in substantial cost savings and enable quicker deployment of new products to the market.</p> <p>Deploying ERP to centralise data and decision-making: Rolling out an Enterprise Resource Planning (ERP) system to centralise data management and decision-making processes. This will include the implementation of virtual customer service agents and language-based support to enhance customer interactions.</p>			

Our strategy

Becoming the employer of choice


<div><div></div><div>Employer of choice – staff satisfaction</div></div>			
2021/2022	2022/2023	2023/2024	2025
Target: 90% Achieved: 92%	Target: 90% Achieved: 86%	Target: 95% Achieved: 89%	Target: 95%
Key developments for 2023/2024			
<p>Compared to the previous financial year, we have observed a significant improvement in our employee satisfaction scores. This positive change can be attributed to several key initiatives implemented last year aimed at enhancing staff engagement and performance.</p> <p>Boost innovation and productivity: We adopted agile methodologies and initiated the creation of national subject matter experts within the Fund. Additionally, we actively sought placement and secondment opportunities for talented staff to further their professional development.</p> <p>Significant organisational and structural improvements: This included reconstituting the staff committee to foster better representation and involvement, as well as reviewing and finalising a new organogram to address risks identified from the voluntary early retirement initiative.</p> <p>Fostering employee well-being and inclusivity: We embedded staff well-being, including mental health support, into our business-as-usual operations and strengthened our inclusivity initiatives, with a particular emphasis on achieving gender parity.</p> <p>Optimise performance and communication: We revisited job descriptions and job grades to ensure alignment with our organisational goals. Furthermore, we strengthened communication channels with employees to enhance transparency and engagement.</p>			
Outlook for the year ahead			
<p>In the coming year, we aim to further develop our team through several key initiatives designed to enhance talent management, performance, and innovation.</p> <p>Establishing a clear talent management journey: We will implement a comprehensive talent management journey for all employees that digitises the entire experience from application to alumni. This initiative aims to unlock more opportunities for employee growth within the Fund, ensuring that every stage of their career is supported by seamless and integrated processes.</p> <p>Introducing a new performance management approach: To accelerate employee productivity, we will implement a new approach to performance management. This approach will focus on clear goals, continuous feedback, and tailored development plans, driving higher levels of performance and engagement across the Fund.</p> <p>Enhancing employee innovation and productivity: Enhancing innovation and productivity among our employees is one of our top priorities. To achieve this, we will introduce agile methodologies, fostering a dynamic and adaptive work environment. By promoting a culture of continuous improvement and responsiveness, we aim to empower our employees to contribute more effectively and drive the Fund's success.</p>			

Performance against strategy

How we performed against key metrics to measure performance


Our reward and incentive structures are linked to both individual and business performance. The tables below illustrate how we performed against key metrics to measure performance.

Target Exceeded	⬆️
Target Achieved	🟢
Below Target	🔴
New measure	🔵

<div><div></div><div>Providing world-class service to our members</div></div>						Weighting 30%
Objectives	Key Measures	Target	2022	2023	2024	Outlook for the year ahead 2024/2025 Target
Improve customer satisfaction	Customer satisfaction index score	95%	82%	86%	88% 🔴	95%
Improve brand image	Tonality score	90%	95%	79%	92% ⬆️	92%
	Brand Health Survey Rating	75%	74%	71%	78% ⬆️	80%

The Fund's brand health rating rose from 71% to 78% this year, driven by increased member confidence in the Fund's engagement and perceived value. Members feel more secure about their investments and value the competitive returns, boosting overall trust and positive perception of the brand.


Additionally, positive sentiment has increased significantly, rising from 56% in July 2023 at the beginning of the financial year to an average of 92.1%. This improvement is closely linked to increased exposure and enhanced engagement initiatives.

<div><div></div><div>Achieving competitive returns and sustainable growth</div></div>						Weighting 30%
Objectives	Key Measures	Target	2022	2023	2024	Outlook for the year ahead 2024/2025 Target
Increase contributions	Average Monthly Contribution Collections	160Bn	125Bn	144Bn	161Bn ⬆️	175Bn
	1 Month Employer Compliance rate	60%	55%	57%	57% 🔴	60%
Increase income earned	Gross Target return on investment	12.3%	11.5%	12.6%	12.8% ⬆️	13%
Improve cost efficiency	Expense ratio	1.07%	1.18%	1.07%	1.0% ⬆️	1.04%

The Fund's total assets grew 19.3% to UGX 22.13Tn, driven by UGX 640Bn in unrealised gains, including UGX 255Bn in foreign currency gains and UGX 384.86Bn in capital gains. This resulted in a gross return on investments of 12.8%, up from 12.6% last year.

Additionally, our value-based budgeting initiative successfully kept the expense ratio below targets, enhancing resource efficiency and benefiting our members and stakeholders.

Our strategy


 Increasing efficiencies to improve service delivery						Weighting 20%
Objectives	Key Measures	Target	2022	2023	2024	Outlook for the year ahead 2024/2025 Target
Improve data quality	Data Quality Index	100%	101%	100%	100% ●	100%
Improve service delivery	Benefits processing turnaround time, days	9 days	12.3 days	11.9 days	10.1 days ●	1 day
Improve governance, compliance risk mgt	Governance and Compliance Index	100%	100%	100%	100% ●	85%
Improve business innovation and sustainability	Number of new products and services	2	2	1	1 ●	1
	Number of alternative investments approved	1	-	-	1 ●	2
Enhance technology impact	% completion of milestones for the deployment of the new Pensions Administration System	100% deployment of supporting digital infrastructure	96%	70%	70% ●	Our focus for the coming year will be on developing new functionalities internally, extending beyond the capabilities of OctoPAS

Supported by the NSSF Act Cap 230, the Fund can now develop and pay new benefits in line with ILO Convention 102, though final approval from key stakeholders is pending.

This year, we made notable progress with the National Marketing Company (NAMCO), aimed at improving farmers' livelihoods and facilitating savings for 8 million households through NSSF. We have received no objections from the Ministry of Finance, and submitted draft documents to the Attorney General's office, now awaiting the Solicitor General's response for company registration.

Additionally, we are forming a project team to enhance OctoPAS, aiming for significant cost savings and system optimisation.



 Becoming the employer of choice						Weighting 20%
Objectives	Key Measures	Target	2022	2023	2024	Outlook for the year ahead 2024/2025 Target
Enhance performance culture	Staff satisfaction and engagement index	91%	92%	86%	89% ●	95%
Enhance talent management	Work experience index	90%	92%	97%	93% ▲	91%

This year, our employee satisfaction score rose to 89%, up from 86%, largely due to employees finding their work meaningful, which scored 95%. This improvement reflects the success of our efforts to enhance job satisfaction and create a more engaged and motivated workforce.



Stakeholder engagement and value creation

Understanding our stakeholder needs and expectations

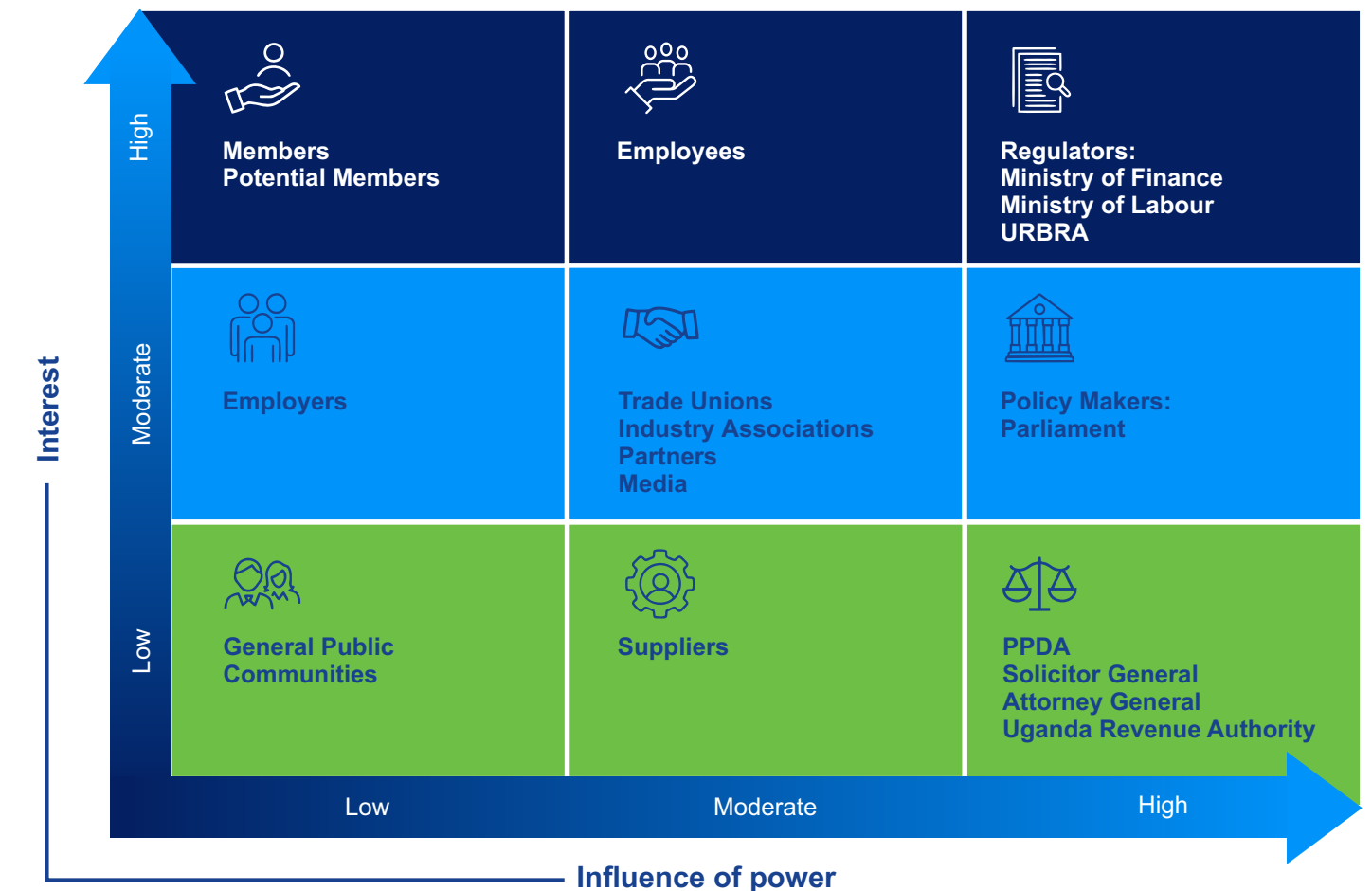
Every new day signifies our commitment to expanding social security coverage and providing sustainable value to our members, stakeholders, and society. The Fund achieves this through prudent investing, innovations and forming strategic partnerships that shall improve our members' economic capacity hence willingness to save. Continuous reflection on our dedication to sustainable social security growth drives the level of engagement with our respective stakeholders.

Achieving our purpose relies on collaborative engagement with stakeholders to understand their diverse needs and expectations. Our commitment extends to providing comprehensive social security services as a safety net against life's uncertainties. Our stakeholders include oversight bodies, government entities, trade unions, media, professional associations, service providers, members, and our management and employees.

Our Board-approved Stakeholder Engagement/Management Policy guides our identification, management, and governance of stakeholders in alignment with the Fund's overall strategic objectives. This approach aims to foster shared prosperity among our members, the economy, and society at large.



Stakeholder interest and influence matrix




Our strategy

Quality of stakeholder relationships

We measure the quality of stakeholder relationships through defined metrics to monitor satisfaction levels on an ongoing basis. Overall, for the period under review, we believe that through focused engagement with our stakeholders, the Fund has maintained healthy and mutually rewarding relationships.

Below, we demonstrate our commitment, engagement, and quality of our relationships with key stakeholders through the value we have delivered.

<div><div>↑</div>MEETING EXPECTATIONS</div> <div><div>↓</div>FALLING SHORT OF EXPECTATIONS</div>	
<div><div></div><div>Customers (our members and potential members)</div><div>We serve a diverse range of customers, from individuals to employers, each with unique needs. Engaging with them is essential to understand their current and future requirements.</div></div>	<div><div>Contribution to SDGs</div><div></div></div>
<div><div>Needs and expectations</div><div>Our customers expect excellent service, timely payouts, competitive returns, post-retirement support, efficient engagement, and products for both long-term and short-term savings.</div></div>	<div><div>Strategic response to deliver value</div><div>To deliver value, we conduct customer surveys, refine systems for better turnaround times, build strong relationships through engagement channels, support members with financial literacy and entrepreneurial guidance, and run awareness campaigns to boost compliance and saving.</div></div>
<div><div>How we engage</div><div><ul style="list-style-type: none">Our walk-in service centres, contact centre, online channels, relationship managers, and employees engage directly with customers to understand and address their needsThe Service Quality and Business Performance teams utilise research and data to gain insights into customer needsCustomers provide feedback on our products and services, helping us improve</div></div>	<div><div></div><div><ul style="list-style-type: none">The Executive Committee and Board monitor customer experiences by regularly reviewing metrics such as Net Promoter Score (NPS) and Customer Satisfaction Index (CSI)Our Chief Executive, Executive Committee, senior leaders, and frontline employees regularly review and discuss customer complaints to ensure continuous improvement</div></div>
<div><div>Performance measures/value delivered</div><div><ul style="list-style-type: none">Customer satisfaction index 87% (2023: 87.5%)Mystery shopper score 90% (2023: 88%)Turnaround time for payment of benefits 10.1 days (2023: 11.9 days)Increased awareness on online channels (E-channels to walk-in ratio 91 to 9)199,980 new customers and 8,374 companies registeredDesigned and tested solutions to support voluntary savings products roll out</div></div>	<div><div>Opportunities and outlook</div><div><ul style="list-style-type: none">Develop and deepen the concept for KYC and 360-degree view of our membersBuild partnerships and mobilise formal and informal sectors to saveImplement Voice of the Customer Led Designs and continuously improve our processes, systems, and channels to improve turnaround timesRollout convenient products and services to increase coverage</div></div>
<div><div>Risks</div><div><ul style="list-style-type: none">Inability to engage and educate members and the public on opportunities to save as per the NSSF Act Cap 230Inability to meet short-term and long-term savings needs</div></div>	<div><div>Quality of relationship</div><div><div>↑</div></div></div>

<div><div></div><div>Employees (our staff)</div><div>To create a culture where our employees can excel and contribute to our purpose, strategy, and accomplishments, employee engagement is essential. We must provide work environments that foster growth, offer flexible and agile work options, deliver outstanding training, development, and career opportunities, and reward performance with fair and competitive pay and benefits.</div></div>	<div><div>Contribution to SDGs</div><div></div></div>
<div><div>Needs and expectations</div><div>Employees seek recognition, rewards, and benefits, along with diversity and inclusion, job security, safety, and well-being. They also desire growth, learning, and development opportunities, enabling tools, and better communication and engagement.</div></div>	<div><div>Strategic response to deliver value</div><div>Aligning employees with the 2025-2035 strategy, ongoing employee surveys to measure engagement and identify areas for improvement. We strive to create a thriving work environment, implement training and development opportunities like the Pathfinder Catalyst Academy, and continue adopting reward and recognition best practices.</div></div>
<div><div>How we engage</div><div><ul style="list-style-type: none">Our Board receives regular updates from the Managing Director (MD) and Chief People and Culture Officer. Topics range from people strategy initiatives to culture and overall sentiment in the FundBoard, management and MD quarterly and annual engagements with employees</div></div>	<div><div></div><div><ul style="list-style-type: none">Our Managing Director regional employee workshops on 2025-2035 strategy awarenessBroadcast HR (Human Resources) policy, Legal Inquiries and Risk nuggets to staffConduct monthly online Pathfinder engagementsEmployee surveys</div></div>
<div><div>Performance measures/value delivered</div><div><ul style="list-style-type: none">Employee engagement score 89% (2023: 86%)Graduated over 30 female employees (2023: 30) from Pathfinder AcademyHolistic health and wellness programme for employees and their familiesImplemented policies on human rights, equal opportunities, labour conditions, ethical conduct, and environmental protection in the workplace to include work and safety trainingLaunched and started the Ignite project to redefine our Fund cultureEngaged employees, especially men on mental health best practicesEngaged more than 370 employees via the Pathfinder monthly talk showsContinued involvement in innovation initiatives, including the internal Hi-Innovator programme and the deployment of AI tools</div></div>	<div><div>Opportunities and outlook</div><div><ul style="list-style-type: none">Promote and grow the Pathfinder Catalyst AcademyIncrease employee satisfactionImprove our talent development and management practicesCommitment to equal opportunities</div></div>
<div><div>Risks</div><div><ul style="list-style-type: none">Inability to attract, retain and motivate staff could impact negatively on service delivery, thereby leading to negative reputation</div></div>	<div><div>Quality of relationship</div><div><div>↑</div></div></div>

Our strategy

Quality of stakeholder relationships, *cont*



<div></div> <h2>Regulators and government</h2> <p>Our relationship with the government supports our strategic pillars and enables us to contribute to policies and initiatives that yield the best results for stakeholders. Regulation helps protect our customers and promotes healthy competition.</p>		<h3>Contribution to SDGs</h3> <div><div></div><div></div><div></div><div></div></div>	
<h4>Needs and expectations</h4> <p>The Fund prioritises superior performance against strategy, ensuring robust management, profitability, growth potential, and competitive annual interest rates. We uphold ethical standards, regulatory compliance, and ESG considerations, while actively contributing to policy, offering technical input, and sharing information.</p>	<h4>Strategic response to deliver value</h4> <p>The Fund proactively engages with regulators on compliance with legislative frameworks like the NSSF Act (CAP) 230, PPDA, and URBRA. We enforce strong corporate governance for transparency and accountability. Our dedication to sustainable business practices and stakeholder management aims to create lasting organisational value.</p>		
<h4>How we engage</h4> <ul style="list-style-type: none">• We keep an open dialogue with government especially MoGLSD and MoFPED through our Chairman, Managing Director and, Executive Committee members and senior leaders – as well as through consultation responses and cross-industry initiatives• At a working level we regularly engage with other regulators through industry consultations and information requests			
<h4>Performance measures/value delivered</h4> <ul style="list-style-type: none">• Liaised openly and constructively with various regulators, including conducting ongoing discussions in support of our corporate governance and operations strategy• Continued to design solutions and regulations contributing to expanding social security coverage and enriching the range of benefits available to savers• Continued to realign the Fund's organisational structure to take advantage of the opportunities presented by NSSF Act• Support realisation of ESG good practice and prioritised SDGs• Continued discussions and engagements with PPDA, URA, URBRA, NEMA and Attorney General on issues of investment, procurement, taxes, and policy• Trained District Labour officers on compliance enforcement of NSSF mandate	<h4>Opportunities and outlook</h4> <ul style="list-style-type: none">• Work with various ministries to include Ministry of Gender and Labour to expand awareness and coverage of social security as per NSSF Act• Constantly monitor, evaluate, and audit our corporate governance practices, legal and regulatory requirements• Work with Ministry of Finance to promote investments and innovation• Mobilise partners to support social security coverage		
<h4>Risks</h4> <ul style="list-style-type: none">• Lack of awareness of the legal and regulatory changes leading to an inability to meet regulatory requirements, compliance, and potential damage to reputation	<h4>Quality of relationship</h4> <div></div>		

<div></div> <h2>Suppliers</h2> <p>Good supplier relationships are essential for our success. They help us deliver the solutions and propositions that create customer value.</p>		<h3>Contribution to SDGs</h3> <div><div></div><div></div><div></div><div></div></div>	
<h3>Needs and expectations</h3> <p>The Fund prioritises responsible purchasing, supports local suppliers, maintains prompt payment schedules, and upholds ethical and transparent business practices. We ensure fair terms of trade and sustainable sourcing.</p>	<h3>Strategic response to deliver value</h3> <p>Continual procurement efficiency and performance assessments, enhanced supplier engagements, competitive supplier promotion, and ensuring prompt, uninterrupted delivery of materials and services.</p>		
<h3>How we engage</h3> <p>We need to know who we are doing business with and who is acting on our behalf. Therefore, we:</p> <ul style="list-style-type: none">• Select suppliers based on principles of ethical and responsible conduct• Conduct due diligence on suppliers before and after signing a contract• Ensure the products we purchase are made, delivered, and disposed of in a socially and environmentally responsible manner• Utilisation of the electronic Government Procurement (eGP) system• Measure suppliers' rating, and collaborate with them for continuous improvement• Conduct the Annual Supplier's Forum to foster communication and partnership• Apply preferences to promote local content and ensure that special groups, such as women, youth, and persons with disabilities, are included in our procurement processes			
<h3>Performance measures/value delivered</h3> <ul style="list-style-type: none">• Directly served 150 suppliers, 84% of these were local suppliers• Awarded more than UGX 59.5Bn in strategic procurement contracts• Registered a procurement performance rating of 84.6% by Public Procurement and Disposal of Public Assets Authority (PPDA)• Our procurement efficiency was 96% (2023: 93%)• Conducted the Annual Supplier Forum in April 2024 and registered a Supplier Satisfaction rating of 98%• Trained 40 of our procurement champions on revised PPDA regulations and practices• Promoted local content and special groups of people such as women, youth, and persons with disabilities to participate in procurements• Our supplier approach is shaped by our Sustainable Procurement Charter and incorporation of technology and digitisation in the procurement and disposal processes• Continued to build a more resilient supply chain by adding a supplier management risk framework (including internal controls) into our wider key controls framework	<h3>Opportunities and outlook</h3> <ul style="list-style-type: none">• Sustainable procurement efficiency, supplier satisfaction and experience• Improve contract management practices		
<h3>Risks</h3> <ul style="list-style-type: none">• Engaging and enlisting unscrupulous suppliers could lead to conflicts of interest, bribery and poor service delivery impacting negatively on our reputation	<h3>Quality of relationship</h3> <div></div>		

Our strategy

Quality of stakeholder relationships, *cont*

<div>  <div> Media <p>The media plays a critical role as a contact point with external stakeholders, keeping them informed of facts, business developments, new products, services, and the impact of our business operations.</p> </div> <div> Contribution to SDGs <div>     </div> </div> </div>	
Needs and expectations <p>The media expects timely and accurate information to report on business developments, products, services, and corporate impacts. They need transparency, accessibility to company representatives for interviews, and clear communication to convey stories effectively.</p>	Strategic response to deliver value <p>The Fund ensures that the media are consistently updated on key business activities and offerings. We prioritise transparency and accountability, providing clear and timely communication about changes and new products and services. By actively engaging with the media, we help them convey accurate and relevant information to the public, fostering an informed and positive narrative about our business.</p>
How we engage <ul style="list-style-type: none"> Media releases and product- related publicity Roundtables Product and service launches 	
Performance measures/value delivered <ul style="list-style-type: none"> By actively engaging with the media, who play a critical role as the contact point with external stakeholders, we help them convey accurate and relevant information to the public Kept our customers and stakeholders informed of the facts, business developments, new products, services, and the impact of our business operations Positively reported on Fund investments, Hi-Innovator programme, 2035 strategy among others Added TikTok-@nssfug as our new channel, gaining a reach of 3,301,378 and 317,955 engagements Registered more than 2,113,318 engagements on our social media channels 	Opportunities and outlook <ul style="list-style-type: none"> Identify and continue working with media to positively impact our customers, stakeholders, regulators, communities, and support in expanding social security coverage
Risks <ul style="list-style-type: none"> Rapid advances in social media and AI with associated stakeholder scrutiny on misinformation 	Quality of relationship <div>  </div>

<div>  <div> Communities <p>We make a substantial economic contribution to the communities we serve, acting as a vital connector within them. This role is essential to achieving our growth plans and fulfilling our purpose: to make savings a way of life.</p> </div> <div> Contribution to SDGs <div>      </div> </div> </div>	
Needs and expectations <p>In response to the needs and expectations of communities, NSSF brings value through purposeful CSI activities and addresses local community factors, including ESG considerations.</p>	Strategic response to deliver value <p>The Fund implements various CSI initiatives, including the KAVC, school renovations, University Career Expo, and student internships. We conduct Financial Literacy training for customers and continue to provide seed funding for small and growing businesses through the Hi-Innovator programme in partnership with the Mastercard Foundation. Additionally, we have piloted initiatives to support skills and livelihoods development.</p>
How we engage <ul style="list-style-type: none"> We provide support through walk-in and outreaches Our Hi-Innovator programme brings entrepreneurial skills training and funding to growing and small businesses The real estate portfolio we are developing, including Solana Residences, Temangalo and Pension Towers promote development and employment opportunities 	
Performance measures/value delivered <ul style="list-style-type: none"> We continued to renovate public primary schools, with over UGX 940M raised from partners, individuals, and communities via the NSSF Kampala Seven Hills Run The University Career Expo 2024 was attended by 21,555 students an increase from 16,000 in 2023). Over the past 12 years, the Expo has registered 44,000 students as Fund members, and contributed over UGX 36.4Bn. The Expo aims to prepare students for the workplace and enhance their job prospects Engaged and impacted 2,376,471 people on financial wellness via our Financial Literacy initiatives We provided \$20,000 each to 102 (2023: 155) small and growing businesses through our Hi-Innovator programme, in partnership with the Mastercard Foundation. To date, this programme has created 183,110 jobs Our scalable activities continue to provide great content for our media channels and improve public perception of our Fund 	Opportunities and outlook <ul style="list-style-type: none"> Continue to refine our CSI activities for impact Identify and continue working with partners to positively impact communities and expand social security coverage
Risks <ul style="list-style-type: none"> The inability to create a positive and sustainable impact on the communities within which we operate has a negative impact on the sustainability of our operations and the economy at large 	Quality of relationship <div>  </div>

Our strategy

Quality of stakeholder relationships, *cont*

<div>  Business partners and industry associations </div>	
<p>Business partners and industry associations are key interfaces with our customers. They are custodians of our brand and reputation, playing a critical role in ensuring the delivery of our strategy.</p>	
<div> <div> Contribution to SDGs <div>    </div> </div> </div>	
Needs and expectations	Strategic response to deliver value
<p>The Fund collaborates to stay current with key developments and standards, advocates for beneficial regulatory changes, and enhances product, service, and social security development.</p>	<p>The Fund participates in industry-led initiatives related to policy and law, engages in business and sector forums, and undertakes capacity-building initiatives.</p>
How we engage	
<ul style="list-style-type: none"> One-on-one and hybrid business meetings Training, conference sessions on products, services and best practices 	
Performance measures/value delivered	Opportunities and outlook
<ul style="list-style-type: none"> Collaborated with our partners such as NIRA, URA, URSB, OPM on specific solutions that required a multi-partner approach Conducted workshops and collaborated with the Uganda National Roads Authority, Ministry of ICT, and UNOC regarding contractors' compliance with NSSF On course together with Mastercard Foundation, to give seed funding of \$20,000 each to 5,000 small and growing businesses via the Hi Innovator programme We partnered with innovations accelerators such as Outbox, Stanbic Business Incubator, Mkazipreneur and MUBS Ent'ship Innovations Worked with Banks in supporting our collections, benefits payments and financial market operations Opened and hosting the Liaison Office to manage International Social Security Association (ISSA) activities across East Africa Participated in key international and regional engagements on social security protection and financial literacy 	<ul style="list-style-type: none"> Provide platforms for broader actions on market expansion and social security coverage and development Identify and increase partnerships to support increase in coverage and best practices Address social security-related developments, concerns, and initiatives and sharing lessons and best practice Support realisation of ESG practices and prioritised SDGs Foster relations between ISSA, ILO, and social security schemes in the East African region and globally
Risks	Quality of relationship
<ul style="list-style-type: none"> Lack of engagements leading to inability to meet regulatory requirements, compliance, and damage to reputation 	



From Right, NSSF team: Rebecca Kabugo, Peninah Kabagambe and Patrick Ayota, Managing Director, NSSF, after a Partnership engagement framework with Allen Kagina, UNRA Executive Director third from left

Stakeholder engagements



Road works contractors' stakeholder engagement workshop on demystifying NSSF compliance and contributions



Participants at the NSSF Stakeholder workshop for employers and key players within the ICT sector



Participants pitch at the NSSF Hi-Innovator programme in partnership with Mastercard Foundation for a funding of US\$20,000 for their business

Our strategy

Our members



Delivering a greater customer experience – sustainability lever:
 We create value by building strong connections with our customers and the public, ensuring positive experiences in all interactions to make saving a way of life. We invest in innovations to provide accessible, empathetic, and inclusive services, especially for those facing challenges accessing Fund services or with complex needs.

NSSF customer snapshot

	FY2023/2024	FY2022/2023
Enhanced		
Customer satisfaction index	87%	87.5%
Customer experience index	88%	85%
Enabled		
Customers using online channels	91%	94%
Members applied for retirement benefits	42,901	45,708
Enhanced value through		
Improved experiences	✓	✓
% interest declared	11.5%	10%
UGX 1.12Tn paid in member benefits - days to TAT	10.1 Days	11.9 Days

We engage customers through various channels, including digital solutions, contact centres, branch networks, outreach centres, and Relationship Managers. Our Member Services Section, which includes Customer Experience, Benefits and Data, and Service Quality Units, helps us turn resources into valuable outcomes that meet our strategic goals and benefit our customers.

We focus on different segments to build connections and provide tailored solutions for outstanding customer experiences, generating revenue and building long-term trusted relationships. We are dedicated to:

- Continuously improving our services for higher customer satisfaction and delivering the best experience
- Treating customers fairly, communicating transparently, and providing timely services that respect and reflect their diversity
- Keeping our promise to improve lives by offering simplicity, convenience, speed, safety, accuracy, and clarity

To enhance customer connections and experiences, we conduct regular surveys, analyse complaints, interact directly, and use data from customer transactions. While we are making progress in improving our service levels, we recognise and are always ready to address areas that need improvement to meet our mandate.

Our key material areas to creating value for our customers

Key member and customer concerns	Material areas
<ul style="list-style-type: none"> • Simplicity and convenience • Speed, safety and accuracy • Benefits that matter • Clarity of offerings 	<ul style="list-style-type: none"> • Offering personalised services and promoting financial literacy • Automating processes and driving innovation • Communicating all available options while ensuring Know Your Customer (KYC) compliance • Enhancing collaboration between front-end and back-end teams • Continuously empowering our employees to provide excellent and consistent service
...to achieve the following value	
For our customers <ul style="list-style-type: none"> • Simple, efficient, and innovative service solutions • Safe, trustworthy, and accountable provider • Timely benefits payments • Competitive returns • Empowering customers' financial decisions • Clear offerings through engagement 	For our Fund <ul style="list-style-type: none"> • Better customer experience and satisfaction • Higher Net Promoter Score (NPS) • Better service quality • Improved service level and efficiency • Enhanced customer trust and support • Increased membership



Our customers pose for a group photo after the Financial Literacy Session hosted by NSSF Mukono Branch

Key developments in FY2024

Member services performance

During the year, we embraced fast, effective customer experiences by fostering an environment that encourages curiosity, digital thinking, and continuous improvement. Leveraging innovation and our commitment to delivering high-quality services, we are poised to empower individuals, businesses, and communities across Uganda and internationally. Our improvements and innovations have enhanced both our operations and the customer experience.



Customer testimonial

Tobias Anok

“ I checked in ✓ at NSSF Headquarters last week, man, I was welcomed like a big person... Those people, from the entrance to your destination and back, are the true definition of public officers. ★★★★★”

Customer education on digital channels and DIY

We emphasised educating our customers about our online platforms and promoting a Do It Yourself (DIY) approach to enhance accessibility and usability. Our "Chap Chap" promotion, launched this year, encouraged customers to use our self-service channels anytime and anywhere. This initiative led to a 55.9% increase in digital channel usage, achieving the following outcomes:

Digital Index	Target	Actual
Our Online Sentiment	65%	74%
Our Penetration	40%	55.9%
Our e-channel: Walkin ratio	90%	91%

Enhanced our online channels and processes

We continued to enhance our processes and systems to improve efficiency and customer experience. These enhancements include upgraded our NSSFGo App for easier access to services and stabilised our email and tollfree Interactive Voice Response (IVR) to reduce turnaround times, and cost-saving measures. These improvements support better self-service options for our customers, improving our customer experiences and processes.



Customer testimonial

Alecoo B'ruhanga T

“The NSSF App is now user-friendly, thanks for the upgrade! 😊👍📱 “



Online benefits claim application

This year, 18,489 (44.8%) customers used our NSSFGo mobile app, web app (<https://nssfgo.app/landing>) and digital forms to apply for benefits. We also introduced an Emigration Grant portal for non-Ugandans. The online application system has streamlined verification processes, cutting benefits turnaround time and printing costs. This improvement enhances self-service options for members and speeds up service at walk-in centres.



Customer testimonial

Ronnie Namugera

“Thanks @nssfug, this efficiency is incredible, and there's no need to sign here or there! 🙌🔴 Online claim application responded to within 48 hours.🕒👏 Let's share this positive performance more often. Well done! 🙌 “

Enhanced whistleblower platform

Since launching our enhanced Whistleblower Portal, we have received reports from 2,650 customers about non-compliant companies. The improved portal, accessible via the NSSF website: <https://whistleblower.nssfug.org/> and NSSFGo App, is interactive and ensures anonymity, allowing easy reporting of non-compliant employers. Of the reports, 35% (928 cases) resulted in audits or demands for payment of employee contributions. The portal tracks and addresses cases until resolution and allows Government Labour Inspectors to report employers failing to remit mandatory contributions. We encourage everyone to use this portal as part of our digitisation strategy for efficient self-service.

Videos on whistleblower platform



WATCH VIDEO 1



WATCH VIDEO 2

Our strategy

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Member benefits processed and paid

In the past year, we processed benefits for 42,901 customers, a decrease from 46,337 the previous year. We disbursed UGX 1.12Tn, with an improved average processing time of 10.1 days, down from 11.9 days. Our benefits payouts improve our customers' quality of life and help them achieve financial stability.

FY	Members Paid	Amount Paid	TAT (In Days)
2023/2024	42,901	UGX 1.12Tn	10.1
2022/2023	46,337	UGX 1.2Tn	11.9

Pascal Bisimiwa

"Good morning Dear NSSF team. I am back to you to inform that I have received the payment from you. I humbly submit my thanks 🙏 to all the lovely team for the great work, especially to Lawrence, Aaron, and others that I don't know who contributed for this case to be issued. Thank so much 🙏. I can't fail to thank the government of Uganda for whatever it's doing to and for refugees. Only GOD will pay Uganda and Ugandans for their kindness. Be blessed."

Florence Baingana

"🐔 A huge positive shout out to @nssfug. The process to withdraw benefits was seamless, painless, efficient and fast!!! #recognizingexcellence."

Proactive engagements with our customers

We proactively reached out to over **31,558** customers to address their complaints and benefits issues, strengthening connections and relationships. We also enhanced our automation efforts, including employer registrations and 1.37 million contribution reminders.



Customer
testimonial

Arnold Mka.

"I received a good response from a good customer service lady this evening on my phone 📞, and I do appreciate your help. 🙏 Thanks so much! 😊"

Annual Members Meeting

On 25 September 2023, the Fund held an interactive Annual Members Meeting (AMM) in line with our commitment to transparency and accountability to NSSF members, stakeholders, and the public. This annual event, a key highlight for the Fund, attracted NSSF partners and contributors.

The meeting featured updates from Fund management on social security trends, operations, and future initiatives, emphasising our mission to make saving a lifestyle. The Board of Directors also presented the Fund's performance and plans for the financial year, engaging with attendees in an interactive forum.

The event was conducted in a hybrid format, accessible via our online platforms, television, and social media channels.



Chairman of the Board - Dr. Peter Kimbowa second from right introduces some of the NSSF board members during the Annual Members Meeting



Customer
testimonial

Mugenyi Mubarak

"How did I miss this important lifestyle discussion? 🤔 Thank you so much for this valuable information that you never learn from the workplace or school 🙏."

Our Financial Literacy Programme

To address the growing financial challenges faced by our members, our free Financial Literacy programme offers essential guidance for building financial well-being. We also engaged our customers in partnership with Stanbic Bank, ICEA LION Insurance, UAP Insurance, and Jubilee Insurance.

We introduced an AI-driven financial literacy agent at <https://finlit.nssfug.org/>, available in English, Luganda, and Swahili, and launched our TikTok channel (@nssfug).

This year, we directly engaged 25,447 customers through initiatives such as the Make Yo Benefits Count campaign, live webinars, and town halls.

Engaging 317,955 users and reaching 3,301,378 through targeted content.

Videos on Financial Literacy



Watch Video 1



Watch Video 2



Watch Video 3

Below is our Financial Literacy programme snapshot.

Financial Year	Uptake	Online Reach
FY 2023/2024	25,447	10,725,414
FY 2022/2023	13,583	2,376,471
FY 2021/2022	445,309	1,508,000
FY 2020/2021	67,272	1,489,000
FY 2019/2020	7,481	25,000

Our strategy

Achievements

The event generated

82 stories

across Print, Radio, and Television,
45% coverage on Radio

We achieved

3,857,963

impressions


surpassing our target of 2,000,000

Interest was computed and credited to

2,168,210

member accounts

We recorded 11,365 live views of the event, slightly down from 12,909 the previous year,
engaging more than 900,000 customers



Customer testimonial

Naluemba Juliet

Thanks so much NSSF for being so transparent this time in what you do. We appreciate you so much! 🧡🙏🏾 “



10. Achievements, challenges, and ongoing improvement efforts

We are strategically leveraging members' needs and opportunities presented by the NSSF Act to enhance their lives. By investing in innovations and forging strategic partnerships, we aim to boost members' saving capacity and willingness.

As a responsible corporate citizen, we are committed to creating sustainable value for our members, stakeholders, and society.

While we have made notable progress in certain areas, we acknowledge that we still fall short of our goals in some aspects, particularly regarding benefits turnaround time (TAT) and our people. We are actively working to address these challenges and improve our overall customer experience.

Below is an extract from the CSI report about what our members are saying.

Score	Scale 1 to 10	1 = VERY DISSATISFIED 😞	10 = VERY SATISFIED 😊
Satisfaction rating: qualitative			
Attribute	Rating	Reason	
Accessibility of funds	7	Inability to access funds when needed, especially during emergencies, is a source of frustration.	
Uncertainty and trust issues	5	There is a level of uncertainty and concerns about the future performance of NSSF.	
Delayed access and bureaucracy	6	Delays in accessing survivors benefits of deceased members due to long waiting times can be frustrating.	
Flexibility and eligibility	8	Need for more flexible terms regarding benefits access, reducing the age or time restrictions for accessing a portion of their savings.	

To achieve a 95% customer satisfaction rating by 2025, we have:

- Invested in multi-skilled employee training to enhance service and resolve queries faster, breaking down internal barriers
- Focused on leadership development, including benchmark visits and specialised training, such as culture of excellence for our customer experience teams
- Continuously reviewed and aligned our processes with our digital transformation goals
- Collaborated across various departments - Commercial, Technology, Marketing, Legal, etc. - to identify and address service gaps promptly
- Conducted root cause analyses to resolve recurring customer issues
- Implemented a hybrid work model for our contact centre to offer flexible work arrangements
- Expanded the use of big data to better understand customer needs
- Mapped our KYC journey to improve service request turnaround times

Our strategy

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Achievements against performance measures

Impact over five years

Description	FY20	FY21	FY22	FY23	FY24 Target	FY24 Achieved	FY25 Target
Customer Satisfaction Index (CSI)	83%	86%	82%	87.5%	89%	87%	95%
Customer Experience Index	-	86%	83%	85%	89%	88%	95%
Mystery Shopper Rating	86%	82%	82%	86%	89%	90%	95%
Net Promoter Score (NPS)	67	76	74	72	65	77	65
Customer Effort Score	83%	86%	68%	85%	60	85%	95%
Customer Complaints and Resolution	-	7,380 resolved in 15 working days	15,390 resolved in 5 working days	14,017 resolved in 3.5 working days	4 working days	16,349 out of 16,439 resolved in 2.18 days	1 day
Service Quality Score	-	86%	95%	91%	90%	95%	95%
Service Level	81%	86%	84%	86.5%	80%	82%	80%
Benefits Turnaround Time (TAT)	7 days	8.4 days	12.3 days	11.9 days	9 days	10.1 days	1
E-channels to Walk-in Ratio	84 to 16	94 to 6	93 to 7	94 to 6	90 to 10	91 to 9	95 to 5

We recognise the need to improve customer satisfaction, service levels, and benefits turnaround times and are actively developing strategies to achieve these goals and enhance the lives of our members.

Looking ahead

We understand that customers seek solutions to their problems, not just our products. Therefore, we are committed to developing smarter solutions and connectivity services that deliver real outcomes.



A participant reacts and shares experiences during one of the Financial Literacy sessions



Apollo Mbowa Kibirango, Financial Literacy Manager, NSSF, engages participants during your Yo-Benefits Session



Mr. Emmanuel Mwaka, CEO ICEA Lion Insurance, hands a plant to one of participants during the Financial Literacy sessions held in partnership with NSSF



Participants engage during the Financial Literacy sessions on Yo-Benefits campaign

Our focus moving forward includes:

- **Maintaining and enhancing customer satisfaction:** We will strive to keep experience and satisfaction levels high and continually personalise the customer experience
- **Supporting new products and services:** In the short to long term, we will focus on rolling out new offerings related to voluntary savings, leveraging customer needs and opportunities from the NSSF Act Cap 230
- **Improving processes and promoting digital channels:** We will enhance our processes and solutions while encouraging the use of digital channels to improve convenience and interactions
- **Conducting a KYC campaign:** We will initiate a campaign for customers to update their global identifiers, such as National ID Numbers, refugee, and passport numbers as part of improving service delivery

Critical success factors for customer satisfaction

Leverage opportunities resulting from the new law to develop new products and services for our customers to meet individual needs for both long- and short-term savings, for example, creating a unit trust

Changing the business model from a relationship management model currently servicing 30,000 employers to an agile model which will be scalable to service 150,000 employers and potentially 14 million individuals in the informal sector

Optimise digitisation and innovation to improve customer service
Continue to achieve outstanding customer service results

Streamline structures to enable internal resources to initiate solutions to challenges swiftly to better serve our customer base

Our strategy

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Technology acceleration



Leveraging technology for growth and efficiency

“At the Technology and Enterprise Solutions Department, our focus is on using cutting-edge technology to expand our reach, enhance customer experience, and boost operational efficiency.”

Expanding social security coverage

To extend social security coverage to more Ugandans, we are embracing digital platforms that reach underserved and remote populations. Enhancing our mobile and online platforms facilitates seamless registration, contributions, and benefit claims, ensuring accessibility regardless of location, technology adaptation, or language.

Mr. Benoni Katende Chief Technology and Enterprise Solutions Officer



Enhancing user experience

Convenience is central to our technology strategy. We are redesigning our digital interfaces for simplicity and ease of use, ensuring members can interact with us effortlessly. AI-driven chatbots and virtual assistants are being implemented to provide round-the-clock support and instant query resolution.

Data-driven member insights

Data is key to becoming a more member-focused organisation. By leveraging advanced data analytics, we gain deeper insights into member needs, enabling us to tailor the development of targeted products and services effectively. Big data helps us understand behaviour and trends, while predictive analytics allows us to anticipate and proactively meet future needs.

Artificial Intelligence for operational transformation

Artificial Intelligence (AI) is pivotal in transforming NSSF into a modern, efficient, and responsive fund. We are adopting AI technologies like robotic process automation (RPA) to handle routine tasks, freeing employees for strategic activities. AI algorithms enhance decision-making in risk management, fraud detection, and member engagement, while personalised recommendations improve member experiences.

Strategic partnerships for innovation

Partnerships are crucial to our technological advancements. Collaborating with fintechs, data aggregators, and other organisations enables us to craft innovative solutions. These partnerships enhance our analytics capabilities, integrate diverse data sources, and expand our reach through digital payment platforms, making member engagement with NSSF more convenient.



Our strategy

Our employees



A New Day: Empowering our workforce for sustainable growth

As we step into a new day at NSSF, our focus is on creating shared value that drives sustainable growth. Our success is deeply intertwined with the overall well-being and engagement of our employees, the backbone of our achievements. This year, we are dedicated to fostering a culture that empowers every individual, ensuring that our workforce is well-equipped to meet the evolving needs of our members and stakeholders.

Mr. Milton Owor Chief of People and Culture



Nurturing talent for a brighter future

In line with our vision of shared value, we remain dedicated to the professional development of our employees. The initiatives we have implemented over the past year have set the stage for even more focused programmes designed to enhance functional skills, leadership abilities, and innovation within our teams. Our commitment to continuous learning is not only about fostering individual growth but also about equipping our employees to lead NSSF into the future.

Strategic initiatives for workforce empowerment

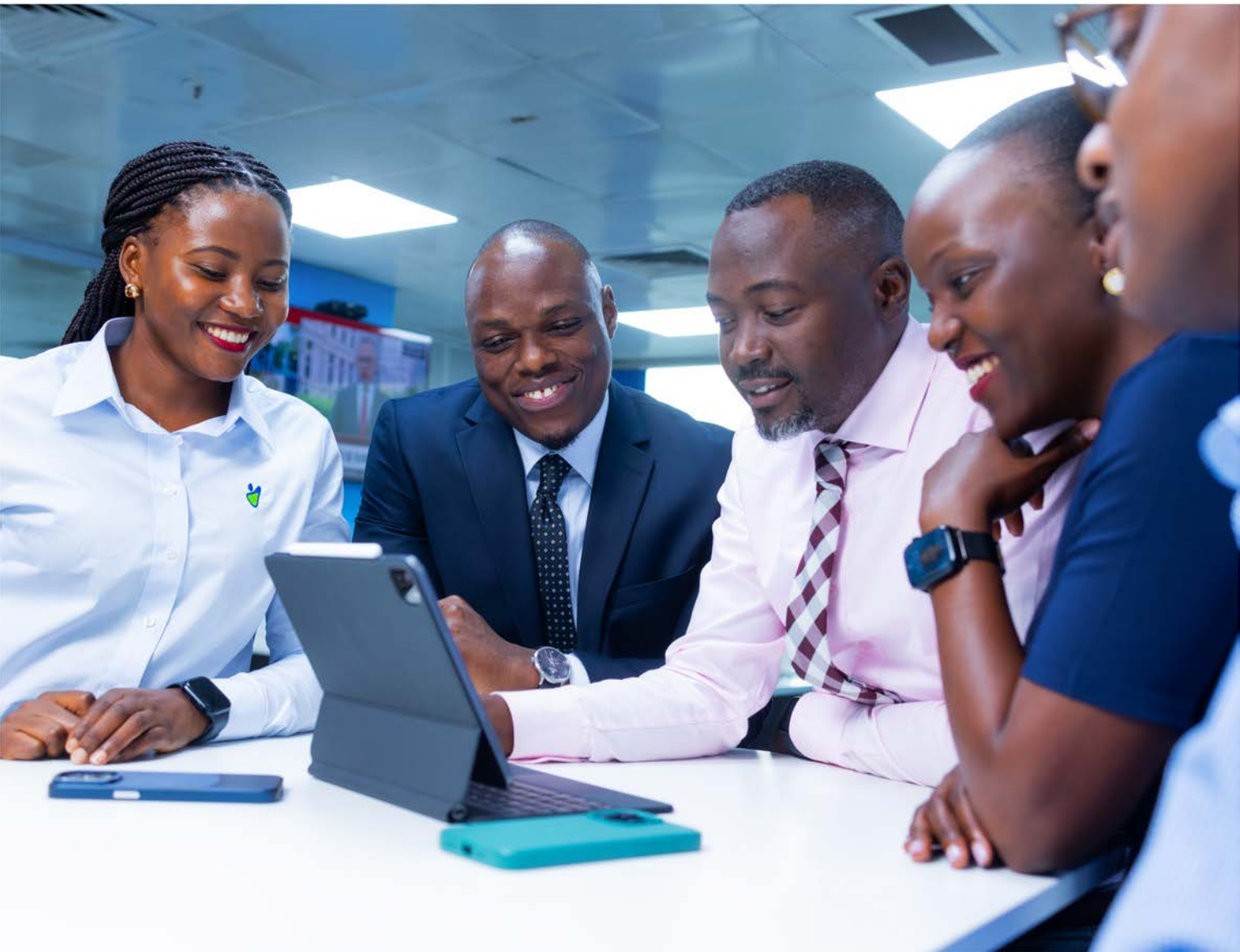
This year, we launched several key initiatives to empower our workforce. These initiatives include manager coaching, cross-functional collaboration through agile projects, HR training for non-HR managers, and strategic partnerships that offer employees opportunities for growth. By investing in our people, we are cultivating a resilient and adaptable workforce, prepared to meet the challenges of today and tomorrow.

Strengthening employee engagement

Employee engagement is a top priority as we work to create a workplace where every voice is heard and valued. Our recent satisfaction survey revealed both strengths and areas for improvement, steering our efforts to enhance inclusivity, support, and innovation. By promoting open communication and collaboration, we aim to not only engage but also inspire our employees to contribute to NSSF's long-term success.

A commitment to shared value

At NSSF, we recognise that creating shared value goes beyond financial metrics, it is about fostering emotional connections and making a positive impact on our employees, members, and the broader community. As we advance, our focus will be on harnessing the strengths of our diverse workforce to drive innovation and sustainable growth. Each day presents an opportunity to make a difference, and together, we are committed to building a brighter future for everyone.



NSSF employees collaborating in a brainstorming session

Looking ahead

As we progress under the theme “A New Day - Creating Shared Value for Sustainable Growth,” we remain dedicated to empowering our employees, fostering innovation, and driving sustainable success. The path ahead is rich with opportunities, and with the commitment of our talented workforce, we are confident in our ability to achieve our goals and deliver lasting value for our members and stakeholders.

Key developments in FY2024

Our employees are the cornerstone of our success in serving our members. Their creativity, dedication, and integrity form the foundation of our Fund's achievements. We are committed to creating a workplace where our people feel valued, supported, and empowered to make meaningful contributions to our mission. Our work environment is integral to our human capital strategy, which focuses on the entire employee journey— from attracting and retaining top talent to fostering engagement and offering comprehensive support for our employees and their families through our total rewards programme at every stage of life.



NSSF employees pose for a photo at the NSSF head office in Kampala

Occupational safety and health

In our ongoing commitment to ensuring a safe and secure work environment, the Fund placed significant emphasis on Occupational Safety and Health (OSH) during the year.

Key initiatives and outcomes

- Defensive driving training:** Approximately 600 Fund employees, including members of the Executive Committee (EXCO), participated in defensive driving training from Automobile Association of Uganda Consultants. This initiative was launched in response to a concerning increase in accidents involving both Fund and private vehicles. Since the training, we have seen a significant reduction in accidents, highlighting the programme's effectiveness.
- Safety measures for branches with lake operations:** Our branches near Lake Bunyonyi in Kabale and Lake Victoria in Masaka have each been equipped with two pairs of life jackets. This provision is designed to mitigate the risk of drowning and enhance the safety of our employees working in these locations.
- Risk vulnerability assessment:** A professional risk vulnerability assessment was conducted by the Uganda Police for all Fund offices and branches. The assessment identified several weaknesses, which we are actively addressing to enhance security and safety.
- Occupational safety and health audit:** Our OSH Champions conducted a comprehensive audit across all Fund work areas, identifying several hazards that require attention. We are actively working to mitigate these risks to enhance workplace safety.

Employee health and well-being

“A Healthy Lifestyle for a Better Life”

At the Fund, we are dedicated to cultivating a wellness culture that prioritises both the physical and mental well-being of our employees. We launched a series of initiatives to promote healthy lifestyle habits during the year. These efforts have yielded significant positive outcomes, including improved employee engagement, better health, individual empowerment, increased awareness of healthy living, reduced sick leave and absenteeism, higher productivity, enhanced teamwork, a growing wellness culture, and an overall healthier workforce.

Key wellness initiatives

- Step challenge (“Walk to Paris”):** From October to December 2023, we organised the "Walk to Paris" step challenge to encourage physical fitness and teamwork. The event saw enthusiastic participation from 85% of our employees, including nine members of the Executive Committee.
- Wellness Champions:** We appointed Wellness Champions to lead by example, inspiring their colleagues by sharing pictorials and videos of group workouts. Currently, there are over 40 active Wellness Champions across various departments.
- Fitness and gym encouragement:** Employees are encouraged to regularly visit gyms and fitness centres to participate in activities such as gym workouts, swimming, steaming, sauna sessions, and aerobics. This benefit has been highly utilised by our employees.
- Annual health camp:** During the annual staff conference, employees received comprehensive health check-ups. These included BMI measurements, blood pressure monitoring, random blood sugar tests, optical and dental exams, voluntary HIV counselling and testing, physiotherapy sessions, and doctor consultations.
- Mental health and counselling support:** We actively promoted counselling services and mental health support for employees and their dependents. We held four counselling seminars covering topics such as handling relationships, thriving in marriage, managing children and teenagers, and men's mental health.
- Employee wellness townhalls:** Conducted by the company health advisors to promote healthy living habits.
- Healthy meals servings:** Provided healthy meals options for employees in the cafeteria.
- Personalised doctor advisory:** Personalised health advice for colleagues with high-risk health conditions, delivered by company health advisors.
- Weekly wellness communication:** Circulated weekly tips on healthy living, counselling, parenting, and overall well-being.
- Health awareness and celebration of health days:** Sensitised staff and celebrated key health days such as World Cancer Month, World AIDS Day, World Mental Health Day, World Breastfeeding Week, and others.
- Dependent care support:** We provided onsite childcare facilities, supporting 70 babies, and celebrated mothers with a special Mother's Day Dinner at the Protea Hotel. Additionally, we established a resource centre in the crèche for mothers to borrow parenting books and trained employee helpers in first aid to manage emergencies at home.
- Workstation health visits:** Our company health advisors conducted visits to all employees at their workstations, offering extensive sensitisation on healthy living. They assessed the quality of staff meals, inspected food providers across the branch network, and evaluated the medical facilities frequently visited by employees.
- Launch of the NSSF Wellness App:** Developed internally by the Technology team to monitor staff well-being.
- Medical Board initiatives:** The Medical Board reviewed and recommended health and wellness solutions to further promote the wellbeing of Fund employees.

Our strategy

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An NSSF employee attends to infants in the Creche located at the NSSF head office in Kampala. The NSSF Creche was launched in 2019 to provide a clean, safe and accessible place to care for babies and young children up to the age of two years during the working day

Employee engagement and communication

Employee engagement

Our approach to employee engagement focuses on creating an environment where employees feel valued, informed, and connected to our organisational goals. In FY2023/24, we emphasised meaningful involvement and commitment beyond mere job satisfaction.

The annual Employee Engagement Survey is central to our strategy, providing a platform for employees to share their thoughts and feedback. This input guides our leadership in aligning strategies and policies with employee needs and aspirations.

This year, the overall employee satisfaction rate was 89%, an increase from the previous year's 86%. These results reflect a powerful sense of belonging and active participation in the Fund.

Additionally, our management team undergoes a 360-degree review process, enabling employees to offer feedback on leaders, peers, and direct reports. This ensures continuous improvement in management effectiveness.

Our engagement efforts also include various activities designed to build connections, foster open dialogue, and strengthen our sense of community within the Fund.

- **Managing Director's Town Halls:** Employees are updated on key business issues and given the opportunity to ask questions, promoting transparency and alignment across the Fund.
- **Team building activities:** Frequent team-building events help employees interact outside their daily routines, strengthening bonds and fostering collaboration.
- **Human resource roadshows:** Our Human Resource Business Partners periodically visit all branches to connect with employees on a wide range of issues, ensuring that every employee feels heard and supported.
- **Annual Staff Conference:** A key event where management communicates essential information to all employees in a collective setting, reinforcing a sense of unity and shared purpose.

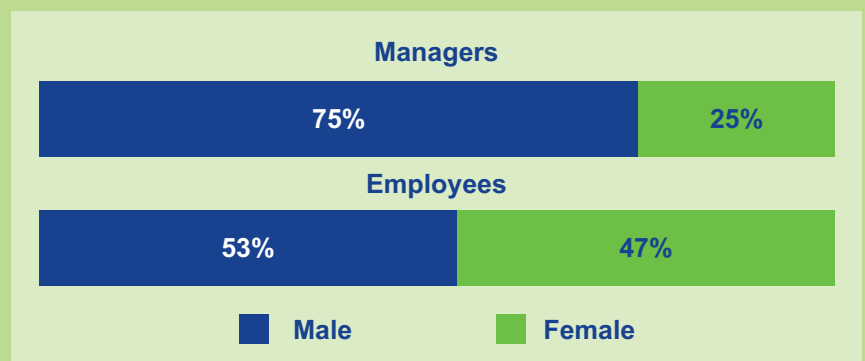
Communication

Our commitment to a positive work environment is built on trust, transparency, and teamwork. Effective communication is integral to our culture, and we utilise various online platforms to facilitate open dialogue, allowing employees to share insights and concerns.

Our intranet provides daily updates on Fund operations, reinforcing our dedication to valuing every voice and fostering thriving relationships. Our policies are clear, accessible, and reviewed every two years to ensure legal compliance and alignment with our strategies.

Equal opportunities

Our core philosophy centres on authenticity, valuing every individual, and fostering a sense of belonging. We are committed to building a diverse and inclusive workforce where equity is fundamental. This commitment is evident across all levels of the Fund, providing opportunities for individuals of all backgrounds, including diverse cultures, faiths, ethnicities, abilities, genders, and ages.



Our workforce has grown to 605 employees (up from 579 in FY 2022/23) due to new hires, with turnover reduced to 3.4% from 6.5% last year, reflecting stability after our organisational redesign.

At the Fund, equal opportunity and gender equality are actively pursued. Women represent 47% of our workforce, with 25% in managerial roles. Recruitment, promotions, and training are based solely on individual merit, rejecting any form of discrimination.

Remuneration and benefits

The Fund offers market-competitive compensation and benefits, guided by principles that ensure equity and effective governance. Our approach emphasises pay-for-performance practices to attract and retain top talent.

Additional benefits include medical and life insurance, leave concessions, gym memberships, and a retirement benefits scheme, among others.

Human rights and labour issues

In FY 2023/24, no incident of discrimination or violation involving human rights was recorded. In this regard, the Fund has the following policies:

- Anti-sexual harassment policy
- Anti-discrimination policy

Performance management

At the start of each financial year, we set clear, measurable performance targets at organisational, departmental, and individual levels. These targets align with the Balanced Scorecard perspectives: Financial, Customer, Internal Processes, and Learning and Growth. This alignment helps employees understand expectations and focus on key areas driving success.

The Fund is dedicated to cultivating a culture of performance excellence, ensuring every employee is aligned with our strategic vision and empowered to reach their full potential.

Employee retention and succession planning

At the Fund, fostering a culture of excellence is key, and talent retention plays a crucial role in this objective. We are committed to attracting, recruiting, and retaining top talent to ensure exceptional service for our members.

For FY 2023/24, the average employee tenure has risen to 9.4 years from 8.9 years, reflecting our success in maintaining a stable and experienced team. Additionally, 72% of our employees have been with the Fund for 5 or more years, underscoring the effectiveness of our retention strategies.

We also reward long-term service, exceptional performance, and significant achievements to further encourage loyalty and commitment.

Empowering growth: employee training and development

We believe the Fund's growth is closely tied to the development of our employees. Understanding that an organisation can only progress as far as its talent allows, we are committed to nurturing and expanding employee potential.

Our development approach starts with a comprehensive Training Needs Analysis (TNA) to assess current skills, identify gaps, and align training with our strategic goals. This ensures our programmes are relevant and targeted, addressing both individual and organisational needs.

To support career and performance growth, we offer in-house coaching programmes where employees receive personalised guidance from trained internal coaches. This helps them navigate their career paths, set goals, and enhance performance.

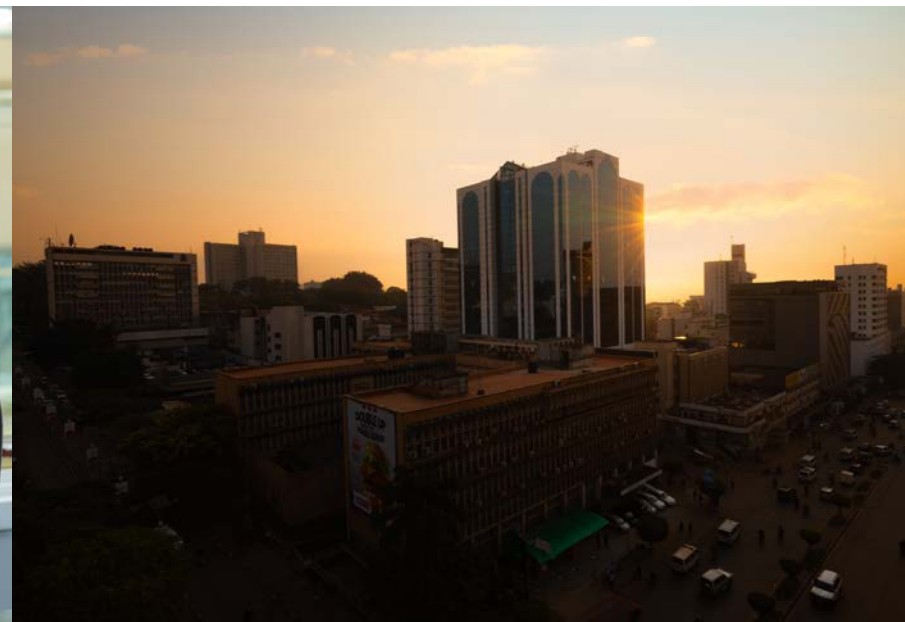
Additionally, we host monthly Pathfinder Career Conversations with industry professionals to provide insights on career and leadership topics. These sessions foster personal and professional growth by exposing employees to diverse perspectives and real-world experiences.

The Pathfinder Catalyst Academy is dedicated to empowering women, offering structured development to enhance leadership skills, build confidence, and impact both the Fund and beyond. This initiative promotes diversity and inclusivity, aligning with our commitment to supporting female employees in their leadership journey.

Our leadership development programmes focus on global best practices and innovative strategies through workshops, seminars, and interactions with international thought leaders. This prepares our leaders to effectively drive the Fund's strategic vision.

Our eLearning platform, Percipio, plays a crucial role by offering personalised learning journeys, professional courses, and various resources, including certification programmes and audiobooks. We encourage employees to utilise Percipio to address skill gaps and stay prepared for future challenges.

While we provide these resources and opportunities, we recognise that the drive to learn and grow must come from everyone. Our role is to offer support and tools, but personal commitment to development is essential.



Our regulators and government



During the last financial year, we actively engaged with our regulators and government to address members' needs and leverage opportunities from the NSSF Act. Our goal was to develop strategies that enhance members' lives throughout their journey while driving sustainable value for both the Fund and society.

Operating in a complex and heavily regulated environment, we recognize that changes in laws or regulations can impact our business. To mitigate these effects, we collaborate closely with regulators and government bodies to alleviate regulatory pressures and protect our customers and stakeholders. It is crucial that we engage with these key stakeholders across all aspects of our operations, using various communication channels to ensure effective and proactive management.

Our regulators include government, Parliament of Uganda, Ministry of Gender, Labour and Social Development (MGLSD), Ministry of Finance, Uganda Retirement Benefits and Regulatory Authority (URBRA), Public Procurement and Disposal of Public Assets (PPDA), Solicitor General, Attorney General and Uganda Revenue Authority (URA), Capital Markets Authority (CMA), National Environmental Management Authority (NEMA), Financial Intelligence Authority (FIA) and Bank of Uganda among others.

Our regional investments in Kenya, Tanzania, and Rwanda further expand our regulatory landscape. We consistently engage with these regulators to manage and adapt to regulatory changes, maintaining productive relationships to foster a stable business environment.

By working closely with policymakers and regulators, we aim to:

- Mitigate legislative and regulatory risks
- Maximise the impact of local investments
- Enhance our thought leadership on public policy
- Strengthen our position as a preferred technology and employer partner

Through these efforts, we build mutually beneficial partnerships and ensure effective regulatory compliance, benefiting both the Fund and our broader ecosystem.

Our engagement with these regulators extended throughout the year, with clear expectations of the intended outcomes. Any breach of regulations could expose NSSF to significant financial, operational, and reputational damage. Therefore, maintaining productive, two-way engagement with regulators and supervisors is crucial for a stable business environment and effective management of regulatory changes.



Quality of relationships

We strengthened our focus placed on ensuring robust governance processes and strong regulatory compliance. We took bold steps to shift our reputation in a positive direction. This is so because we remain committed to achieving our mandate and that we continue to place special focus on strengthening corporate governance and ethics, and stability of the Fund. As a result, we scored a media tonality of 92.1%.

Our Fund supervisors

Several Fund activities require regulatory authorisation, guidance, licensing, and/or registration with key regulators. During the reporting period, the Fund remained committed to adhering to relevant regulatory requirements, ensuring that our activities are authorised, controlled, supervised, and regulated.

Our senior leaders and Board dedicate substantial time representing NSSF to regulators, policymakers, and other stakeholders. This engagement allows us to understand their needs, expectations, and priorities while keeping them informed about our business developments.

Additionally, our business and control functions interact with regulators through various channels, including compliance reporting, policy recommendations, and participation in industry initiatives and ad hoc requests. This interaction has enhanced our ability to ensure the safety of the pension system and demonstrates our commitment to continuous improvement in fulfilling our mandate.

The Ministry of Gender, Labour, and Social Development (MGLSD) supervises social security matters, while the Ministry of Finance and Economic Development oversees financial, and investment aspects related to the Fund.



Our strategy

Collaborative engagements and regulatory compliance

We continue to collaborate with the Ministry of Gender, Labour, and Social Development (MGLSD) on corporate governance, leadership, budget guidance, partnership development, and regulatory issues related to the NSSF Act (Caps) 230. Our focus is on expanding sector coverage and increasing compliance.

We contributed to discussions on emerging regulations for voluntary savings in the informal sector. This engagement led to the drafting of Voluntary Savings regulations, with input from MGLSD, the Attorney General's Office, and other key stakeholders.

Supported by MGLSD, we participated in industry forums and trained District Labour Officers on inspecting and reporting employer defaults on customer remittances. We also engaged with key sectors such as ICT and Oil and Gas to enhance compliance. Our partners, including the National Organisation of Trade Unions, Central Organisation of Free Trade Unions, and the Federation of Uganda Employers, are actively involved in this process.

URBRA continuously monitors our products and services to ensure compliance with laws and regulations. Our investment decisions adhere to the NSSF Act, URBRA Investment Guidelines, and internal policies.

We have implemented internal procurement policies to meet new regulatory requirements, including the PPDA amended regulations 2023. Our expertise is actively engaged in highlighting key positives and best practices in the Fund's procurement and disposal processes. The PPDA rated our performance at 84.6%, recognising us as one of the best performing public entities in Uganda.



Hon. Betty Amongi Akena, Minister for Gender, Labour, and Social Development at one of the regional NSSF trainings of District Labour Officers/Inspectors



Hon. Betty Amongi Akena, Minister for Gender, Labour, and Social Development consults with Milton Owor, NSSF Chief People and Culture, during the regional NSSF training of District Labour Officers/Inspectors

Protecting our customers' financial data

Protecting our customers' personal and financial information remains a top priority. We continuously enhance our internal controls, policies, and security measures through a comprehensive approach that includes technological, administrative, organizational, and physical safeguards. Additionally, we have partnered with the Financial Intelligence Authority (FIA) to strengthen our understanding of money laundering trends and Know Your Customer (KYC) requirements, integrating these insights into our risk management framework.

Our approach to tax growth

We recognise that tax sustains and safeguards long-term growth value and enhances the reputation of communities in which the Fund operates. Additionally, it contributes to delivering greater stakeholder value. In the financial year, we continued to act lawfully and with prudence in our responsibility to comply with tax statutory obligations and disclosure requirements. The Fund maintained open and constructive relationships with the Uganda Revenue Authority (URA).

Our tax contributions for the reporting year, were as follows:

Tax expense	UGX 216Bn
Tax recovered from government	UGX 25Bn

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Our suppliers



Strategic evolution and purpose

"The Procurement and Disposal Unit (PDU) has evolved into a strategic partner within the Fund, focusing on innovative sourcing, sustainability, and fostering strong supplier relationships. Our mission is to efficiently and effectively acquire goods, services, and works for the Fund, while maximising value for money, managing risks, and ensuring compliance with applicable laws and best practices. Our core values emphasise risk mitigation, cost savings, regulatory compliance, and reduced turnaround times."

Ms. Rhona Kyomuhendo Ag. Head of Procurement and Disposal Unit



Commitment to integrity and compliance

This commitment is reflected in our

84.6% rating

from the Public Procurement and Disposal of Public Assets Authority

Our compliance was rated

93%

by Internal Audit

Our compliance was rated

94%

by Enterprise Risk Management

We uphold high standards of integrity and ethical conduct in our procurement practices, emphasising fair competition.

Enhanced efficiency through automation

We continue to automate procurement processes and reporting, guiding decision-making with improved efficiency. The use of the electronic Government Procurement (eGP) system has increased procurement efficiency to 96%, enhanced process transparency, and contributed to environmental sustainability by reducing printing.

Data-driven decision making and satisfaction

Our decision-making processes benefit from data analytics and cross-functional collaboration, improving stakeholder fulfilment.



Suppliers engaging and collaborating at the Suppliers Forum

FY 2023/24
internal customer satisfaction
with procurement services

93%

PDU staff
engagement was

97%

The Fund held its 8th annual Suppliers Forum
on 3 April 2024, with the theme

**"Driving Procurement Excellence
in Public Procurement."**

Participants rated the event
with a satisfaction score of **92%**

Value creation and local engagement

The PDU creates value by acquiring high-quality inputs at competitive prices through market analysis and negotiations

achieving savings of UGX 2.2Bn

In FY 2023/24, over 150 unique suppliers were engaged, with 84% being local contractors. We applied reservations to promote local content and special groups, including women, youth, and persons with disabilities.

Contract management and environmental protection

The introduction of a contract management system and contract management index has ensured the timely provision of essential goods and services. We also protect the environment by conducting annual disposals of items such as IT equipment, furniture, and tyres for re-use or recycling.

Strategic Procurement Initiatives

For FY 2024/25, we have initiated several strategic procurements, including:

- Additional Works for Pension Towers at UGX 51.0Bn
- Procurement of an Enterprise Resource Planning Solution at UGX 5.8Bn
- Virtual Analytics Environment at UGX 2.7Bn



Alignment with Vision 2035 and future focus

The PDU is strategically aligned with Vision 2035, focusing on relationship management, cost optimisation, and stakeholder fulfilment. We leverage data management, internal and external engagement, and partnerships with key service providers. Our FY 2024/25 focus includes reserving at least 30% of the procurement plan for special groups, engaging more with regional suppliers, conducting total lifecycle costing, and creating a baseline for evaluating supplier practices.

Looking ahead

We are committed to further integrating innovation and sustainability into our procurement practices to enhance our impact and effectiveness.



Panel for the Q&A session from left to right Mr. Mbowe Apollo Kibirango, Prof Augustus Nuwagaba, Mr. Senyonjo Edward and Dr. Byaruhanga Aloysius



Participants at the Supplier Forum engaging in a question and answer session

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International engagements

NSSF Liaison Office activities

Last year, NSSF established and opened a Liaison Office to manage International Social Security Association (ISSA) activities across East Africa. This office also serves as the main contact for the Africa Social Security Association (ASSA, formerly ECASSA) and the International Labour Organisation (ILO), among others.

The Fund's Managing Director oversees the Liaison Office and holds several key positions: Chairperson of the ISSA East Africa Liaison Office, member of the ISSA Bureau, Vice Chairperson of the ISSA Technical Commission on Investment of Social Security Funds (TC Invest), and member of the ASSA Governing Council.

Key achievements of the Liaison Office in FY 2024 include:

- 1. ISSA TC Invest participation:** The Fund's Managing Director contributed to updating ISSA guidelines on investing social security funds, which will be adopted globally by ISSA members.
- 2. EAC policy contributions:** We reviewed and provided input on the EAC Decent Work Programme and the draft EAC policy on social protection.
- 3. International benchmarking:** Enhanced visibility led pension funds from Saudi Arabia, Zambia, Tanzania, Zimbabwe, and Eswatini to benchmark their practices against ours.
- 4. Capacity building:** Over 40 staff members attended seminars and training sessions organised by ISSA, ASSA, ILO, and EAC. The Fund also hosted a Technical Seminar in August 2023, drawing approximately 80 local and international participants.
- 5. Collaborative innovation:** The Fund was selected to lead a project with the ISSA Collaborative Innovation Hub on behavioural insights for workers in the informal sector, recognising our efforts to expand social security coverage. A toolkit will be developed upon project completion for global ISSA member use.

The Liaison Office continues to foster relationships with ISSA, ILO, and social security schemes in East Africa and explore new opportunities, such as a self-financed Social Protection Training Centre tailored to local needs.



Hon. Dominic Gidudu, State Minister for the Elderly (3rd left), the NSSF Managing Director and the ISSA Regional Liaison Officer receive the ISSA flag from Marcelo Abi-Ramia Caetano, ISSA Secretary General



Collaborating for success: Our employees from left, Stephen Omojong, Fath Achieng and Rebekah Kabugo at ISSA Behavioral Insights Workshop, June 2024, at ISSA Headquarters, Geneva, Switzerland

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Shared value

Creating shared value through sustainable initiatives to foster shared prosperity

As a responsible corporate citizen, NSSF is committed to creating sustainable value through our corporate social investment (CSI) initiatives. These activities are aligned with ESG principles, demonstrating our dedication to environmental stewardship, social impact, and good governance. By focusing on long-term solutions and incorporating ESG considerations into our decision-making, we are striving to contribute to a better future for all.



Driving sustainable growth through fostering shared prosperity

As a responsible corporate citizen, we believe in creating a positive impact on our members, stakeholders, and society. Our corporate social investment (CSI) initiatives are designed to deliver lasting value through sustainable solutions that address social, environmental, and economic needs.

To create lasting value for our members, the Fund is committed to implementing sustainable initiatives and solutions as follows:

The Financial Literacy Programme

Our Financial Literacy Programme aims to equip our members and the public with the knowledge and tools to make informed financial decisions throughout their lives. This initiative was launched in 2019 following a 2018 survey that highlighted a concerning trend: 90% of NSSF's beneficiaries were depleting their savings within two years without realising long-term benefits. By promoting responsible financial behaviour, we aim to foster shared prosperity and improve the overall well-being of our members.

 **Read more about our Financial Literacy Programme**



Mrs. Florence Mawejje, Human resource professional engages participants during the Financial Literacy sessions on YoBenefits Count

Hi-Innovator Programme

The NSSF Hi-Innovator Programme, launched in partnership with the Mastercard Foundation, is a five-year initiative dedicated to empowering youth and small and medium-sized businesses (SMBs) in Uganda. Through entrepreneurial education, funding, and technical support, the programme aims to foster sustainable growth and create employment opportunities.

Since its inception in August 2020, Hi-Innovator has focused on supporting businesses that often struggle to secure the necessary financing and resources for expansion. By providing seed funding, mentorship, and access to business networks, the programme helps entrepreneurs develop their skills, scale their businesses, and contribute to economic growth. The Hi-Innovator Women Accelerator is a specialised component of the broader initiative, aimed at empowering women-led businesses in Uganda. This segment was developed in response to challenges such as low participation, lack of confidence, gender stereotypes, time constraints, and fear of failure among women entrepreneurs.

Stitching dreams: How Mtindo trains youth and women in tailoring

Mtindo studio academy located in Gulu-Suzan Namirimu (proprietor) trains youth and women in tailoring.

 **Watch the video here**



Internal innovation initiatives and programmes

At the Fund, we believe that innovation is the cornerstone of our success. By cultivating a culture that encourages creativity, experimentation, and continuous improvement, we can enhance employee engagement, deliver exceptional member experiences, and drive sustainable growth.

To drive sustained growth, several internal innovation initiatives are being undertaken.

This year, our Black Swan and Trailblazers initiative has achieved noteworthy progress. By combining these two programmes, we organised interactive financial mindset workshops for artisans. These workshops, which focused on personal aspirations and financial planning, successfully shifted the mindset of participants. Through storytelling, practical advice, and digital platforms, we empowered artisans to make informed financial decisions, save for their future, and improve their overall well-being.



Artisans undergoing a theoretical skills assessment



Female welder performing a practical skills assessment

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Empowering members for sustainable retirement through financial literacy and entrepreneurship

The NSSF Beneficiaries Survey 2024, conducted in partnership with Enterprise Uganda, explored how NSSF benefits are utilised and perceptions toward retirement. The survey revealed that most beneficiaries spent their benefits on non-income-generating expenses, with 40% on children's education, 34% on building homes, and 33% on acquiring land. Only 28% invested in income-generating activities, such as businesses and agriculture, while 16% used the funds for food.

The report highlighted concerns that these spending patterns undermine a decent standard of living after retirement, with many beneficiaries, particularly those aged 56-60, supporting multiple dependents and remaining in full-time employment.

Crucially, the survey underscores the importance of entrepreneurship, business, and financial literacy skills for current members, as many are likely to venture into business when they receive their benefits. Enhancing these skills is essential for maximising benefits and ensuring a sustainable retirement. The survey sampled 1,129 savers, with varying types of benefits received.

 [NSSF national beneficiaries survey report](#)



Stephen Omojong – Research and Product Development Manager, NSSF during the launch of the survey Report



Sign up for the free **NSSF Financial Literacy Program** and start your journey to financial freedom.

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Foreword by NSSF Chairman Board of Directors

"I am pleased to present our Corporate Governance report for the FY2023/24, which has been the final year of the 12th Board in office. I take this opportunity to congratulate my fellow Board members for successfully completing their term. I commend the Board and Management for their great leadership in upholding good governance and ensuring that the Board's mandate is delivered."

Dr. Peter Kimbowa,
Chairman, Board of Directors



Reflections on the state of the Fund's governance

On behalf of the Board, I commend the Management and staff for the recovery and resilience demonstrated after the disruptions of the Fund operations by six probes over an eight months' period. The Fund continues to exceed the key performance targets in terms of portfolio growth, member satisfaction, efficiency in its processes and staff satisfaction. Sustainability and ESG are part of components of the Vision 2035 and the Board will continue to promote this agenda through creation of awareness, strategic planning and policy formulation, provision of oversight and guidance.

Our corporate governance structure and practices have enabled us to create value for the Fund, our members and all our stakeholders in this ever-changing environment.

Our governance report sets out our robust approach to sound corporate governance and alignment to King IV principles, our mandate as the Board, together with reports from each Board Committee and activities executed in the FY2023/2024 financial year.

The Board, being the overall custodian of good corporate governance, together with the Management Team, promotes and upholds the core fundamental principles of governance; accountability, fairness, transparency, and social responsibility in the way we conduct business and in all our processes.

Our integrated report discloses our performance to our members, our stakeholders, and the public as a commitment to our accountability and transparency.

The Fund held an Annual Members' Meeting on 26 September 2023, where the financial performance, the audited financial accounts, the Integrated Report, and the inaugural ESG/Sustainability report were presented to our members and all stakeholders.

The Board's approach is to ensure that corporate governance is embedded into the strategic objectives, operations, and internal processes of the Fund's business. The Board is committed to keeping abreast with new corporate governance trends from an international, regional, and local perspective in the fulfilment of its vision to become the social security provider of choice to its members and generate tangible sustainable returns.

The Board continues to

- Inspire and rebuild trust within the Fund and the public.
- Clarify on the Fund business purpose.
- Provide a culture of constant measurement through feedback and reinforcement.
- Harness team-based approaches within the Fund.

Finally, I express immense gratitude to the supervising ministries, fellow agencies, the outgoing Board, the Management team, and staff for the unwavering support exhibited during this tenure.

Compliance statement

The Fund's governance approach is based on the main principles and provisions set out in the UK Corporate Governance Code and the King IV Code on Corporate Governance.

The Fund adheres to and ensures full compliance with the provisions of the National Social Security Act Cap 230 that regulates the Fund's activities. The Board also adhered to all other laws that affect the regulatory environment of the Fund's operations and supported management in ensuring full compliance.

The Board is also governed by the Board charter which stipulates the parameters within which the Board operates and ensures the application of the principles of good corporate governance in all its dealings. The charter sets out the roles and responsibilities of the Board, its committees, and individual Directors, including its composition and relevant procedures of the Board. The charter is aligned with the provisions of the UK Code and King IV Code on Corporate Governance. The Board charter was reviewed to align with emerging trends in good governance.

The way we have continued to apply these governance principles is demonstrated throughout the report. The Board confirms that the Fund, throughout the period under review, complied with all applicable laws and regulations.

Our governance

Significant developments during the board tenure

- Implementation of the provisions of the NSSF Act 230 and support to the formulation of the regulations to operationalise the amendments. The implementation of mid-term access and the livelihood programme have been key during the current tenure
- Board dynamics. The Board is constituent based and the dynamics within have been well maintained
- Productive navigation and corroborative definition of our agenda between the various stakeholders, especially among the two principal supervisors
- Digital transformation within the Fund
- Launch of Vision 2035
- Integrating the Fund strategy into the National Development Plan (NDP3) to make the Fund more visible and economically useful to Uganda's development
- Support to the Management team to implement agile roadmaps

Reward and recognition for our integrated report 2023

We were delighted to report that the Fund received special recognition for good Corporate Governance Reporting at the Financial Reporting (FiRe) Awards 2023.

This result reflects the focus and commitment by the Board and Management upholding the core fundamental principles of corporate governance.



Performance overview of the Board

- Achieved and exceeded the targeted assets under management of UGX 20Tn ahead of time
- Evaluation of the Board performance. The Board and each member achieved a good performance rating
- Information architecture in the Fund. The Board has continued to receive accurate and complete information in a timely manner that has facilitated decision making
- Creation and scale up of various projects such as Hi-Innovator Programme and the proposed National Marketing Company (NAMCO) among others
- Introduced executive coaching for senior leaders of the Fund especially in management and performance enhancement
- Embedded digital and analytics to grow legacy businesses and create new ones
- Reshaping the balance sheet and cost structures through successful budgeting
- Implementation of the NSSF Agency model to enhance service delivery and accessibility for members

Challenges during the FY 2023/24

- Multiplicity of probes/ investigative inquiries which brought disruptions and affected morale of employees
- The emergence of unprecedented risks due to the ever-changing global landscape
- Land challenges which stemmed from double titling by the Ministry of Lands, Housing and Urban Development in 2019
- Board Dynamics. Creating and maintaining a cohesive, focused, and dynamic team at the Board
- Whistleblowers. Managing the multiplicity and complexity of authorised and non-authorised information

Outlook

Technology	The Board working with Management would like to drive the Fund as a technology company guided by data and algorithms for decision making and processes. There is need to upskill, reskill and attain new skill to enable the Fund to achieve a cutting edge for tech driven strategies.
Human Capital Development	Continuous learning agenda for staff. Putting people at the centre of the corporate purpose.
Innovation	Drive innovation hubs in the Fund.
Diversification	Emphasis should be to diversify the Fund's investments across various asset classes, sectors, and regions. Explore opportunities in alternative investments.
Collaborative Partnerships	Collaboratively determining the next value working with others in partnership.
Knowledge	Data driven knowledge. Decisions and analysis should be supported by data.
Ethical Standards	Integrity of our processes.
Resilience	The Fund should be able to withstand pressure from the external environment.
Sustainability	Broaden and deepen the footprint in sustainability.



Our governance

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Introduction to Corporate Governance

A New Day- creating shared value for sustainable growth

“The Legal and Board Affairs Department of the National Social Security Fund continues to evolve into a business value creator. The Department being an approved Law Chamber operates on private legal practice norms in delivering its mandate.”

Ms Agnes Tibayeita Isharaza - Corporation Secretary



Collaborative efforts for ethical business practices

The Department has worked closely with the Board to ensure that we adhere to ethical business processes and enhance the Fund's reputation. Together, we have advocated for clear and transparent governance practices to build trust with our members and stakeholders for long term sustainable growth.

Independent legal advisory and compliance

The Legal Department provides independent legal advice to all functions across the organisation by ensuring that they comply with all laws and regulations that are in place thereby avoiding legal risks and ensuring long term sustainability. In driving sustainable growth, the Department ensures that in all contracts that are executed, sustainability clauses are embedded, and sustainability practices are adhered to. In drafting and reviewing our policies, we ensure that they comply and are aligned with laws promoting diversity, equity, and inclusion.

Proactive legal risk management

Legal risk management has also remained key on the Department's agenda which has enabled us to proactively address legal risks which could impact on the Fund's business and minimise the litigation against the Fund. As a department, remittances of the members contributions are key on our agenda and during the year under review, we were able to collect close to UGX 8Bn of unremitted contributions through our recovery processes that are aligned to the strategic goals of the Fund.

Implementation and expansion following NSSF Act Amendments

Following the amendment of the NSSF Act, we have supported the various Departments in ensuring that the new provisions are implemented seamlessly without any disruptions to the Fund's Business, members, and all stakeholders. The amendment of the NSSF Act has made it possible to extend the Fund's coverage to the informal sector, we are therefore working with several stakeholders to render support in the formulation of voluntary regulations to deliver value to both the members and our stakeholders for long term sustainable growth.



The Fund launched a mass registration campaign that was aimed at registering all Employers in Uganda, irrespective of the number of workers employed



Legal clinics

During the year in review, together with the relevant stakeholders, we conducted legal aid clinics on laws pertaining to employment law, financial fraud awareness, intellectual property rights and artificial intelligence. The legal aid clinics have enabled us focus on building long term partnerships with our stakeholders and to also jointly address social and environmental issues.

The Uganda Law Society Annual Probono day at the Railway grounds

Visualising the terrain ahead

“A new day” has given us the opportunity as a department to evolve and devise solutions that will offer long-term value to our members and stakeholders without compromising the regulatory environment in which we operate.

We shall continue to leverage on strategic partnerships in the coming year to continuously improve our processes, sensitise the internal staff, our members, and key stakeholders on the provisions of the NSSF Act and emerging trends in laws that impact our business and operations.

We shall continue to support the business in the development of new benefits and products for our members sustainable growth. We shall continue to re-skill our staff on legal aspects of sustainability and evolve to automate our processes to improve our service delivery.



Our Board



The Board of Directors/Trustees is the governing body of the Fund and accountable for reviewing, evaluating, and directing the Fund's strategic plan and objectives.



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Our Board profiles



Dr. Peter Kimbowa
Chairman Board of Directors
Private Sector Representative

Appointed Tenure September 2021
2 years 10 months

Qualifications

- Ph.D.- Commonwealth University/ London Graduate School
- MBA (Strategy) -Maastricht/ ESAMI
- Internationally Certified Coach – Cert. No. 12322 by International Coach Federation (ICF)
- Certified member - American Management Association
- Certified member- Harvard Business Review
- Certified member – Association and McKinsey Global
- Internationally Accredited Clarity 4D Trainer
- Business Partner, Strathmore Business School (SBS)

Expertise

- Governance
- Global Leadership Catalyst
- Coach
- Author
- Speaker
- Organizational and Transformational work
- Learning from the future
- Strategy
- Sustainability Projects



Mr. Patrick Ayota
Managing Director

Appointed Tenure December 2022
1 year 7 months (on the Board)

Qualifications

- CPA(U) - Certified Public Accountant of Uganda
- MBA - University of South Carolina, USA
- Bachelor of Science Degree in Finance - Liberty University, Virginia, USA
- CPA - Georgia USA

Expertise

- Strategy formation and execution
- Innovation
- Financial reporting and accounting
- Taxation
- Leadership
- Project management
- Financial Analytics



Mr. Patrick Ocailap
Non-Executive Director
Government Representative from the Ministry of Finance
Planning and Economic Development (MOFPED)

Appointed Tenure December 2013
11 years 7 months

Qualifications

- Master's Degree in Development Economics- William College, Massachusetts (USA)
- Bachelor of Commerce Degree (Finance)-Makerere University (Uganda)
- Certified Public Private Partnerships (PPP) Member from the Institute of Public Private Partnerships -IP3 (USA)
- Certificates in Public Finance, Tax Policy, Statistics and Administration, Management, Strategy, and Leadership

Expertise

- Development Economics
- Public Policy and Financial Management
- Strategy formation and execution
- Financial reporting, accounting, and taxation
- Risk Management
- Project management
- Governance and Compliance



Dr. Silver Mugisha
Non-Executive Director
Representative Federation of Uganda Employers

Appointed Tenure September 2021
2 years 10 months

Qualifications

- Ph.D. in Engineering and Economics and Management from Makerere University – Uganda in Collaboration with PURC-University of Florida, USA
- MSc. Sanitary Engineering (Sector Utility Management)- IHE Delft-Netherlands
- BSc. Civil Engineering- Makerere University-Uganda

Expertise

- Organisational development
- Business process re-engineering
- Capacity development, networking and partnerships development
- Performance development planning and implementation
- Project management, negotiations and financing
- Strategic management and enterprise reforms
- Performance monitoring and regulation
- Human resources development and productivity analysis
- Performance incentives design and benchmarking
- Cost-benefit analysis
- Hydraulic structures and design
- Management of Water supply and sanitation systems
- Public-Private Partnerships
- Operations research and industrial organization
- Stakeholder mapping and buy-in



Ms. Annet Nakawunde Mulindwa
Non-Executive Director
Representative Federation of Uganda Employers

Appointed Tenure February 2022
2 years 4 months

Qualifications

- Master's in Business Administration majoring in Finance - Makerere University Kampala. (2006 to 2009)
- Postgraduate Diploma in Financial Management - Uganda Management Institute. (2006 to 2009)
- Bachelor's Degree in Arts - Makerere University Kampala (1995 – 1998)
- Strategic Leadership in Inclusive Finance - Harvard Business School (USA).
- Business Continuity Management - Certificate in ISO 22301 Foundation.
- Balanced Scorecard Professional (BSP) - George Washington College of Professional Studies (USA) (September 2011)
- Advanced Leadership Training - Wharton Business School, University of Pennsylvania (USA).

Expertise

- Banking
- Leadership
- Women Development
- Coaching
- Asset-Liability Management
- Audit and Risk Management
- Corporate Governance
- Strategic Planning and Performance Management

For detailed profiles of our Directors see xx in our ESG Report and link xx to our Digital Report

Our Board profiles



Dr. Sam Lyomoki
Non-Executive Director
Workers Representative Central Organisation of Free Trade Unions

Appointed Tenure September 2021
2 years 10 months

Qualifications

- Bachelor of Medicine and Bachelor of Surgery - Makerere University, Uganda
- Master of Business Administration
- Master of Science in Community Health
- Master of Public Administration and Management
- OakSeed Executive Leadership Course of the Institute of National Transformation (INT), USA
- Leadership Training Programme on Servant Leadership of the Sundoulos African Leaders' Training (SALT) Programme in Partnership with Development Associates International, USA
- Course in Key Labour Market Issues in Africa of the World Bank Institute, Global Development Learning Network Centre, Uganda Management Institute

Expertise

- Medicine and public health
- Occupational health and safety
- Human resource management and public administration
- Leadership
- Legislation and representation
- Social security and health insurance
- Business administration
- Human rights, labour rights and labour markets
- Stakeholder and people management
- Strategic and proactive management
- Lobbying and critical thinking



Ms. Peninnah Tukamwesiga
Non-Executive Director
Workers Representative COFTU (Central Organisation of Free Trade Unions)

Appointed Tenure September 2015
8 years 10 months

Qualifications

- Master of Laws (Makerere University (Uganda)
- Post Graduate Diploma in Legal Practice -Law Development Centre
- Bachelor of Laws-Uganda Christian University

Expertise

- Legal Expertise
- Labour Law and Arbitration
- Human Resource Management and Development
- Corporate Governance
- Employment Advisory
- Commercial Law
- Dispute Resolution
- Taxation



Mr. Hassan Mudiba Lwabayi
Non-Executive Director
Representing Workers' (National Organisation for Trade Unions)

Appointed Tenure September 2021
2 years 10 months

Qualifications

- Bachelor of Laws Degree from Cavendish University Uganda (CUU).
- National Diploma in purchasing and supplies management from Nakawa Institute of Business Studies (NIBS)

Expertise

- Law
- Procurement
- Labour rights
- Organizational Management
- Negotiation skills & Alternative Dispute Settlement skills (ADR)



Mr. Aggrey David Kibenge
Non-Executive Director
MOGLSD (Permanent Secretary, Ministry of Gender Labour and Social Development)

Appointed Tenure November 2020
3 years 8 months

Qualifications

- Master of Public Administration and Management - Makerere University Kampala
- Bachelor of Education-Makerere University
- Diploma in Education- National Teachers' College, Kakoba
- International Advanced Trustee Professional Development Course from the Johannesburg School of Finance 12th to 16th February 2024 Zanzibar, Tanzania

Expertise

- Education
- Leadership
- Strategy formation and execution
- Risk Management
- Project Management
- Public Policy
- Business Development
- Governance and Compliance
- Project Management



Ms. Annet Birungi
Non- Executive Director
Workers Representative National Organisation for Trade Unions

Appointed Tenure February 2022
2 years 4 months

Qualifications

- Masters in Management Studies
- Post Graduate Diploma in Hospital and Health Care Management from Uganda Management Institute
- Bachelor of Science Degree in Nursing Science from International Health Science University
- Certificate in Registered Nursing from Mulago School of Nursing and Midwifery
- Certificate in Enrolled Nursing from Kabale School of Nursing and Midwifery

Expertise

- Professional nurse
- Lobbying and Advocacy skills
- Labour laws and international labour standards
- Strong leadership and teamwork skills
- Strategy formulation and direction
- Interpersonal, motivational, Counseling and guidance skills
- Report writing skills
- Investment Management skills
- Monitoring and evaluation skills
- Analytical skills
- Risk management and Prevention skills
- Retirement management and trust ship skills

Composition of the Board

The Board comprises Directors with a wide variety of skills and experience to effectively lead the strategic direction of the Fund. The 12th Board is diverse and balanced.

The Stakeholder Board is headed by the Chairman and consists of:

- Ten Directors appointed for a three-year term renewable once in line with Section 3 of the NSSF Act Cap 230
- Directors represent each of the key stakeholder groups of members, employees, employers, and Government, and include:
 - One Executive Director (ex-officio); and
 - Nine Non-Executive Directors

Independence

As of 30 June 2024, eight of the Non-Executive Directors were independent as defined in the governance codes and our Board Charter, which represents 88% of the Board.

Directors are considered by the Board to be independent of Management and free from any business relationship or other circumstance that could materially interfere with objectivity, unfettered or independent judgement. The independence of each Director is assessed annually by the Board as part of its annual Board Effectiveness Review and in conducting its current assessment, it was concluded that all Directors continue to bring strong independent oversight and demonstrate those qualities and behaviours it regards essential to be considered independent as set out in their terms of reference and Board Charter.

The Chairman is independent and in line with best practice, his roles are separate from those of the Chief Executive Office.

Board skills and experience

Main Board - Skills and Experience



Board appointments and resignations

The Minister responsible for Social Security, currently the Minister of Gender Labour and Social Development, appoints Directors for a three-year term renewable once. The MD is recommended by the Board and appointed by the Minister. Under section 3(4) of the NSSF Act Cap 230, a Director may, by writing in his/her hand a letter addressed to the Minister of Gender, resign his/her office.

During the year under review, Mr. Patrick Micheal Ayota was appointed to the Board as an Executive Director following his appointment as the Managing Director of NSSF on 18th August 2023.

The term of office for Dr Peter Kimbowa, Mr Patrick Ocailap and Mr Lwabayi Mudiba Hassan ended on 31 August 2024.

On 1 September 2024 Dr David Ogong was appointed as the new Chairman. On the same day, Mr Ramathan Ggoobi and Mr Richard Bigirwa were appointed as new members of the Board.

Board/management relationships

The Board appoints the Fund's senior management/Executive Committee. The Board is responsible for succession planning for key management roles. During the year under review, the Board considered and approved the appointment of Rhona Kyomuhendo as Acting Head of Procurement and Disposal Unit.

The Board further reviewed the management composition and succession planning to ensure that the successors for key roles, including that of the MD and Deputy MD, are identified and their performance assessed.

Director induction, training, and development

The Board considers that the development of industry and Fund knowledge is a continuous and ongoing process. Upon joining the Fund, each Director undertakes an induction programme to further their understanding of the nature of the Fund, its business, and the environment in which it operates, and enhance their knowledge of the Fund's operations and staff. The induction programme is tailored to each new director, depending on individual experience and background.

The Corporation Secretary maintains the Directors' annual training records for regular review by the Board.

In addition to Directors' attendance at meetings and review of relevant materials provided by Management during the year, they attended professional training to enhance their skills and knowledge.

Board training and attendance

Title	Date	Training details
Corporate Governance Risk & Ethics Management for Board Members	2 - 6 October 2023	The programme was designed to support the NSSF board of directors in managing their risks and practicing good corporate governance. This provides a competitive advantage, as they consciously take risk management into account, anticipate adverse changes, hedge, and protect themselves from such changes, thereby reducing negative financial outflows.
Trustees Training	11 - 15 December 2023	The programme equipped the NSSF Board members with the essential legal, investment and related knowledge required to become effective trustees and oversee their fund's activities with confidence.
Specialised Investments and Project Monitoring Committee Training	24 - 28 June 2024	The training for the Investments and Project Monitoring Committee members was designed to equip them with an understanding of investment policy, portfolio management, and asset diversification. It also enhanced their knowledge of governance in the context of a Trustee Board and the legislative requirements for investing scheme assets. Additionally, the training covered the management of different asset types, including equities, bonds, real estate, and alternative assets such as private equity and hedge funds.
Customised ARC Committee training conducted by Board advisory, Johannesburg, South Africa	15 -17 April 2024	The training for the Audit and Risk Committee members was designed to enhance their understanding of cybersecurity, compliance, and audit functions. It also focused on improving financial reporting, risk management, fraud prevention, and ESG governance. Additionally, it aimed to equip members with the skills to develop and execute an effective ARC workplan.
Customised Finance Committee Training by Prof. Samuel Kisakye Seijaaka, Team leader, MAT Abacus	19 April 2024	The training was aimed at equipping the Finance Committee members with skills to effectively manage and oversee financial operations, ensure compliance with legal and regulatory requirements, and enhance their ability to mitigate and manage financial risks.
ILO Conference	3 -14 June 2024	At the International Labour Conference, delegates addressed topics such as protection against biological hazards, fundamental rights at work, and the care economy. The Conference also elected the Governing Body for the 2024-27 term.
Board Acceleration Programme Customised SACA Training	10 -13 October 2023	The training focused on rebuilding trust and teamwork within the NSSF Board and EXCO after a period of external scrutiny and probes from Parliament. The programme aimed to restore the organisation's morale and performance by addressing relational challenges, fostering a people-centric culture, and preparing the NSSF to better withstand future shocks.

Continuous professional development programme

As part of the Continuous Professional Development Programme, the Board members from time to time receive presentations from senior executives in the Fund on significant matters. The Fund also arranges appropriate regional branch visits and seminars covering the Fund's operations, the industry and governance matters for the Directors to facilitate their understanding of the Fund business and risks associated with the Fund's operations.

The Board and Management also periodically meet to discuss the strategy of the Fund and how best it can be aligned to the needs of the members.

Continuous development of the Board and Management remains a key area in a bid to improve corporate governance. In the year under review, the Board, EXCO together with the Internal Audit, Risk and Legal and Board Affairs Department were trained in Integrated Reporting and Combined Assurance.

This has enhanced the level of reporting by Management to the Board, thus strengthening leadership capability and focusing on strategic issues.

The Assurance Departments have also devised a work plan to strengthen collaboration of the assurance functions in executing their assurance roles, but at the same time not impairing their independence.

Board and committee member attendance

The Chairman shall preside at all meetings of the Board, but in his absence any member appointed on his behalf by the members present shall preside. The Board shall meet for the discharge of its functions at least once every three months at such time and place as the Chairman may appoint or upon the request of most of the Board members.

A simple majority of the members present shall take decisions of the Board and voting, with the person presiding having a casting vote.

Section 5 (5) NSSF of the Act empowers the Board to invite or co-opt any person to attend any Board meeting or be consulted as an independent advisor, but such a person shall not be entitled to vote on any matter being decided by the Board at that meeting. The Board shall determine the area or field where professional advice is required. Management follows the PPDA rules and regulations to engage the advisors so required. Management therefore co-opted the services of Engineer Kenneth Ssemwogerere and Mr. Felix Okoboi as Investment and Project Monitoring Committee Advisors together with Mr. Albert Richards Otete as the Audit and Risk Assurance Committee Advisor.

Directors	Board		Investment and Project Monitoring Committee (IPMC)		Audit and Risk Committee (ARC)		Finance Committee		Staff and Corporate Affairs Committee (SACA)	
Name	No. of meetings	Attendance rate	No. of meetings	Attendance rate	No. of meetings	Attendance rate	No. of meetings	Attendance rate	No. of meetings	Attendance rate
Dr. Peter Kimbowa	13/13	100%	N/A	-	N/A	-	N/A	-	N/A	-
Mr. Patrick Ocailap	7/13	53%	6/6	100%	N/A	-	3/5	60%	N/A	-
Mr. Aggrey Kibenge	12/13	92%	N/A	-	N/A	-	5/5	100%	7/8	88%
Dr. Silver Mugisha	12/13	92%	5/6	83%	N/A	-	5/5	100%	N/A	-
Dr. Sam Lyomoki	12/13	92%	N/A	-	8/8	100%	N/A	-	8/8	100%
Ms. Annet Birungi	13/13	100%	5/6	83%	7/8	88%	N/A	-	N/A	-
Ms. Peninnah Tukamwesiga	13/13	100%	N/A	-	8/8	100%	N/A	-	8/8	100%
Ms. Annet Nakawunde Mulindwa	12/13	92%	N/A	-	8/8	100%	N/A	-	7/8	88%
Mr. Lwabayi Hassan Mudiba	13/13	100%	5/6	83%	N/A	-	5/5	100%	N/A	-
Mr. Patrick Ayota	11/13	85%	6/6	100%	N/A	-	4/5	80%	5/8	63%
Overall attendance rate		91%		90%		97%		88%		88%

NOTE:
The Board held a separate Non-Executive Board member meeting on 15 February 2024 to review the 12th Board performance from September 2021 to February 2024.

Our governance

Our Board as the custodian of corporate governance

The Fund's governance structure is illustrated in the NSSF Governance Structure diagram and shows the interaction between the members and the Board, demonstrating how the Board Committee structure facilitates the relationship between the Board and the MD and indicates the flow of delegation from members. We have robust processes in place to ensure that the delegation flows through the Board and its Committees to the MD and EXCO into the organisation. At the same time, accountability flows upwards from the Fund to its members. This process helps to ensure alignment and open communication with our members and all our stakeholders.



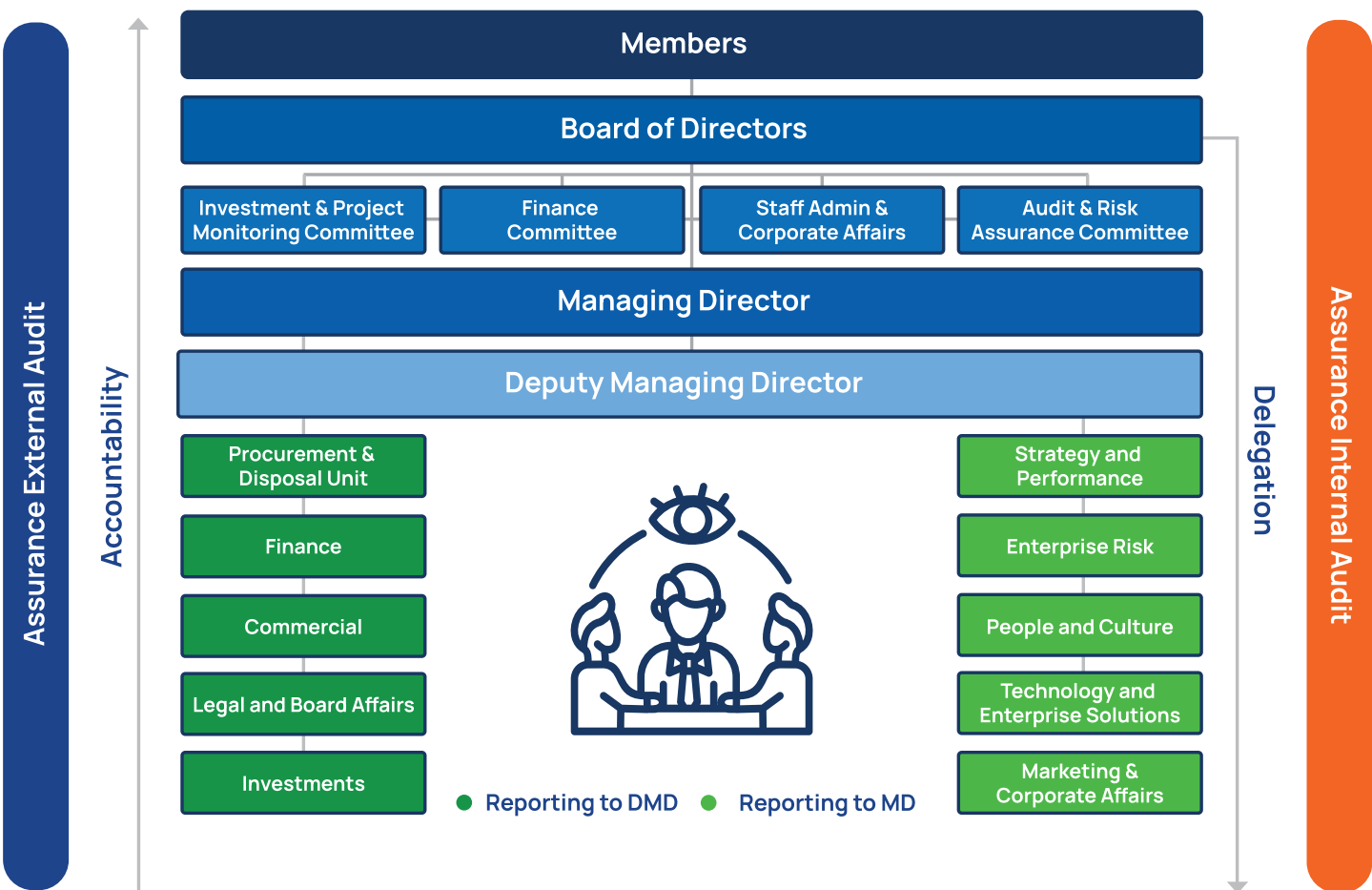
Roles and responsibilities of the Board

The Board is governed by an internal Board Charter which stipulates the parameters within which the Board operates and ensures the application of the principles of good corporate governance in all its dealings. The Charter sets out the roles and responsibilities of the Board, its committees, and individual Directors, including its composition and relevant procedures of the Board. The Charter is aligned with the provisions of the UK Code and King IV Code on Corporate Governance.

As the custodian of good governance, the Board Charter is reviewed annually and provides minimum standards and guidelines for the Board in the execution of their duties.



Governance structure



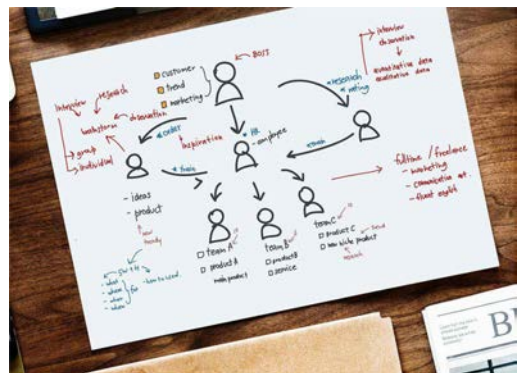
The Board of Directors are responsible for the Fund's vision, strategic direction, its values, and governance by providing effective leadership towards:

1. Ensuring good governance of the Fund by enhancing its long-term sustainable success.
2. Determining the Fund's strategic objectives and organisational values.
3. Setting up appropriate governance structures for the management of the Fund's business operations.
4. Setting responsibilities, performance targets and evaluating management performance.
5. Ensuring that human resources are in place and oversees succession planning for senior management to meet its objectives.
6. Establishing policies and processes to guide the legal compliance and delivery of services.
7. Monitoring the management and implementation of plans and strategies quarterly.
8. Carrying out a review of internal control policies, risk management and procedures, and ensures their effectiveness.
9. Approving and monitoring the progress of major investments in line with S.31 of the NSSF Act Cap 230.
10. Approving and monitoring major contracts, acquisitions, and disposals.
11. Advising the Minister of Finance, Planning and Economic Development on the appropriate rate of interest to be declared on members' accounts.
12. Ensuring ethical behaviour and compliance with the laws and regulations.

Role of the Non-Executive Directors

The responsibility of the Directors is to exercise their independent judgement in the best interest of the Fund and its members, by:

- Participating in all Board meetings to bring an independent judgement on strategic issues of the Fund
- Taking the lead where potential conflicts of interests arise
- Scrutinising and monitoring the Fund and Management's performance in achieving agreed corporate goals
- Making a positive contribution to the development of the Fund's strategy and policies through independent, ethical, and informed decisions
- Engaging with senior management and other relevant parties, such as professional advisors, external or internal auditors and the Fund's legal department, to ensure that it appropriately addressed the various concerns and issues



The Non-Executive Directors meet separately as and when is needed. During the year of review, they met to discuss the transition of management at the Fund and relevant succession planning.

* A key change in our structure from 1 July 2024 is the creation of a new department, Enterprise & Growth Department, whose focus will be to lead the Fund's effort in expanding our membership coverage to at least 50% of eligible Ugandans. The new department will focus on the voluntary side of our business.

Our governance

OUR REPORT OVERVIEW | OUR BUSINESS | OUR STRATEGY | OUR GOVERNANCE | OUR SUSTAINABILITY | OUR PERFORMANCE

Board activities in 2024

<div><div>STRATEGY IMPLEMENTATION</div><div>POLICY, CHARTER, MANUAL REVIEW & APPROVAL</div><div>STAKEHOLDER ACTIVITY</div><div>CORPORATE GOVERNANCE</div></div>					
July	August	September	October	November	December
<p>For period ending 30 June 2023:</p> <p>Finance Committee reviewed and discussed:</p> <ul style="list-style-type: none">The Financial reportCommercial reportOperations reportIT reportProcurement and Disposal Unit report <p>ARC reviewed:</p> <ul style="list-style-type: none">The Legal and Board Affairs reportInternal Audit reportRisk Management report <p>IPM reviewed:</p> <ul style="list-style-type: none">The Investments Implemented reportQuarterly Investments reportThe update on Property ManagementThe update on Real Estate projects <p>SACA reviewed:</p> <ul style="list-style-type: none">Staff updates.Marketing and Communications reportPeople and Culture reportLong Service Award update	<p>Extra ordinary full Board meeting to consider the appointment of the Managing Director</p> <p>Extra ordinary Board Meeting to consider the report from Japheth Kato consulting (JK) on the review of the Board Charter 2020 for adoption</p> <p>ARC considered and recommended the contract renewal of Head of Internal Audit report</p> <p>Finance Committee considered the update on the approval of the NSSF budget 2023/2024</p>	<p>The ARC and Finance Committee had a combined meeting to consider the proposed interest declaration rate</p> <p>SACA reviewed and considered:</p> <ul style="list-style-type: none">Renewal for three senior managersRecruitment of Head Procurement and Disposal UnitStaff appraisals, salary review proposalsPerformance bonus for FY 2022/2023 <p>Ordinary full Board meeting to review of the draft NSSF Audited Financial Accounts FY 2022/2023:</p> <ul style="list-style-type: none">Consideration of interest rate proposed for FY2022/2023Received and reviewed the Management LetterSubmission of proposed interest rate FY2022/2023.Staff appraisal moderation	<p>Finance Committee reviewed and discussed:</p> <ul style="list-style-type: none">Financial reportBusiness reportOperations reportIT reportProcurement report <p>ARC reviewed:</p> <ul style="list-style-type: none">Legal and Board Affairs reportInternal Audit reportRisk Management reportThe update on Property Management <p>SACA reviewed and considered:</p> <ul style="list-style-type: none">Managing Director's update of the Fund's performance as at 30th September 2023Marketing and Corporate Affairs reportPeople and Culture reportProposed Executive Committee Succession planCritical key staff/talent	<p>IPM reviewed:</p> <ul style="list-style-type: none">The Investments Implemented reportQuarterly Investments reportThe update on Property Management <p>IPM also considered:</p> <ul style="list-style-type: none">Update of the investment performance of UMEME from Initial Public Offering to dateThe update on Real Estate projectsNSSF Real Estate projectsContracts of IPMC consultantsPaper on interest declaration on closing balance approach and prospects of an NSSF annuity approachUpdate on the sale of Murram at Temangalo <p>Ordinary Board meeting to consider:</p> <ul style="list-style-type: none">Director's nominations to investee companiesThe Board ratified the circular resolution to approve the Airtel Uganda Ltd Initial Public Offering in Q1The training reports for the Board development activities undertaken <p>The Board undertook a training on Board Corporate Governance Ethics and Risk Management</p>	<p>The Full Board undertook a training on Board Trustee Certification</p>

The Board action plan for FY2024/2025 will cover the following areas:

- Achieving a technology-driven strategy in a balanced portfolio of pragmatic investments
- Ensuring that the Fund achieves a stable but agile culture
- Operationalising the NSSF Act Cap 230 to ensure that members' needs in terms of new products and easy access to benefits is enhanced
- Diversifying the Fund's investment portfolio
- Broaden and deepen the footprints into sustainability

January	February	March	April	May	June
<p>SACA reviewed and considered:</p> <ul style="list-style-type: none">Updates on the Deputy Managing Director and Head Procurement and Disposal Unit functionsMarketing and Communications reportPeople and Culture reportTwo senior manager appointments <p>Finance Committee reviewed and considered:</p> <ul style="list-style-type: none">The NSSF financial performance report for quarter 2 ending 31st December 2023Commercial report for quarter 2Technology and Enterprise Solutions report for quarter 2Procurement and Disposal Unit report for quarter 2Opening new bank accounts for the Smart Life products operationalisation <p>ARC reviewed:</p> <ul style="list-style-type: none">The Legal and Board Affairs quarterly reportThe Internal Audit quarterly reportRisk Management quarterly reportThe Liquidity stress reportThe Foreign Exchange reportProposed revised Board Charter <p>IPM reviewed and considered:</p> <ul style="list-style-type: none">Quarterly Investment reportReal Estate projects quarterly reportProperty Management quarterly reportProposed changes to the Investments and Procedures Manual	<p>Non-Executive Directors Meeting to review the 12th Board's performance from September 2021 to February 2024</p> <p>Ordinary full Board meeting to consider:</p> <ul style="list-style-type: none">Quarter 2 Management reports from the various Committee reports for the period ending 31 December 2023The training reports for the Board Development activities undertaken (Board Trustee Training)	<p>No activities undertaken</p>	<p>Joint Board and Executive Committee Strategy Workshop to consider Management Workplans for FY2024/2025</p> <p>SACA reviewed and considered:</p> <ul style="list-style-type: none">Marketing and Communications reportPeople and Culture reportThe draft NSSF organisation structureUpdate on the Brand PolicyMedical SchemeBudgets for Marketing and Communications Department for FY2024/2025Budget for People and Culture Department for FY2024/2025 <p>The ARC undertook customised training</p> <p>IPM reviewed and considered:</p> <ul style="list-style-type: none">Update on the economy and implications for the Fund's Investment programmeQuarterly Investment reportReal Estate projects quarterly reportProperty Management quarterly report	<p>Extra ordinary Board meeting to consider:</p> <ul style="list-style-type: none">IPMC report to the Board on the Telecom Sector on the recommendation to buy additional shares in MTNSACA report on the recommendation for the position of Deputy Managing Director and approval of the final NSSF organisation structure design <p>Finance Committee reviewed and considered:</p> <ul style="list-style-type: none">The NSSF Budget for FY 2024/2025Quarterly Financial Performance reportQuarterly Commercial reportQuarterly Technology and Enterprise Solutions reportQuarterly Procurement and Disposal UnitQuarterly Strategy reportConsideration of budget highlights for the Finance, Commercial, Technology and Enterprise Solutions, Procurement and Disposal Unit, and Strategy Departments for the FY2024/2025 <p>ARC reviewed:</p> <ul style="list-style-type: none">The Legal and Board Affairs quarterly reportThe Internal Audit quarterly reportEnterprise Risk Management quarterly reportInformation Technology insights reportUpdate on various Fund mattersTerms of Reference for the procurement of an IT Risk advisor to the BoardBudget highlights for the Legal and Board Affairs, Enterprise Risk Management, and Internal Audit departments for the FY2024/2025 <p>IPM reviewed and considered:</p> <ul style="list-style-type: none">Investment department budget 2024/2025 <p>SACA reviewed and considered:</p> <ul style="list-style-type: none">Final NSSF organisation structureMarketing and Corporate Affairs budget FY2024/2025People and Culture budget FY2024/2025Update of the Brand Policy <p>Ordinary Board Meeting to consider:</p> <ul style="list-style-type: none">The proposed Fund budget for FY2024/2025Committee reports for quarter 3 ending 31 March 2024	<p>ARC considered:</p> <ul style="list-style-type: none">The External Audit PlanInternal Audit PlanInternal Audit Balance Scorecard FY2024/2025

Our governance

Committees of the Board



The Fund's governance structure enables interaction between Management, members, and the Board.

The Board is supported by four standing Committees: Staff Administration and Corporate Affairs Committee, Finance Committee, Investments and Project Monitoring Committee and the Audit and Risk Committee.

Discussions are still ongoing regarding the establishment of an independent Governance Committee to oversee succession planning of the Board and ESG issues.

Audit and Risk Assurance Committee (ARC)		
Chairperson	Annet Nakawunde Mulindwa	
Members of committee (period 1 July 2023 to 30 June 2024)	Annet Birungi Peninnah Tukamwesiga Sam Lyomoki	
Professional Advisors	Albert Richards Otete	
Declaration	The Committee is satisfied that it has fulfilled its mandate as set out in the Committee's terms of reference and work plan as required in the Board Charter during the period under review.	
Committee purpose and how it contributes to value creation		
The Committee is made up of only Non-Executive Directors and the MD only attends by invitation. The Head of Internal Audit reports directly into this committee which ensures independence of the Internal Audit function. The Corporation Secretary is the secretary of the Committee, the Head of Enterprise Risk Management and Head of Internal Audit may attend meetings upon request as ex-officio members.		
The Committee helps the Board to effectively discharge its oversight responsibilities for financial reporting, risk management, internal controls, internal and external audit, regulatory compliance, and governance. The ARC, on behalf of the Board, undertakes detailed monitoring of internal controls through the Internal Audit function. The Board has reviewed the system of internal control, including financial controls, for the year under review up to the date of approval of this Integrated Report.		
Risks	<div><div>1 Cyber risk</div><div>4 Market risk</div><div>5 Operational risk</div><div>6 Technology risk</div></div>	
Capitals	<div></div>	
King IV™	<div><div>IV¹</div><div>IV²</div><div>IV⁵</div><div>IV¹¹</div><div>IV¹²</div><div>IV¹³</div><div>IV¹⁵</div></div>	
Stakeholders	<div></div>	

Each of the standing Committees has formal and approved terms of reference stipulated in the Board Charter.


The Committees' functions are for purposes of review, oversight, and monitoring. Their duties include investigating and analysing the relevant information and reporting back with recommendations to enable the Board to make appropriate decisions.

These Committees have delegated responsibility to assist in specific specialist matters on a collaborative basis and provide reports of their activities and recommendations to the Board on a quarterly basis or as often as is necessary.

The constitution, focus, activities, and outlook for each of the Board Committees are outlined below:

Key focus areas and value creating activities for the period under review	
Key ARC Milestones in the FY 2023/2024: <ul style="list-style-type: none">Considered the Internal Audit reports and evaluated the extent of implementation of corrective actions by Management. Most of the audit recommendations had been resolved by the end of FY 2023/24Considered the significant issues raised by Internal Audit including issues raised through investigations, whistleblower cases, management requests and risk-based audit processesEnhanced the independence of the internal audit and positioning of the enterprise risk management functions. The level of assurance and quality of reporting has improved through independent views, insights and challenges faced by the FundEnhanced risk management through promotion of culture of risk awareness, understanding risk appetite and adequate risk response and management of strategic risks	<ul style="list-style-type: none">The Internal Audit Annual Plan and Balanced Scorecard (BSC) for FY 2024/2025The departmental budget highlights for the FY 2024/25 for the Internal Audit, Legal and Board Affairs, and Enterprise Risk ManagementThe extension of the ARC Advisor's contractThe liquidity stress test and foreign exchange risk reportsThe contract renewal of the Head Internal AuditUpdate on various Fund land mattersARC training report on the Committee Development activities
ARC Committee's key activities in FY2023/2024 included oversight, review, and consideration of: <ul style="list-style-type: none">The quarterly reports of the Internal Audit, Enterprise Risk Management, Legal and Board Affairs departmentsThe quarterly risk and insight reports on Technology and Enterprise Solutions departmentThe draft Audited Financial Accounts, External Audit conclusion report and Management letter FY 2022/2023Proposed Interest Rate for FY 2022/23The proposed changes to the Board Charter 2020The external audit plan for FY 2023/24 and the related scope of work	Key engagements and considerations: <ul style="list-style-type: none">Engagements were held between Members of the ARC and the Head of Internal Audit in confidence to appraise themselves on key audit mattersThe Committee met with the external auditors at the beginning of the audit and discussed the scope of their work, assessment of their independence, audit plan, findings, and recommendations of the previous auditThe Committee undertook a customised training programme where key action points on the ARC mandate were adopted for implementationThe Committee co-opted the Technology Enterprise Solutions Officer in the quarterly meetings to provide an understanding and awareness of the Information Technology risks especially cyber security risksThe Committee engaged the litigation section to appraise themselves with the litigation risks faced by the Fund, especially the land related matters
Future focus areas 2025	
Key focus for the following year FY 2024/2025: <ul style="list-style-type: none">Emphasise risk culture in the decision-making processes through continuous awareness and training on risk managementEnhance due diligence processes during the acquisition and/or procurement of investments to ensure that risks are highlighted and mitigants put in placeProvide oversight over information technology risks especially the stability of the core system and new innovations in the areas of Artificial Intelligence and machine learningEmphasise the review of management financial performance reporting to assure compliance with the international financial reporting standards and accounting practices	

Our governance

Investments and Project Monitoring Committee (IPMC)			
Chairperson	Patrick Ocailap		
Members of committee (period 1 July 2023 to 30 June 2024)	Annet Birungi Silver Mugisha	Lwabayi Mudiba Hassan Patrick Ayota (Ex – officio member)	
Professional Advisors	Kenneth Ssemwogerere	Felix Okoboi	
Declaration	The Investments and Project Monitoring Committee of the Board complied with its mandate for the year under review. All scheduled meetings were held.		

Committee purpose and how it contributes to value creation





The Investments and Project Monitoring Committee (IPMC) of the Board is responsible for assisting the Board to fulfil its oversight responsibility as provided under Section 31 of the NSSF Act Cap 230, which states:

“All monies in the Fund, including the reserve account, which are not for the time being required to be applied for the purpose of the Fund shall be invested in such investments as may be determined by the Board in consultation with the Minister.”



The main responsibilities of the Committee include:

- Providing a deeper understanding of investment activities to the Board
- Reviewing, analysing and recommending all investment proposals to the Board for consideration
- Recommending an investment strategy, policies, and guidelines to the Board for approval
- Reviewing and recommending investments in equities, fixed income and real estate and the associated budgets to the Board
- Reviewing and recommending investment design concepts and master plans to the Board or changes thereto
- Reviewing performance of real estate projects, equities, and fixed income quarterly, in line with set targets and recommending to the Board



Capitals



King IV™



Stakeholders



Key focus areas and value creating activities for the period under review

IPMC's key milestones in the FY 2023/24:

- There was tremendous growth in the investment returns over the past year, especially in the fixed income portfolio
- Increased membership arising from the amendment of the NSSF Act availed increased contributions for investment purposes
- Recovery from the significant unrealised foreign exchange losses suffered during the FY 2022/23
- Maintained the investment levels within the real estate portfolio

IPMC Committee's key activities in FY 2023/2024 included review, analyse, monitor and recommend to the Board:

- The proposed changes to the Investment Policy Statement (IPS) and Investments Manual
- Consideration of the Project and Change Management Policy
- The quarterly updates on the investments implemented, the Real Estate Projects, Property Management, and the Hi-Innovator Programme
- The review of the economies in the Fund's investment universe and implications for investments
- Updates on the exchange and equity losses and the impact on performance

- The integration of the Fund strategy into the National Development Plan 4 (NDP4)
- Review of external fund management
- The proposed Investment departmental budget FY2024/25
- Consideration of the contracts for the IPMC consultants

Challenges and key lessons learned during FY2023/2024:

- Multiplicity of investigations and the resultant need to stabilise the Management of the Fund
- Delayed regulations to operationalise the amendments to the NSSF Act affecting the rollout of new products

Key highlights during the current tenure 2021-24:












- Achievement of the Strategic Assets Under Management (AUM) target of UGX 20 trillion ahead of the planned period
- Consistently made investments that were informed by thorough economic and legal considerations
- Continued to pay incremental returns on members' savings
- The investment portfolio streams remained valid

Future focus areas 2025

- Support formulation of the voluntary regulations to tap into voluntary savings space
- Position the Fund to rally and encourage savings mobilisation to support other Government programmes
- Actively pursue Private Public Partnerships (PPP) in the mobilisation of funds or finances to undertake real estate projects. In addition, the Fund will actively participate in the formulation of the proposed Real Estate law. The Fund shall also endeavour to free all encumbered land and continue to explore affordable housing options
- Urgently put in place and publish the Fund's allowable investments areas with clear boundaries
















Our governance

<div> Finance Committee</div>		
Chairperson	Silver Mugisha	
Members of committee (period 1 July 2023 to 30 June 2024)	Patrick Ocalap Aggrey David Kibenge Lwabayi Mudiba Hassan Patrick Ayota	
Declaration	The Finance Committee of the Board complied with its mandate for the year under review and all scheduled meetings were held.	
Committee purpose and how it contributes to value creation		
<p>The role of the Finance Committee of the Board is to assist the Board to fulfil its oversight responsibility and mandate in the following key areas:</p> <ul style="list-style-type: none">• Determination of the annual and supplementary budget involves making and submitting to the Minister, for approval, estimates of the Fund's income, its capital recurrent, and other expenditures likely to be incurred for the ensuing year• Review and approval of the audited financial statements prepared by management• Review provision of proper books of accounts and records with respect to the Fund's financial transactions, assets, and liabilities• Recommendation of the interest rate for declaration depending on the Fund's realised income• Effective financial management of the Fund and its assets• Review of the Fund's accounting policies and principles• Reviews of allocated departmental policies and strategies <p>The Departments the Committee has oversight of are Finance, Commercial, Technology and Enterprise Solutions, and Procurement and Disposal.</p>		
Capitals	<div></div>	
King IV™	<div></div>	
Stakeholders	<div></div>	

Key focus areas and value creating activities for the period under review	
<p>Key activities in FY2023/2024 included review, monitoring, and recommendation of:</p> <ul style="list-style-type: none"> • The proposed interest for FY2022/2023 • The financial performance for the FY2023/2024 • The NSSF Budget for the FY2024/2025 • The strategic targets for the Fund and alignment of performance measurements • The integrity of the financial statements and other information to be provided to the members to ensure that they represent a clear and accurate assessment of the Fund's position and performance • The Fund's procurement contracts • Quarterly department updates • The commercial department's policy update in line with amendment of the NSSF Act <p>Key achievements:</p> <ul style="list-style-type: none"> • Contained costs within budget • Met and exceeded income targets • Met and exceeded contributions targets • Conducted all meetings with sufficient collaboration • Ensured smooth operations between the board and management 	<ul style="list-style-type: none"> • Streamlined procurements, easing the board's oversight function • Conducted training sessions as a finance committee, equipping members with skills to improve oversight functions <p>Challenges during FY2022/2023:</p> <ul style="list-style-type: none"> • Continuing to deal with the aftermath of the probes/inquiries by different Government agencies • Economic volatility in the economies where the Fund holds investments, affecting returns • Disruptions in the real estate portfolio due to persistent land ownership disputes which have slowed down project implementation <p>Key learnings from FY2023/2024:</p> <ul style="list-style-type: none"> • Need for closer collaboration between the Finance Committee and IPMC • Need for closer collaboration between the Finance Committee and the ARC Committee, as budget outcomes are influenced by how the Finance Committee manages risks • Continuous skills improvement is necessary; the Finance Committee oversees several departments, requiring a diverse knowledge base and skills for prudent conduct, necessitating continuous training
Future focus areas 2025	
<ul style="list-style-type: none"> • Monitor the economic outlook to manage the foreign exchange risk exposure of the Fund • Manage costs and maximise income through focusing on risk mitigation measures and conducting stress testing of various parameters • Develop a succession planning strategy for 2025/2035; the Fund's maturing membership base poses a risk of declining growth, so the committee will focus on regulations that increase flexibility for creating new products • Focus on service delivery to ensure customer satisfaction levels are maintained and improved • Focus on internal development of software by the internal IT team 	



Our governance

Staff Administration and Corporate Affairs Committee (SACA)		
Chairperson	Sam Lyomoki	
Members of committee (period 1 July 2023 to 30 June 2024)	Peninnah Tukamwesiga Annet Nakawunde Mulindwa Aggrey David Kibenge Patrick Ayota	
Declaration	The Staff Administration and Corporate Affairs Committee of the Board complied with its mandate for the year under review. All the scheduled meetings were held.	
Committee purpose and how it contributes to value creation		
The Staff Administration and Corporate Affairs Committee (SACA) of the Board is responsible for the following key areas:		
<ul style="list-style-type: none">Overseeing the effective and efficient administration and management of the Fund by establishing appropriate policies regarding staff, administration, and corporate affairsReviewing and recommending an appropriate organisational structure and staff establishment to ensure that it is resourced by competent and well-motivated staff to execute strategyOverseeing the management of corporate services such as marketing, public relations, transport, and records		
During the FY2023/2024, SACA held meetings where they considered several activities for recommendation to the Board.		
Capitals	    	
King IV™	  	
Stakeholders	   	

Key focus areas and value creating activities for the period under review

SACA Committee's key activities in FY2023/2024 included the following:

- Recommendation to appoint the new substantive Managing Director and Deputy Managing Director
- Improved media tonality to 92% from 79% in the last Financial Year
- Conducted a review of staff appraisals, salary reviews, and performance bonus recommendations
- Monitoring the organisational re-design implementation, roll-out and aligned it to the 2030 vision
- Contract renewals for senior managers, service awards and recruitment of the Head of Procurement and Disposal Unit
- Review and approval of the Brand and Donations Policy
- Reviewed departmental balance scorecards
- Monitoring of staff wellbeing and promotion of equality
- Talent management and reskilling of staff
- Product development and research such as the Fund's Smart Life project
- Promoted Digital Channels through communications campaigns

- Monitoring the Fund's communication through Financial Literacy awareness campaigns
- Monitoring customer satisfaction and experience
- Monitoring the marketing and branding of the Fund
- Reviewing quarterly updates received from Management
- Employee engagement improved from 86% to 89%
- Reviewed budgets for People and Culture and Marketing and Corporate Affairs FY2024/2025
- Review the proposed Executive Committee succession plan and the critical staff

Challenges during FY 2023/2024:

- Anxiety among staff and stakeholders resulting from the organisational redesign process
- Negative tonality because of investigation by various Government agencies such as the Parliament of Uganda, IGG and the Uganda Police

Future focus areas 2025

Key focus for the following year FY2024/2025:

- Focus on the 10-year strategy Vision 2035 (50:50:95)
- Focus on redefining the Fund culture
- Building the right partnerships to enforce the provisions of the NSSF Act
- Strengthen job shadowing, secondment, and upskilling of staff to give staff more opportunities for growth
- Strengthen gender diversity at top management and senior management level through the Pathfinder programme
- Deliberate effort to develop women
- Reconstituting the new Enterprise and Growth Department with the right skills
- Monitoring and overseeing the new structural changes following the organisational redesign
- Completion of upskilling of staff because of the amendments in the NSSF Act Cap 230 and the new structure requirements
- Oversight of talent management updating the Fund's talent management and retention strategy
- Continue embedding aggressive talent managing and succession planning strategies at all levels to ensure we have strong successors for all critical roles
- Maintaining elevated levels of employee engagement
- Redefine the funds culture
- Explore new areas of investment
- Reskilling and re-aligning staff towards the 2030 vision



Consideration of additional Board Committees in FY2024

In aligning to King IV principles, the Fund considered the formalisation of a Governance and Nomination Committee during the reporting period, and it is confident that the current governance structures have sufficient oversight of the following responsibilities:

NSSF Board Committee oversight	Responsibilities
 Staff and Corporate Affairs Committee	Social and economic development <ul style="list-style-type: none">• Anti-corruption and bribery• Staff wellness• Human rights• Promotion of equality• Anti-money laundering
 Audit and Risk Assurance Committee	
 Audit and Risk Assurance Committee	Ethics <ul style="list-style-type: none">• Monitoring of reported ethics cases and investigations
 Investments and Project Monitoring Committee	Environment <ul style="list-style-type: none">• Responsible consumption• Impact of Fund operations on the environment• Impact of investee companies on the environment
 Staff and Corporate Affairs Committee	Stakeholder engagement and management <ul style="list-style-type: none">• Relationships with key stakeholders both internal and external
 Staff and Corporate Affairs Committee	Sustainability and community development <ul style="list-style-type: none">• Development of communities through CSI activities

Evaluation and performance of the Board



The Board is committed to continuous improvement and evaluates its performance. The Charter stipulates that the Board of Directors will conduct evaluations to determine whether the Board, its committees and members are functioning effectively in terms of discharging their mandate as per the Board Charter and in line with leading practices on corporate governance. The Board evaluates its performance through a combination of both internal peer and external facilitated assessments.

In the year under review, the Board evaluation was conducted by the ICGU Institute of Corporate Governance and internally, performance reviews were conducted by the Board Chairperson and Committee Chairpersons. The evaluation report highlighted the Fund's robust governance framework, effective corporate flow and communication, visionary leadership by the Board, and a strong understanding of the Fund's vision, mission, and values, as well as proper meeting management procedures. The evaluators recommended the following areas for improvement:

Recommendation	Status
Succession planning should be reviewed periodically and should provide both succession in emergency situations and succession over the long term.	An external consultant has been appointed to advise further requirements over and above what management are proposing.
The Board to institute a code of ethics and policy to address violation of the code.	Done.
The need for periodic evaluation at least twice in a board tenure and addressing shortfalls identified.	Evaluations will be undertaken at least once every year.
There is need for a solid meeting between the Internal Auditor and the Audit and Risk Assurance Committee without management.	Implemented.
Need for a Governance and Nominations Committee.	Discussions are still ongoing regarding establishment of an independent Governance Committee to oversee succession planning of the Board and ESG issues.

Appointment and delegation to management



Management, led by the MD, has the authority to manage and control the day-to-day affairs of the Fund in relation to matters other than those reserved for the Board.

We have robust processes in place to ensure that the delegation flows through the Board and its Committees to the MD and EXCO into the organisation. At the same time, accountability flows upwards from the Fund to its members. This process helps to ensure alignment and open communication with our members and all our stakeholders.

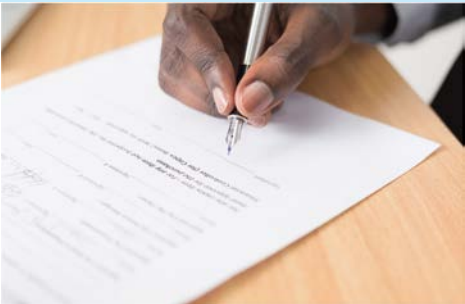
Board Chairman

The Chairman, Dr. Peter Kimbowa, is an Independent Non-Executive Director and was appointed on 1 September 2021. His term ended on 31 August 2024. The Chairman's role includes:

- Leading the Board and ensuring overall effectiveness, operating to the highest governance standards
- Encouraging a culture of openness and debate to foster a high-performing and collegial team
- Ensuring strategic issues, members and relevant stakeholder views are regularly reviewed, understood and responded to
- Facilitating the relationship between the Board and the MD and providing oversight, guidance, advice and leadership
- Ensuring control over the quality and timeliness of information flow between the Board and Management
- Setting agendas for meetings of the Board that focus on the strategic direction and performance of the Fund's business
- Ensuring that adequate time is available for discussion on all agenda items
- Leading the Board and individual Director Performance Assessments
- Speaking and acting for the Board and representing the Board to members

Managing Director

The MD is the Chief Executive Officer of the Fund and is subject to the NSSF Act (amended) and to the general control of the Board on matters of policy, responsibility for running the day-to-day business of the Fund, general management, administration, and organisation of the Fund. He also ensures the strategies and policies set by the Board are implemented. The MD, Patrick Ayota, is the only Executive Director (ex officio member) on the Board and has been a Board member since December 2022.



Corporation Secretary

The Corporation Secretary, Ms. Agnes Tibayeita Isharaza was appointed in the role since 1 April 2019. Appointment of the Secretary to the Fund is exercised in line with Section 42 of the NSSF Act a. In addition to any other functions conferred upon her by the Minister and the Board, the Corporation Secretary has the custody of the seal of the Fund and is responsible for:

- Ensuring crucial information flows within the Board and its Board Committees and between Management and the Board
- Facilitating the orientation and professional development required by the Board
- Taking minutes of the meetings of the Board and any of its Committees and Subcommittees
- Keeping the records of all transactions of the Fund
- The provision of legal advice on all Fund activities
- Advising the Board on all governance matters
- Keeping the Board aware of relevant changes in legislation and corporate governance best practice

As of 1 July 2022, the title of the Corporation Secretary changed to Chief Legal Officer/Corporation Secretary. Responsibilities and accountabilities remain the same.

Our Executive Committee



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Our Executive Committee profiles



Mr. Patrick Ayota
Managing Director
Appointed July 2011 CFO
November 2017 Deputy MD
December 2022 Acting
Managing Director
August 2023 Managing Director
Tenure 13 years

Qualifications

- CPA(U) - Certified Public Accountant of Uganda
- MBA - University of South Carolina, USA
- Bachelor of Science Degree in Finance - Liberty University, Virginia, USA
- CPA - Georgia USA

Expertise

- Strategy formation and execution
- Innovation
- Financial reporting and accounting
- Taxation
- Leadership
- Project management
- Financial Analytics

Board memberships

- Chairman of the Board of New Vision Group
- Non-Executive Director Housing Finance Bank
- Board Member ICPAU (Quality Assurance)

Other memberships

- League of East African Directors (LEAD)
- President ISSA focal liaison office East and Central Africa



Mr. Gerald Paul Kasaato
Chief Investment Officer

Appointed April 2014

Tenure 10 years

Qualifications

- LLB(Hons) Nottingham Trent University
- CFA, USA - Charter Holder
- Chartered Accountant of the UK - a Fellow
- FCMI - Chartered Management Institute of the UK - a Fellow
- CPA(U) - Certified Public Accountant of Uganda
- Alumnus of the Harvard Business School (USA)
- Aresty scholar of Wharton Executive Programme, University of Pennsylvania, USA
- MBA in Finance - University of Exeter, UK
- Master of Science (MSC) in International Finance and Investments - London Southbank University, UK
- Bachelor of Science (Hons) Degree in Accounting - Oxford Brookes University, UK

Expertise

- Investment and portfolio management - of Multi Asset Class Portfolios
- Corporate and international finance
- Risk management
- Financial reporting and accounting
- Taxation and audit
- Strategy formation and execution
- Leadership
- Operations management
- Financial economics
- Project management
- Banking and trade finance
- Corporate governance
- Coaching
- Research



Ms. Agnes Tibayeita Isharaza,
Chief Legal Officer/Corporation Secretary

Appointed April 2019

Tenure 5 years

Qualifications

- Executive MBA - Eastern and Southern African Management Institute (ESAMI)
- Post Graduate Diploma in Legal Practice - Law Development Centre (Awarded the Attorney General's Prize)
- Bachelor of Law Degree (Hons) - Makerere University
- Chartered Governance Graduate (GradCG)

Other training

- Master Trustee Certification- Johannesburg School of Finance/ Jomo Investment
- Graduate - Female Future Programme - FUE/ Arbeidsforkinings Fond (AFF) Scandinavia, Retorisk Institut in Norway, and Confederation of Norwegian Enterprises (NHO) Business School
- Board Masterclass - Financial Times Non-Executive Directors Club, UK
- Being a Director - Institute of Directors, South Africa
- Several corporate governance, banking, and other technical trainings

Expertise

- Legal and compliance
- Governance
- Corporate and Board Affairs
- Banking, finance, pension, and capital markets



Mr. Stevens Mwanje
Chief Financial Officer

Appointed November 2017

Tenure 7 years

Qualifications

- CPA - Institute of Certified Public Accountants of Uganda (ICPAU)
- Fellow of the Association of Chartered Certified Accountants (ACCA), UK
- MBA in Business Management - Heriot-Watt University (Edinburgh Business School)
- Post Graduate Diploma in Business Management - University of Leicester
- Bachelor of Arts Degree - Makerere University

Other training

- Alumni of the Executive Programmes of:
- The Wharton School (University of Pennsylvania)
- The Gordon Institute of Business Science (University of Pretoria)
- Strathmore Business School (Strathmore University)
- Balanced Scorecard Professional - George Washington University College of Professional Studies

Expertise

- Strategy formulation and execution
- Coaching and mentoring
- Financial reporting and accounting
- Sales and marketing
- Taxation
- Operations management
- Leadership
- Change management
- Project management



Mr. Geoffrey Barigye
Head of Internal Audit

Appointed January 2010

Tenure 14 years

Qualifications

- FCCA - Fellow of the Chartered Association of Certified Accountants (ACCA), UK Certified Public Accountant (CPA), Uganda
- MBA - Makerere University, Kampala
- Bachelor of Commerce Degree in Accounting - Makerere University Kampala Diploma in
- Business Studies - Makerere University Business School, Kampala

Other training

- Alumnus of the Strathmore Business School - Executive Leadership Programme, Nairobi Kenya
- Corporate Governance

Expertise

- Auditing
- Accounting
- Finance
- Leadership and management
- Governance
- Risk management
- Coaching and mentoring



Mr. Geoffrey Waiswa Sajjabi
Chief Commercial Officer

Appointed November 2017

Tenure 7 years

Qualifications

- Diploma for Social Security Managers-International Training Centre - ITCILO Turin Italy (Ongoing)
- MBA - Heriot Watt University UK
- General Management Programme - Gordon Institute of Business Science - University of Pretoria
- Executive Leadership Programme - Strathmore Business School Nairobi Kenya
- Administrative Officers Law Certificate - Law Development Centre Kampala
- Bachelor of Arts - Makerere University Kampala

Other Trainings

- CEO Apprenticeship Executive Programme - Strathmore Business School Nairobi
- Balanced Scorecard Professional - George Washington University College of Professional Studies and Balanced Scorecard Institute

Expertise

- Leadership
- Strategy formulation and execution
- Project management
- Customer service
- Operations management
- Procurement, disposal, and contract management
- Process re-engineering
- Job evaluation
- Business development
- Sales
- Compliance
- Financial Literacy
- Retirement Planning

Our Executive Committee profiles, *cont*

 <p>Ms. Rhona Kyomuhendo Ag. Head Procurement & Disposal Unit</p> <p>Appointed September 2023</p> <p>Tenure 10 Months</p> <p>Qualifications</p> <ul style="list-style-type: none"> • MSc. Procurement & Supply Chain Management - Makerere University • Graduate Diploma in Procurement and Logistics - Chartered Institute of Purchasing and Supply, UK - MCIPS • Bachelor's degree in Procurement & Logistics Management - Kyambogo University <p>Other Trainings</p> <ul style="list-style-type: none"> • Certificate in Senior Leadership Programme - Strathmore University • Leadership development Certificate Female Future Programme nominated by ILO as one of the best practices of Gender Equality - Federation of Uganda Employers • Certified Professional Certificate in Results-Driven Leadership - INEMMO Group, UK <p>Expertise</p> <ul style="list-style-type: none"> • Leadership • Certified Supply Chain Manager • Public Sector Procurement Professional • Procurement Strategy Management 	 <p>Mr. Edward Senyonjo Chief Risk Officer</p> <p>Appointed September 2010</p> <p>Tenure 13 years</p> <p>Qualifications</p> <ul style="list-style-type: none"> • MBA, University of Nicosia, Cyprus • Fellow of the ACCA, United Kingdom • CPA, Institute of Certified Public Accountants of Uganda • Certified Risk Manager (CERM) • ISO 22301: 2019 BCMS Lead Implementer • GMP, Gordon Institute of Business Science, South Africa • BCOM, Makerere University, Uganda <p>Expertise</p> <ul style="list-style-type: none"> • Enterprise Risk Management (ERM) strategy • ERM implementation • Corporate governance • Business continuity management • Crisis management and disaster recovery • Risk modelling, scenario analysis and stress testing 	 <p>Ms. Arimi Barbra Teddy Head of Marketing and Corporate Affairs</p> <p>Appointed December 2014</p> <p>Tenure 9 years</p> <p>Qualifications</p> <ul style="list-style-type: none"> • Member of the Chartered Institute of Marketing (CIM) • Member of the Chartered Institute of Public Relations (CIPR) • MBA - East and Southern Africa Management Institute • Bachelor of Commerce - Makerere University <p>Board Roles</p> <ul style="list-style-type: none"> • Board Member DFCU Group • Board Member for CEO apprenticeship <p>Other Training</p> <ul style="list-style-type: none"> • Global Executive Development Programme - Gordon Institute of Business Studies CEO • Apprenticeship Programme - Strathmore Business School and CEO Summit Uganda • International Module for the CEO apprenticeship programme - Gordon Institute of Business Studies • Executive Leadership Programme - Strathmore Business School • Leadership Development Future Female Programme - Federation of Uganda Employers • Balanced Scorecard professional Certification - Balanced Scorecard Institute • Reputation and Crisis Management • Strategic Brand Marketing - University of Cape Town • Training of Trainers UMI • Entrepreneurial Branch Operations World Savings Bank Foundation for International Cooperation • Corporate Governance - ICGU • Branch managers training - World Savings Bank Institute and Belgium Technical Cooperation <p>Expertise</p> <ul style="list-style-type: none"> • Marketing strategy • Public relations • Brand Management • Corporate Social responsibility • Product development • Research • Sales force Management • Crisis Management • Events Management 	 <p>Mr. Alex Rumanyika Kalimugogo Head of Strategy & Performance</p> <p>Appointed August 2022</p> <p>Tenure 2 years</p> <p>Qualifications</p> <ul style="list-style-type: none"> • Masters, Business Administration, USIU-Africa • Bachelor of Commerce Degree; Makerere University • Balanced Scorecard Certified Specialist • Public Private Partnership Certified Specialist • Strategic Management and Performance Management Systems Certified Practitioner • Performance Measurement Process Certified Practitioner • Venture Development and Digital Transformation Certificate - University of Virginia • Leading Transformations, Managing Change - Macquarie University <p>Expertise</p> <ul style="list-style-type: none"> • Strategy Development & Performance Management • Innovation Management • Programme Management • Intrapreneurship • Venture Building • Corporate Finance • Microfinance • Strategic Leadership & Change • Public Sector Reform 	 <p>Mr. Milton Steven Owor Chief People and Culture Officer</p> <p>Appointed February 2017</p> <p>Tenure 7 years</p> <p>Qualifications</p> <ul style="list-style-type: none"> • Professional Executive Coach, Coach Masters Academy, Singapore • MBA - University of Leicester, UK • Bachelor of Social Sciences degree (Hons) - Makerere University <p>Other Training</p> <ul style="list-style-type: none"> • Global Business Leadership Certification, INSEAD, France <p>Expertise</p> <ul style="list-style-type: none"> • People leadership • Strategic talent management • Change management • Executive leadership development • Reward and compensation • Executive coaching 	 <p>Mr. Benoni Katende Chief Technology and Enterprise Solutions Officer</p> <p>Appointed September 2021</p> <p>Tenure 3 years</p> <p>Qualifications</p> <ul style="list-style-type: none"> • Masters in data science - Eastern University, United States • BSc Mech Eng. - Makerere University • MBA - Makerere University • Six Sigma Black Belt-American Society of Quality • Certificate in digital financial services - Tuft University • Certificate in data science - Analytics Vidya • Project management by numbers - Shell Academy • Emergent change leadership - Shell Academy • ACCA (Partial) <p>Expertise</p> <ul style="list-style-type: none"> • Strategy • Cyber security • Digital financial services • Business process re-engineering • Six Sigma methodology • Machine learning • Artificial intelligence • Mechanical engineering process design • Leadership • Account management • Financial product and channel design • Business intelligence • Coaching • Failure mode and effect criticality assessment • Project management
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Our governance

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Leadership, ethics and corporate citizenship



Effective and ethical leadership

The Board of the Fund embodies the principles of accountability, ethics, and integrity, ensuring all actions are in the best interests of stakeholders. Upholding the Fund's values, we have committed to ethical and honest practices, which are crucial in fostering trust in our business dealings. A formal ethics policy and code of conduct are in place, alongside resources to reinforce our ethical standards and investigate any reported concerns, supported by a robust Whistleblowing Policy.

To preempt conflicts of interest, Directors are provided the opportunity to declare any potential conflicts at the start of each Board meeting. Our governance framework mandates clear disclosures and regular Board evaluations to maintain ethical decision-making. An external law firm, SIGNUM Advocates, manages the whistleblowing process, allowing for independent review.

Sustainability is a strategic priority, with initiatives reflective of selected UN SDGs and informed by our environmental management policies.

We regularly review Committee terms of reference and formalise plans for improvement based on audit findings. Internal Audit plays an important role in the enforcement of our ethical culture, monitoring, and investigating reports of unethical behaviour.



Annually, we undertake environmental risk assessments and are dedicated to reducing the consumption of energy, paper, and water and adhering to local waste management regulations. Our Audit and Risk Committee oversees policy and code compliance, and our HR manual embodies our ethics to inform and guide staff behaviour, all part of our commitment to governance that is both responsible and sustainable.

Corporate citizenship

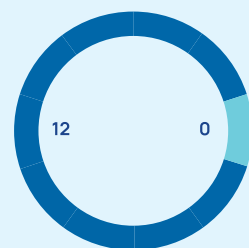
Sustainability is an integral part of our DNA, reflected in our leadership approach that emphasises creating value for stakeholders and society at large.

We are intent on enriching our communities and advancing education, health, financial literacy, and environmental wellbeing through our Corporate Social Investment (CSI) initiatives. These efforts align with our commitment to the Sustainable Development Goals (SDGs), particularly those focusing on ending poverty, achieving gender equality, promoting decent work and economic growth, reducing inequalities, supporting sustainable cities, promoting peace justice and strong institutions and partnerships for the goals.



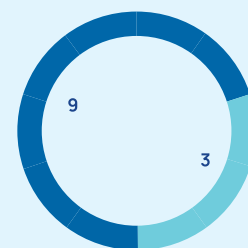
We believe in having a diverse leadership team regarding experience, skills, tenure, geographical expertise, professional background and gender as illustrated here

Non-Executive/Executive



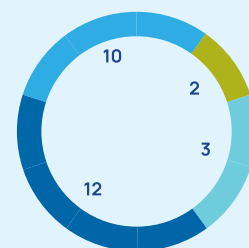
Executive
Non-Executive

Gender



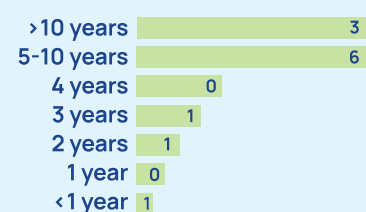
Male
Female

International Experience



Europe
Asia Pacific
The Americas
East Africa

Tenure



Experience and Skills



Insurance
Banking and Accounting
Actuarial
Law
Government
Customer
IT
Strategy

The Fund operates with accountability and integrity, upholding sustainable business practices and fostering development that benefits the environment, our employees, and the community. At the NSSF, we apply our expertise in business, policy, and data, as well as our financial resources, to foster an inclusive recovery from economic setbacks, enhance access to opportunities for economic advancement, and spearhead solutions for sustainability and climate action.

Sustainability governance is embedded in our organisational structure, managed by the Board Staff Administration and Corporate Affairs Committee to ensure rigorous oversight and strategic direction of our sustainability endeavours. In addition, the Investments and Project Monitoring Committee (IPM) takes the lead in the Fund's responsible investing approach, ensuring our investment policy and strategy requirements are executed and that we continually support ESG-compliant companies.

- [Read more in our Sustainability/ESG report - click here](#)
- [SACA report](#)
- [ARC report](#)
- [Responsible investments \(KIV P17\)](#)



Our governance

Responsible investments



As a prudent institutional investor, we are committed to ensuring that responsible investment standards guide our decision-making, thereby promoting sound governance and fostering value creation by the companies in which we invest.

Investment Approval Process

The investment of member funds is authoritative and deliberate, requiring Board approval in alignment with the Minister of Finance, Planning and Economic Development, as stipulated by Section 30 of the NSSF Act. Our focus is on mature markets known for their predictable returns, aligning with prudent investment philosophies.

Growth and Asset Allocation

The pursuit of growth is managed through a strategic Allocation of Assets policy, formulated under our comprehensive investment policy to balance prudent decision-making with the desire for consistent member returns.

Investment Oversight

The Investments and Project Monitoring Committee (IPM) takes the lead in the Fund's responsible investing approach, ensuring our investment policy and strategy are executed as intended and that we continually support ESG-compliant companies.

Responsible Investment Policy

Our responsible investing philosophy is encapsulated in a Board-approved investment policy, which institutionalises a formalised investment strategy and underscores our commitment to responsible investment practices.

Monitoring and Review

The Board actively monitors responsible investments through:

- In-depth consideration of investment proposals in consultation with the relevant Minister
- A quarterly review of real estate, equities, and fixed income performance against established targets
- Biannual performance evaluations of Fund Managers, focusing on their adherence to our investment standards and targets
- Incorporating ESG considerations in investment decision-making, reflecting our commitment to responsible and sustainable investment practices
- Regularly updating the Fund's strategic asset allocation, ensuring it remains responsive to market dynamics and aligns with our long-term investment horizon

By implementing these measures, we ensure our investments not only contribute to the financial growth of the Fund but are also aligned with the broader principles of sustainability and corporate responsibility.

 [See the Chief Investment Officer Report](#)

 [See our IPMC Report](#)



Stakeholder relationships



Recognising the significance of incorporating stakeholder perspectives, we emphasise a stakeholder-inclusive approach that harmonises their needs, interests, and expectations with the long-term well-being of the organisation.

Continuous Stakeholder Engagement

We engage persistently with a diverse array of stakeholders - including government entities, the public, members, and service providers like bankers, custodians, administrators, and Fund Managers - to truly grasp and address their specific needs and expectations.

Strategic Partnerships and Relationships

Building and nurturing strategic relationships is a key focus for us, as it assists in managing societal expectations, mitigating reputational risks, and forming robust partnerships, crucial pillars for our business's sustainability.

International Outreach and Innovation

Our dedication to global stakeholder engagement is exemplified by the establishment of a Liaison Office, which coordinates International Social Security Association (ISSA) activities across East Africa, liaises with the Africa Social Security Association (ASSA) and the International Labour Organisation (ILO), and explores initiatives like a locally tailored Social Protection Training Centre.

Ongoing Engagement and Value Evaluation

Evaluating the impact and quality we deliver to stakeholders is critical for addressing sustainability issues and informing our strategic direction.

Communication and Transparency

We maintain open and transparent communication channels founded on trust and a clear understanding of our stakeholders' expectations. By doing so, we foster sound relations that reinforce business sustainability, ethics, and organisational integrity aligned with the social, legal, and economic framework of the country.

Stakeholder Engagement Governance

The Staff Administration and Corporate Affairs Committee (SACA) is responsible for supervising the Fund's stakeholder engagement strategy, ensuring all engagement activities align with our policy and values.

Stakeholder Engagement Practices

- Periodic reporting of engagement activities to SACA
- Conducting stakeholder engagement surveys
- Adhering to a Board-approved Stakeholder Engagement Policy
- Keeping a detailed register of stakeholder interactions

Feedback and Improvement

We closely review feedback obtained through stakeholder engagement surveys and develop targeted action plans to address identified areas needing improvement, demonstrating our commitment to continually enhance stakeholder relations.

 [Read more about stakeholder engagement](#)

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Performance and reporting



Strategy

The Board is responsible for guiding the strategic direction of the Fund and has established a robust governance framework to empower management to meet its objectives, in line with the strategic plan set for completion by 2035.

The Fund's strategy is clearly articulated and includes a suite of Key Performance Indicators (KPIs) focused on long-term value creation.

To demonstrate our strong commitment to sustainability and responsible investment, we have formally integrated sustainability drivers into our strategy, highlighting our dedication to achieving our selected Sustainable Development Goals (SDGs) and making a significant environmental, social, and governance (ESG) impact.

Key elements of our strategic approach include:

- A comprehensive ten-year strategic outlook informed by detailed strategic planning sessions conducted by the Board.
- A holistic strategy that seamlessly integrates risk management, opportunity identification, and performance management processes.
- Sufficient budgeting and resource allocation to ensure strategic objectives are met effectively.

The Board regularly evaluates the Fund's progress against the established strategic targets and the overarching strategic vision, ensuring ongoing alignment and responsiveness to emerging challenges and opportunities.

[Read more on strategy and performance](#)



Sustainability and ESG integrated into NSSF's strategy



Customer satisfaction



Social responsibility



Financial resilience



Inclusivity



Environmental protection



Board activities FY2023/2024 in support of strategy

<div>Performance</div> <p>Key performance measures are aligned to the strategic objectives which translate into an organisational scorecard, cascading into individual scorecards.</p> <p>The Fund continues to deliver excellent results in all metrics we measure ourselves against to ensure achievement of milestones and execution of strategy.</p> <div>Board activities FY2023/2024 in support of strategy</div>	Business Perspective	Key Issue(s) Assessed	Broad Strategic Intervention(s)	Definition of Success	Position in 2020/2021	Position in 2021/2022	Position in 2022/2023	Position in 2023/2024
	Customer	<ul style="list-style-type: none">Customer experience (pain points due to data quality and manual processes)Inadequate engagement with customers across the life cycle	<ul style="list-style-type: none">Ubiquity in customer service channelsIncreased self-serviceProduct innovation	95% customer satisfaction	82%	82%	88% Service quality has been maintained across all channels	87% 91% of the members contacted the Fund via electronic channels
	Finance	<ul style="list-style-type: none">Deliver a real rate of return on customers' savingsImprove options for financial protection	<ul style="list-style-type: none">Diversify the Fund's investment portfolioImprove delivery of real estate projectsProduct innovations that deliver enhanced financial protection	<ul style="list-style-type: none">Return of at least 10-year moving average of inflation +2%UGX 20Tn Assets Under Management (AUM)	Total assets UGX 15.5Tn	UGX 17.25Tn	UGX 18.56Tn Progress towards UGX 20Tn by 2025 is on track	UGX 21.97Tn Assets under management hit 20 Trillion ahead of 2025 and have exceeded as at June 2024
	Processes	<ul style="list-style-type: none">Manual interventions in key customer processesInadequate data quality for agile business decisions and deeper customer insights	<ul style="list-style-type: none">Business Process Re-engineering (Skyfall).Business Intelligence and Data Maturity Model ProjectStraight-through processing contribution project	<ul style="list-style-type: none">Pay customer benefits within 1 dayUpdate member statements in 24 hours	8 days	12.3 days	11.9 days Benefits payment turnaround reduced due to the implementation of the Pension Administration System Close monitoring of the turnaround time and measuring the average time taken to process claims	10.12 days Benefits payment turnaround time has slightly reduced and this is attributed to increased verification of survivor's benefits claims to counter increasing fraudulent attempts to access the same
	Learning, Culture, Growth	<ul style="list-style-type: none">Progress maturity as a high-performing organisationBecome a talent magnet and nurture top talentImprove staff work experience	<ul style="list-style-type: none">Address key "hygiene factors" to improve the work environmentRe-organise structure in line with process re-engineering to add more value to jobs (70:30)Review and improve succession planning for Management to ensure a robust leadership pipelineImprove reward and recognition programme	95% staff engagement rate	93%	92%	86% Employee satisfaction levels significantly reduced due to the changes with the Fund's structure, and this caused anxiety amongst staff	89% Score has slightly increased due to improved staff engagement and alignment of their work to the Fund's strategic objectives

Reporting

The Board ensures that it provides transparency to key stakeholders, both in good and tough times, by providing timely and balanced information, and in so doing, promotes stakeholders' confidence in the business. The NSSF reports the material results of its performance internally and to stakeholders. The Board is responsible for providing reporting guidelines regarding quality and depth of reports, meaningfulness and relevancy to meet internal and external needs.

We strive to give effect to the reporting requirements of the various leading practice codes/guidance/frameworks and good practice in our industry, etc.



Internal reports

The Board and its Committees are supplied with complete and timely information from Management to enable the Directors to discharge their responsibilities.

External reports

The NSSF publishes an annual integrated report, sustainability report (ESG) and audited financial statements (see link) to ensure all stakeholders remain informed. The integrity of the information included in the reports is overseen by the Board, with specific areas of reporting reviewed and challenged for appropriateness by the relevant Board Committees, as well as our internal audit and combined assurance functions. The annual financial statements are audited by KPMG.

The Board ensures reporting of accurate, complete and balanced information in the Integrated Report.

Information related to the required disclosures appears in our Integrated Report. This includes matters relating to our strategy and detailed sections about our long-term goals, medium- to long-term targets, stakeholder engagement, governance approach and outlook. Additionally, our governance principles, including the King IV application are included in this chapter.

Board training includes integrated reporting to deepen Directors' understanding of the requirements of the Integrated Reporting Framework.

IR training is available to new Board members.

Our governance

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Functional governance areas

Risk governance



The Board is tasked with ensuring the implementation of good corporate governance and the execution of effective risk management practices within the Fund. This is facilitated through the structured roles of various committees such as the Investments and Project Monitoring Committee, Finance Committee, Staff Administration and Corporate Affairs Committee, and critically, the Audit and Risk Committee (ARC), which specifically oversees risk management and financial reporting integrity.

Specific roles, responsibilities and accountabilities for risk management are defined.

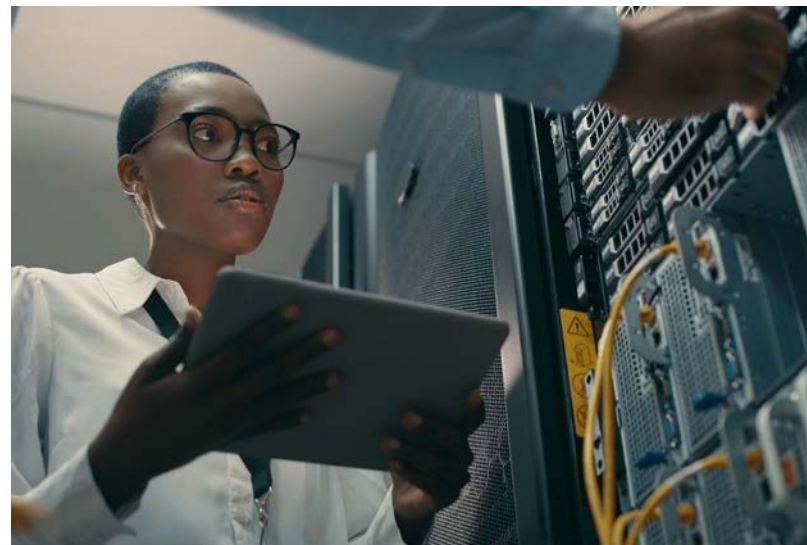
See page 28.

Through a comprehensive materiality determination process material matters and emerging risks are identified which could influence the Fund's business model and its ability to create value in the short, medium, and long term.

This process is detailed further on page 34.

Risk management is an integral part of the Fund's operational activities, acting as both a safeguard and a tool for identifying opportunities for value creation. Given the importance of technology and data security, Cyber Security and Information Security risks form a core focus of the Fund's risk management strategy.

The implementation of the three lines of defence model divides responsibilities clearly between risk-taking and risk-control functions, bolstering the overall risk governance structure of the organisation. The ARC plays a central role in risk and opportunity management and compliance, providing guidance on handling risks according to the Board's direction.



Key elements of the Fund's risk management approach include:

- A risk appetite dashboard that considers both risks and opportunities in support of strategic and financial objectives
- An enterprise-wide Risk Management Framework and accompanying policy
- A Combined Assurance Model to provide a holistic overview of risk control measures

The Board independently assesses top risks regularly, maintains oversight of the Strategic Risk Register, ensures the implementation of strategic projects, and reviews summary reports from both the ARC and Finance Committee. This multi-faceted oversight ensures that risk management remains a cornerstone of the Fund's governance and strategic decision-making processes.

Read more about our risk and opportunity management

Technology and information governance



The governance of technology and information at the Fund is rooted in the Board Charter, where the Board has the key role of overseeing the Information and Technology Policy, systems, and overall strategy.

The Finance Committee is mandated to assist the Board in fulfilling its oversight responsibility for technology governance, ensuring alignment with our strategic goals.

For governance, the Finance Committee takes the lead on IT oversight, supported by a formal IT governance strategy and framework. Regular IT governance audits further solidify this commitment to secure and responsible technology management.

Aligned with its strategy for digitalisation, the Fund is heavily investing in information security to enhance the efficiency of its operations and communication, capitalising on automation and digital platforms.

At the heart of this technological advancement is the Technology and Enterprise Solutions Department at NSSF. Tasked with utilising technology to extend services, improve customer interactions, and bolster operational efficiency, the department's initiatives include digital expansion for social security, user-friendly digital interfaces, data analytics for customised services, AI integration for better efficiency and decision-making, and forming strategic partnerships for service innovation.

Detailed insights from the Chief Technology and Enterprise Solutions Officer.

We make use of the OctoPAS Pension Administration System for efficient pension administration. Our commitment to upholding secure and stable IT services is evidenced by comprehensive controls and regular security assessments, including penetration tests and vulnerability scans, to safeguard our systems and data.



Our governance

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Compliance governance



The Fund is committed to legal and regulatory compliance, with a particular emphasis on adhering to prudential regulation. The Board oversees compliance governance through the Audit, Risk and Assurance Committee, which monitors adherence to laws, regulations, and best practices within the retirement benefits sector.

To govern compliance and service delivery effectively, the Board has instituted comprehensive policies and processes. There is a continuous effort to monitor and proactively engage with regulatory changes and focal areas, ensuring that the Fund remains ahead of developments.

A cornerstone of the Fund's governance is the maintenance of the highest standards, including transparency, accountability, and fairness, to its members, regulators, and all stakeholders. Management plays an ongoing role in tracking the Fund's regulatory compliance, with quarterly reports provided to the Board for review.

The Board has endorsed a Compliance Management Policy and Manual to underpin the compliance infrastructure. This includes regular compliance monitoring to ensure that the Fund not only meets but also anticipates its critical legislative and regulatory obligations.



Internal controls and assurance



Internal Audit (IA) supports the Board and Management to execute their mandate by providing independent and objective assurance, thereby protecting and creating value for a better life.

Internal Audit provides an independent, objective, and continuous evaluation of the Fund's operations and system of internal controls. The function reviews, appraises and reports on.

- a) The effectiveness and adequacy of internal controls, risk management and governance processes, and
- b) The reliability of financial and other management information.

The Internal Audit Charter approved by the Board of Directors, provides the framework that guides activities, purpose, authority and responsibility of the Internal Audit function.

IA reports functionally to the Board and administratively to the Managing Director.

The annual risk-based IA audit plan and budget are developed in consultation with Management and approved by the Audit and Risk Assurance Committee of the Board (ARC).

Issues raised in various audit assignments, are reported to both Management for remediation and to the Board Audit Committee (ARC) for oversight.

Internal Audit makes value adding recommendations to Management and all remedial actions are followed up to completion and independently validated.



Mr. Geoffrey Barigye

A New Day - Creating Shared Value for Sustainable Growth

It is the Fund's commitment to extend social security coverage to more working Ugandans, while aiming to deliver sustainable value to the members and key stakeholders. The Fund has therefore developed strategies to enhance members' lives throughout their life journey and beyond retirement, while driving long-term profitability for the Fund.

The internal audit function performs work across the organisation, providing independent assurance, advice and insight to help the Fund accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

Internal Audit in the Fund is well-structured and aligned to enterprise value creation. Achieving the Fund's objectives is the ultimate goal of everything internal audit does, particularly as a governance role independent of management, which ultimately affects all stakeholders.

Value creation initiatives and reporting, as with the creation and protection of enterprise value overall, require the Board, Management to support Internal Audit and work collectively to align with each other and the prioritised interests of stakeholders.

Our Internal Audit framework and Internal Audit strategic plan offer key features that we believe can greatly enhance internal audit's impact and value for the Fund.





By aligning internal audit's objectives with the Fund's purpose, accelerating organisational change and learning, and fully embracing digital technologies, internal audit is staying ahead of the curve and we continue to evolve the function to meet stakeholder needs. But, without a deep understanding of the key risks that matter, functional improvement alone cannot maximise the impact that Internal Audit can create.

In today's business environment, internal audit is keeping pace with the hastening speed, volume, and complexity of risks. The IA team is currently implementing the internal Audit strategic plan that focuses on cross-team collaboration, data centralisation and documentation, workflow automation and leveraging on modern technology.

As boards and management continue to grapple with dynamic risks, the need for audit to provide assurance and timely insights is more pressing than ever before. Resilience and agility have become our key attributes not only to survive but also thrive in the current dynamic environment.

Internal audit is playing a critical role in supporting the Fund to strengthen and maintain strong internal control and accountability systems by providing objective advice and supporting management to accelerate improvement in the governance, risks and controls landscape.

Quality Assurance and Improvement Programme (QAIP) and performance monitoring

The implementation of a QAIP is to ensure conformance with the definition of Internal Audit, the Code of Ethics for internal auditors and the Auditing Standards.

Internal assessments include a comprehensive ongoing and periodic monitoring. The programme incorporates quality assurance processes in the stages of planning, engagement, and reporting.

On an annual basis, the function conducts and reports the results of the internal assessment to ARC.

Independent and objective external quality assessment evaluates conformance of the internal audit with the Internal Audit Charter, Code of Ethics, and auditing standards. The procurement process for a service provider to conduct an external assessment is being concluded before the exercise can be undertaken within the quarter one of Financial Year 2024/25.

External auditors

The powers to appoint external auditors for Public Institutions (like NSSF) is vested in the Office of the Auditor General of Uganda (OAG). In line with Section 23 of the National Audit Act (2008), the Auditor General may appoint private auditors to assist him or her in the performance of his or her functions under this Act.

Section 32(2) of the NSSF Act gives the Auditor General the mandate to audit its financial statements or by an Auditor appointed by the Auditor General.

Accordingly, the Auditor General appointed KPMG Uganda to conduct an annual audit of NSSF for the year ending 30 June 2024. The length of service of external auditors is determined by the appointing authority and the general practice has been for a duration of three years.

The ARC reviews the external audit plan and oversees the relationship between the internal and external auditors to ensure efforts are coordinated.

Combined assurance



The Board ensures that assurance services and functions contribute to a robust control environment, reinforcing the integrity of information used for internal decision-making and external reporting.

Combined Assurance Model

The Fund employs a "three lines of defence" model, enabling Enterprise Risk Management, Legal and Internal Auditing teams to collaboratively provide a comprehensive view of risk, compliance, and internal controls. This model ensures the reliability of governance structures and thorough coverage of all assurance activities for both financial and non-financial information. Integral elements relevant to governance, risk management, and controls within the integrated report receive focused assurance, with all assurance providers working cohesively yet, importantly, without affecting the independence of Internal Audit. This avoids duplication of efforts and ensures complete coverage.

Audit and Risk Committee's role in assurance

The ARC plays a vital role in overseeing the assurance processes, including internal and external audit planning, evaluating the results, and supervising the implementation of corrective actions. Quarterly reporting to the ARC helps maintain transparent oversight.

Monitoring and addressing assurance outcomes

The Board and Management review outputs from both internal and external assurance providers, ensuring that all necessary remedial actions are implemented to bolster the internal control environment. The link between these actions and their corresponding assurances are reflected in the Integrated Report for 2023/4 and the Auditors' report within the Annual Financial Statements, thereby ensuring accountability and continuous improvement in the Fund's operations.

See page 28 for our combined assurance model



Remuneration governance



The Board upholds remuneration practices that are equitable, responsible, and transparent, aligning with strategic objectives to foster success in the short, medium, and long term.

The Staff Administration and Corporate Affairs Committee, operating under the Board, oversees human resource policies that govern employment terms, remuneration, training, promotions, discipline, and other benefits. These policies are designed to be equitable and competitive, attracting and retaining top talent, encouraging a motivated workforce, while enabling a high-performance culture.

The remuneration framework is aligned with strategic KPIs to ensure performance is commensurate with individual and business success. The reward system acknowledges the need for sustainability and adaptability in a changing business landscape.

The governance of remuneration includes:

- Adherence to the Remuneration and Employment Policy
- Observance of the Non-Executive Director Remuneration Policy
- SACA's role in ensuring fairness and transparency in remuneration
- Routine remuneration reporting to SACA
- Benchmark assessments of remuneration standards
- Reporting to the Board by SACA on remuneration matters

The Board approves the business targets at the commencement of every fiscal year and conducts a thorough review of outcomes at the year-end. This review is crucial before making informed decisions on the awarding of incentives, ensuring that any rewards issued align with the organisation's and individuals' achievements.

Remuneration Report

SACA link



Remuneration report

Fair and responsible remuneration

The Fund conducts annual remuneration surveys to stay aligned with market compensation trends. This ensures our compensation practices are both equitable and compliant with market and regulatory standards.

Beyond remuneration, the Fund is committed to employee development. We offer tailored benefits to enhance skills and potential, which boosts earning capacity and career growth. Our extensive development opportunities include diverse training platforms, support for degree programs, and professional qualifications that benefit both the organization and personal growth.



Remuneration structure

Our compensation framework aligns with the Fund's strategic objectives, linking remuneration to individual and business performance. This approach fosters a culture of excellence, driving the realization of our strategic goals.

To attract and retain top talent, we conduct annual remuneration surveys to ensure competitiveness. This includes assessing performance against set goals, ensuring we attract and retain the best talent necessary for achieving the Fund's objectives.

The Fund's Remuneration Policy at a glance

Reward objectives	Reward principles
Attract Enable recruitment of the right people	Competitive <ul style="list-style-type: none">• We assess competitiveness on a total reward basis• Rewards reflect role, experience, performance, and contribution• Rewards are set with reference to external market practices and internal relativity
Motivate Incentivise employees to deliver and execute strategy	Simple <ul style="list-style-type: none">• Reward is simple, clear, and easy to understand• We avoid unnecessary complexity• Rewards are delivered accurately
Recognise Acknowledge individual contribution and performance Create member value and support the achievement of business strategy	Fair <ul style="list-style-type: none">• Policies are transparent and applied consistently• Reward decisions are trusted and properly governed• Reward is legal and compliant
Wellness Employee wellbeing is a priority for us	Energised <ul style="list-style-type: none">• Family health support• Comfortable and modern working environment• Work like balance• Coaching, mentoring, and counselling support
Retain Foster loyalty and retain high-performing employees	Sustainable <ul style="list-style-type: none">• Flexible reward framework to meet changing business and economic needs• Rewards are administered responsibly

Compensation components

The Fund's pay structure may include any or all the following: fixed pay, performance-based increments, and variable pay.

Fixed pay

The Fund's fixed pay range is linked to an approved grading system, ensuring fairness, competitiveness, and internal equity.

Performance based increments

Performance-Based Increments (PBI) link pay progression to individual performance assessments. Increments are consolidated into basic pay and vary based on appraisal results, grade positioning, and the pay increment budget. The PBI increases with performance and decreases as one's pay moves towards the maximum of the grade, as shown below.

Performance Rating	Position in range				
	Q1	Q2	Q3	Q4	Above max
A+	9.02%	6.01%	3.01%	2.41%	0.00%
A	6.01%	4.01%	2.00%	1.60%	0.00%
B	3.01%	2.00%	1.00%	0.80%	0.00%
C	0.00%	0.00%	0.00%	0.00%	0.00%
D	0.00%	0.00%	0.00%	0.00%	0.00%



Variable pay

The Fund offers annual bonuses to qualifying staff, recognising contributions, retaining exceptional performers, and motivating staff. Bonus amounts are based on performance and overall contributions to the Fund's results.

Benefits

The Fund provides benefits in line with market and regulatory standards, including medical insurance, death benefits, a retirement scheme ("Staff Provident Fund"), an "Annual Service Award" for temporary staff, and a "Gratuity Scheme" for the Executive Committee (EXCO).

Recognition policy

The Fund acknowledges exceptional contributions through financial and non-financial awards to individuals or groups, promoting the Fund's objectives and addressing operational challenges.

Long service incentive

Long service awards recognise commitment and loyalty in 5-year bands, starting from 10 years of service.

Remuneration of statutory appointees

The remuneration for the Managing Director and Deputy Managing Director is based on the same criteria as other employees, with an annual performance review. These packages are approved by the Minister of Gender, Labour, and Social Development.

Annual single total figure of remuneration

Top Management	Salary (Millions)	Benefits (Millions)	Bonus (Millions)	Pension (Millions)	Gratuity (Millions)
Managing Director	887	221	230	307	NA
Deputy Managing Director	689	111	179	212	137



Non-Executive Directors' remuneration and terms of engagement

Terms of service

All Non-Executive Directors are provided with a letter of appointment setting out their remuneration. Directors are appointed by the Minister of Gender, Labour, and Social Development for a three-year term, renewable once.

Fees

Non-Executive Directors receive a retainer for their service on the Board and a meeting attendance fee for Board and Board Committee meetings. Fees are paid monthly in arrears. There are no contractual arrangements for compensation for loss of office. Executive Director(s) do not receive any retainer or meeting attendance fee. In determining the remuneration of Non-Executive Directors, the Board considers the extent and nature of their responsibilities, and comparative remuneration offered by other major entities of a similar nature.

The Fund's remuneration structure

Directors' fees (UGX)	
Board Chairman	
Annual retainer	153,786,000
Fee per sitting	3,600,000
Director	
Annual retainer	121,410,000
Fee per sitting	1,528,000
Board committee	
Member (Fee per sitting)	1,350,000

Summary of 2023/2024 Board emoluments

Category of Directors	Board retainer fees and Board sitting allowance	Other benefits	Pension contributions	Total	Year
Non-Executive	890,189,600	582,542,166	62,914,860	1,535,646,626	2020
Non-Executive	1,087,371,400	No additional benefits paid	38,649,150	1,126,020,550	2021
Non-Executive	1,062,602,200	417,113,520	47,653,617	1,527,369,337	2022
Non-Executive	1,451,145,000	No additional benefits paid	30,115,260	1,481,260,260	2023
Non-Executive	1,535,428,200	230,314,230	nil	1,765,742,430	2024

Our sustainability

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Message from our Chairman

“As we embrace 'A new day - creating shared value for sustainable growth', NSSF reaffirms its commitment to integrating ESG principles into our operations. A sustainable future forms the foundation of a flourishing economy, where the financial security of our members is intricately linked with environmental responsibility and social well-being. By championing this holistic approach, we empower Ugandans to drive sustainable economic development.”

Dr. Peter Kimbowa - Chairman, Board of Directors



Excellence in execution and ESG leadership

Recognising the complexity of our sustainability journey and the limited internal expertise, the Fund appointed an ESG Advisor. The advisor plays a vital role in accelerating our sustainability initiatives plus knowledge pass-over. The responsibilities include (but not limited to) policy development, cultural evolution, establishment of a dedicated team, ensuring excellence in execution, and evaluation of our sustainability efforts.



Securing financial futures and co-creating a sustainable ecosystem

This year's Sustainability Report marks a crucial point in NSSF's journey, where we are building a financially secure future for our members and actively co-creating a thriving social and environmental ecosystem. I am delighted to share the Fund's second Sustainability Report, highlighting our steadfast commitment to embedding sustainability into every facet of our operations.

[Read our Sustainability Report here](#)

As we strive to make savings a universal practice and drive inclusive sustainable development, our journey over the past year has been marked by significant progress and strategic alignment. We significantly accelerated sustainability awareness at all levels in the organisation, including the Board, emphasising the importance of corporate reporting that goes beyond financial metrics. The Fund has strategically aligned itself with sustainability principles through various investments in the regional stock market. Many of our investee companies have begun their own sustainability journeys. This heightened awareness is supported by the ongoing implementation of structures to advance our ESG agenda.

Strategic assessment and sustainability integration

Last year, the Fund initiated a comprehensive baseline assessment of all key strategic initiatives. This included a detailed research and analysis to evaluate our current practices and identify areas for improvement, assessing our progress against various frameworks such as the UN Sustainable Development Goals (SDGs).

We have already aligned with these UN SDG, focusing on integrating sustainability into our overall strategy and financial reporting.



Building consensus and driving sustainability

Consensus building across the Board, management, and throughout the Fund has been pivotal. We are defining concrete actions and expectations for each department to embed sustainability principles into their operations. Moving forward, our focus is on developing specific goals, initiatives, measurable key performance indicators (KPIs), and timelines aligned with our Vision 2035. This includes a rigorous assessment of risks related to data collection and analysis, critical for mapping out our roadmap and effectively executing our ESG metrics.

Evolving our sustainability governance

As a certified sustainability professional, I collaborate with Board colleagues to enhance awareness and ensure a comprehensive understanding of sustainability. Management is tasked with developing a strategic plan that encompasses sustainability ESG criteria. Once established, this plan will guide our oversight, employing appropriate tools, implementation strategies, and stewardship to accelerate sustainability initiatives.

A well-defined sustainability policy will provide the Board with a clear roadmap. This roadmap will outline what needs to be assessed, implemented, and delivered by management to achieve our sustainability goals. Once the policy is in place, management will report on sustainability initiatives with full transparency and guidance.

Oversight of sustainability is currently undertaken by our Audit and Risk Committee. Given current legal constraints, our board charter does not provide for a dedicated sustainability committee. To address this, we are actively pursuing an amendment to the board charter to formalise sustainability governance, which is essential for supporting our 2035 strategy centred on sustainable practices. Failure to establish these structures risks undermining stakeholder confidence in our ability to effectively manage sustainability initiatives.

Accelerating sustainability initiatives and strategic partnerships

Transition efforts

Fast-tracking our transition in critical environmental areas such as waste management and electricity is imperative. The Fund continues to monitor and assess its early steps in the ESG journey, aiming to recognise staff and departments adhering to these initiatives. Notably, our efforts in paper management and noise pollution management have been commendable.

ESG in performance scorecards

Accountability permeates all organisational levels, prompting the integration of ESG criteria into departmental remuneration and performance standards. Our contracts now align with ESG metrics and the PPDA Amendment Act 2021, reflecting our commitment to sustainability.

Climate action funding

The Fund started preparing for climate action funding opportunities in the past year. Once this is achieved, it could significantly support initiatives like the Carbon Academy for COP 29/30, aligning perfectly with our focus on both environmental and social well-being, particularly lives and livelihoods.

Social sustainability partnerships

NSSF prioritises improving lives and livelihoods. Securing climate action funding aligns with this focus, potentially supporting impactful corporate social investments directly linked to the Fund's 2035 strategy, particularly the livelihoods programme. This broader commitment to social sustainability also extends to partnerships with organisations like Rotary International, a global institution driving social good in health, education, and livelihoods for over a century. In the past year, the Fund made a strategic investment in the foundation of Uganda's economy, agriculture, by establishing the National Agricultural Marketing Company (NAMCO). NAMCO will empower farmers by connecting them with new markets and opportunities, driving job creation, food security, and financial inclusion at the household level. This paves the way for stronger families, increased resilience, and a savings culture that will secure a brighter future for generations to come.



Message from our Managing Director

“A new day brings with it the promise of a brighter future for Uganda. At NSSF, we see this not just as an opportunity but as a call to action. By embracing inclusivity and fostering a culture of entrepreneurship, we can empower Ugandans to save for the future and unlock their full potential. Together with our strategic partnerships, we are building a more sustainable and prosperous future where the success of the Fund and the well-being of our members, society, and the environment are all inextricably linked. This is the essence of shared value, and it is the foundation upon which we will build a stronger, more resilient Uganda for generations to come.”

Mr. Patrick M. Ayota Managing Director



Sustainability throughout the value chain

We recognise the impact our investments have on various stakeholders throughout our value chain. For example, in the case of NAMCO, we will assess whether farmers are practicing sustainable agricultural methods. We will also evaluate if their activities negatively affect the environment or society.

Similarly, for our real estate portfolio, we will assess whether suppliers are using sustainable building technologies and the carbon footprint associated with those technologies.

The Public Procurement and Disposal of Public Assets Authority (PPDA) has also emphasised the importance of integrating sustainability into public entity practices. We will adhere to these guidelines in our procurement processes. We have engaged KPMG to provide a historical view of our investments over the last decade. This assessment will analyse the environmental impact of these investments, informing remediation and future investment decisions.

Investing in our people

Our employees are the heart of our success. This year, we expanded the Fund's Wellness Programme to prioritise their health and well-being. We also launched a mental health campaign, recognising its importance in overall staff wellness. The positive impact is reflected in employee satisfaction and the Fund's strong performance. We remain committed to ongoing initiatives that promote staff well-being and satisfaction.

Looking ahead

The Fund is committed to raising its profile as a champion for sustainability. We will continue to demonstrate the resilience, purpose, and drive that have characterised our work for the past 4-5 years. We will not back down from this challenge; instead, we will build upon our successes and forge new partnerships, both within Uganda and internationally, to champion the need for sustainable social security provision and coverage for all. By putting our members at the centre of everything we do, we believe a secure social security journey is achievable for everyone.

Chairman of the Board, Dr. Peter Kimbowa

Building a sustainable future, together

This year's Sustainability report reflects our commitment to building a future that benefits the Fund, our members, society, and the environment. We recognise that true sustainability hinges on a holistic approach, where financial success goes hand-in-hand with social responsibility and environmental stewardship.

Our initiatives remain firmly grounded in the UN Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 1 (No Poverty), and SDG 2 (Zero Hunger). We actively contribute to financial literacy programmes and create economic opportunities, particularly in the agricultural sector.

We acknowledge the potential disconnect between corporate sustainability reporting and the life experiences of the local population. While environmental considerations (SDG 13) are crucial, we prioritise social impact (SDG 8). We do not simply tick boxes; our actions are driven by a genuine commitment to the well-being of our planet, our people, and our communities.

Sustainability as a cornerstone

Everything we do at the Fund is driven by a clear purpose: an unwavering commitment of making saving a way of life while building a strong, prosperous organisation. We recognise the potential for growth in Uganda, and we are committed to using our resources to achieve both financial and social objectives.

Recognising the long-term impact needed to address societal challenges, we are rethinking and innovating our investment approaches. This dedication extends beyond traditional financial strategies. Our groundbreaking Hi-Innovator Programme exemplifies this approach. By directly supporting entrepreneurs, many of whom are working in agriculture, we are making long-term investments in Uganda's future.

Hi-Innovator provides them with the resources and mentorship they need to thrive, fostering economic growth and job creation. The programme's success, with UGX 706 M already generated in contributions, demonstrates the power of this approach. We are not only creating a new generation of business leaders but also empowering individuals to build a secure future and contribute to a more prosperous Uganda.

Our sustainability

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Expanding our reach and empowering our members

Our ambitious Vision 2035 targets 15 million members, representing 50% of Uganda's working population. Reaching this goal necessitates a focus on the informal sector, particularly in agriculture. We are dedicated to building a culture of saving within this segment by enhancing financial literacy and boosting earning potential.

Empowering farmers through market access and productivity

Agriculture plays a key role in achieving our goals. Many Ugandan farmers face challenges in accessing markets for their produce, limiting their income, and hindering their ability to save. NSSF is committed to tackling this issue. We will work to:

- Identify and connect farmers with reliable markets, both domestic and international, to ensure they receive fair prices for their crops
- Promote sustainable farming practices that enhance productivity and soil health, ensuring long-term agricultural sustainability

The Otuke Village experiment: A model for success

In the village of Otuke, we piloted a programme to empower rural women. We linked saving with opportunity by offering them a chance to acquire new hoes through the discipline of saving in their NSSF accounts. Over 6,306 women participated, exceeding their savings goals and collectively saving UGX 18.92 M. This initiative demonstrates the power of financial inclusion and goal setting in building a culture of saving.

Investing in our people

At NSSF, we understand that a healthy workforce is a productive workforce. Our comprehensive wellness programme encourages annual health checkups, provides mental health resources, and promotes healthy lifestyle choices. This investment in our employees not only benefits the Fund but also equips them to be community leaders and agents of positive change.

Focusing on sustainability

In this report, we elaborate on our sustainability related ambitions, goals, and metrics, as well as our progress to date. We are actively developing a robust sustainability framework to guide our governance practices and promote regional sustainability initiatives. The Fund's Vision 2035 emphasises a greater commitment to impact partnering, exploring strategic partnerships that further propel our purpose. Our efforts are deliberate and focused on creating a measurable and meaningful impact beyond being just a social security provider but also a partner in our members' journeys.

Looking forward

At the Fund, we believe a brighter future for Uganda is a future where prosperity is shared. By empowering our members, particularly those in the informal sector, we are not only fulfilling our social responsibility but also creating a more sustainable and resilient financial ecosystem for generations to come.



Managing Director, Patrick Ayota

Our sustainability journey

The Fund's commitment to ESG considerations is integral to our operations. We are dedicated to improving lives for our members, customers, and communities by anticipating and managing ESG matters. Our goal is to drive meaningful action on sustainability, setting a standard for fostering a thriving society and promoting economic growth for a greener future.

As a Public Interest Entity, the Fund is uniquely positioned to demonstrate its purpose beyond providing annual returns. This has led to a comprehensive review of our sustainability actions and reporting, necessitating a cultural shift towards a long-term, impactful view on sustainability.



Voluntary disclosure

The review of the Fund's sustainability journey within the reporting ecosystem revealed that the Fund falls in the category of Voluntary disclosure. This commitment to transparency enhances our understanding of ESG performance and allows us to report our activities effectively. With a growing awareness, the Fund has placed significant emphasis on building capacity to strengthen the reporting ecosystem.

Key areas of focus

To support our ESG initiatives, we focus on several key areas:

- **Governance, policies, and processes:** Implementing robust governance structures and policies that align with our sustainability goals.
- **Holistic ESG integration:** Integrating ESG factors comprehensively across all aspects of our operations.
- **Sustainability across the investment value chain:** Embedding sustainability considerations into our investment processes.
- **Measurement and reporting:** Developing systems to measure sustainability risks, impacts, and performance, and producing high-quality annual sustainability reports.
- **Partnerships:** Collaborating with peers and international initiatives to enhance our ESG efforts.

Advisory engagement

To further guide our journey, we engaged with an external advisor to explore sustainable practices. This engagement focused on:

1. **Review of values and mission:** Advising on new terminology and frameworks reflecting our sustainability commitment.
2. **Strategic plan evaluation:** Identifying opportunities to drive our sustainability agenda.
3. **Governance and policy development:** Supporting the creation of policies and processes for effective implementation of sustainability initiatives.
4. **Investment value chain integration:** Advising on integrating sustainability throughout our investment activities.
5. **ESG core team formation:** Establishing a dedicated team to manage ESG efforts.
6. **Measurement metrics:** Developing metrics to assess ESG risks, impacts, and performance.
7. **Sustainability reporting:** Assisting in creating an annual sustainability report to document our ESG activities and progress.

Methodology and findings

Our review utilised various sustainability reporting frameworks, standards, and protocols, focusing on ESG themes. The process involved:

- **Phase 1 - Baselines and materiality assessment:** Reviewing existing documents and conducting a materiality assessment to identify key sustainability issues. This phase included literature reviews, interviews, and discussions to understand the ESG landscape and benchmark against global practices.
- **Phase 2 - Setting goals and targets:** Engaging with our team and Board to define goals and targets, refining our sustainability blueprint based on identified issues and emerging insights.
- **Phase 3 - Strategic road map:** Synthesising findings to develop a strategic framework for sustainability, aligning with our long-term goals and objectives.

Understanding the sustainability reporting ecosystem

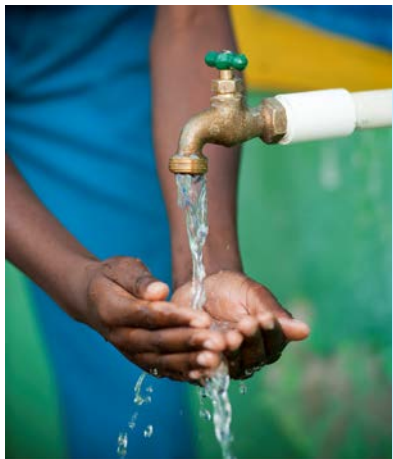
To navigate the reporting ecosystem, we identified its components:

- **Frameworks:** High-level guidelines for identifying, assessing, and reporting sustainability issues. Examples include the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Task Force on Climate-related Financial Disclosures (TCFD).
- **Standards:** Detailed guidelines building on framework principles, outlining precise requirements for reporting specific sustainability topics.
- **Protocols:** Tools, methodologies, or instructions for measuring, monitoring, and reporting sustainability performance in line with frameworks and standards.

Integrating frameworks, standards, and protocols enhances the credibility, transparency, and impact of our sustainability reporting.

Reporting recommendations

- Adopt the Integrated Reporting Framework with ISSB standards (IFRS S1 and IFRS S2) for subsequent reporting.
- Conduct a comprehensive materiality assessment using the double materiality concept, engaging stakeholders to measure performance based on set targets.
- Focus on impact rather than activity or input to refine our sustainability blueprint.
- Ensure our materiality assessment covers all potentially relevant ESG topics.



Way forward

Next steps	Action	Progress to date	To be completed by
Target setting	Refine sustainability targets and objectives through further discussions across departments	Scorecard setting commenced FY24-25	June 2025
Materiality assessments	Conduct comprehensive assessments every two to three years, with periodic reviews	Internal assessment complete	External assessment to be completed during the next 12 months
Training and development	Enhance knowledge and skills related to sustainability for our Board and team	In the next 12 months	June 2025
Process and governance design	Develop streamlined processes and governance structures to support sustainability efforts	In the next 12 months	June 2025
Central ESG team	Create a dedicated team to coordinate and innovate sustainability initiatives	In the next 12 months	June 2025
Performance metrics	Establish specific metrics to track and manage sustainability performance	Scorecard setting commenced FY24-25	June 2025

By focusing on these areas, the Fund aims to create a significant positive impact through our sustainability efforts, ensuring effective contributions to our communities and environment while maintaining transparency and accountability in our reporting.

Materiality

Material matters are those issues that could affect our ability to create value in the short-, medium- and long-term. These matters influence our strategy and how we manage our associated risks, as well as opportunities we explore because of these factors.

In 2024, we conducted a materiality assessment to identify our most relevant (or “material”) reporting topics from an ESG perspective. A survey was conducted within the Fund to gather feedback from internal and external stakeholders, providing insights into the level of engagement on ESG initiatives. It was also intended to give us a baseline to set key targets and objectives that will inform the current and future reporting cycles.

The assessment was based on a qualitative analysis of the responses received through the survey. The survey ranked the responses on a scale of 0 to 5. During analysis the double materiality concept was applied that assesses both the impact the fund has on society “outward impact” and the impact of the identified topics on the business of the Fund. The survey confirmed that sustainability continues to increase in importance to the Fund and all stakeholders.

Material ESG issues

The ESG topics identified, which we refer to as “material ESG issues” throughout this report, inform which issues we report on, which issues we consider raising to our Board of Directors and how we establish our ESG priorities. They reflect the ongoing importance of issues connected to climate change, diversity and social justice, and business ethics and governance. Our materiality assessment focused on impact rather than activity or input.

We identified key ESG topics crucial to our sustainability strategy:



Environmental

- **Carbon emissions:** Reducing our carbon footprint and promoting energy efficiency.
- **Biodiversity:** Protecting natural ecosystems and enhancing biodiversity in our operations.
- **Real estate portfolio:** Implementing sustainable practices across our property investments.
- **Post-consumer waste:** Minimising waste and promoting recycling initiatives.
- **Sustainable investments:** Allocating capital to environmentally sustainable projects.



Social

- **Diversity and inclusion:** Fostering a diverse and inclusive workplace.
- **Social impact (CSI):** Contributing to community development and social initiatives.
- **Employee well-being:** Ensuring the health and well-being of our employees.
- **Relevance to members:** Tailoring our services to meet the needs and expectations of our members.



Governance

- **Ethics and compliance:** Upholding the highest standards of ethics and integrity.
- **Regulatory compliance:** Adhering to all relevant laws and regulations.
- **Political interference:** Safeguarding our operations from undue political influence.

Oversight of ESG

The Fund has appointed the Board as responsible for delivering ESG commitments. The Board is supported by the following Committees:

Responsibilities	NSSF Board Committee Oversight
Social and economic development <ul style="list-style-type: none">• Anti-corruption and bribery• Promotion of equality• Human rights• Anti-money laundering	 Staff Administration and Corporate Affairs Committee  Audit and Risk Assurance Committee
Ethics <ul style="list-style-type: none">• Monitoring of reported ethics cases and investigations	 Audit and Risk Assurance Committee
Environment <ul style="list-style-type: none">• Responsible consumption• Impact of Fund operations on the environment• Impact of investee companies on the environment	 Investments and Project Monitoring Committee
Stakeholder engagement and management <ul style="list-style-type: none">• Relationships with key stakeholders	 Staff Administration and Corporate Affairs Committee
Sustainability and community development <ul style="list-style-type: none">• Development of communities through CSI activities	 Staff Administration and Corporate Affairs Committee

Assurance

The Fund's Internal Audit team plays a vital role in our ESG strategy by assessing risks amid evolving regulations. As the ESG regulatory landscape continues to change, we have identified necessary updates to address these shifts. Our internal audit function has mechanisms in place to track ESG-related changes and assess their impact on the Fund's processes. This objectivity ensures robust checks and balances. Given their existing experience in overseeing the Fund's operations, Internal Audit will expand its scope over the next 12 months to review all ESG frameworks as part of its assurance activities.

Internal audit provides assurance on key areas across the six capitals.

	Manufactured	IT infrastructure and real estate portfolio management
	Financial	Strategy execution, financial performance, investment processes, and financial reporting
	Human	Organisational restructuring, recruitment, rewards, benefits, and training
	Social and Relationship	Strategic partnerships, CSI activities, and community impact
	Natural	ESG frameworks and compliance
	Intellectual	Brand management, data security, and IT frameworks

This comprehensive assurance framework supports NSSF in delivering value and ensuring transparency in its operations and reporting.



Sustainability driven by ESG at NSSF

At NSSF, sustainability is at the core of our mission. Over the past decade, we have focused on enhancing the value and security of the social security benefits for our 2 million+ members, as evidenced by our recent milestone of UGX 22.13Tn in assets under management (AuM). This achievement has allowed us to consistently deliver a minimum return of 2% above inflation on member savings, a performance validated by an 85% satisfaction rating.

As we transition from our 2015–2025 strategic plan to Vision 2035, financial inclusion will be a central pillar of our strategy. Our goal is to expand our membership coverage from 2 million to 15 million working Ugandans by 2035. This ambitious target will require a unified effort to protect both the business and natural environments, as well as the society we serve, through strong and transparent governance.

Our commitment to sustainability is embodied in our ESG principles, which guide us in integrating sustainability into every aspect of our operations. This approach enables us to champion environmental stewardship, social responsibility, and economic resilience.

Environmental stewardship

NSSF is dedicated to minimising its environmental impact through innovative and proactive measures. We are focused on reducing greenhouse gas emissions, conserving energy, and promoting resource efficiency. Our real estate investments adhere to green building practices, ensuring energy-efficient and environmentally friendly developments.

By incorporating renewable energy sources and sustainable waste management practices, we aim to set a standard in the real estate sector that prioritises biodiversity and respects local ecosystems.



Social responsibility

At the heart of our ESG-driven sustainability agenda is our commitment to social well-being. NSSF seeks to create value for both members and the broader community through initiatives that enhance education, health, and economic opportunities. Our Corporate Social Investment (CSI) programmes are designed to uplift vulnerable segments of society by investing in community development projects that provide access to clean water, sanitation, and healthcare.

Our Financial Literacy and Hi-Innovator Programmes support youth development by equipping them with skills for a sustainable future, ultimately fostering employment opportunities and ensuring our relevance and viability as a business.

We also prioritise the welfare of our employees by maintaining a diverse, inclusive, and supportive workplace that encourages continuous learning, innovation, and growth.



Governance

Our sustainability efforts are overseen by a robust governance structure that ensures guidance, accountability, and transparency in decisions affecting our stakeholders, including members, employees, investors, suppliers, and the broader community.

NSSF is committed to high standards of corporate governance. We invest in the skill development of our Board and Executive Management team to enable Trustees to fulfil their fiduciary duties. Our governance structures safeguard independence and prudence in decision-making, supported by experienced employees. We use a balanced scorecard framework to measure value-to-member and value-to-society, linking it to compensation and ethical standards. We exceed regulatory requirements by timely publishing our audited financial statements and subjecting them to public scrutiny during the Annual Members' Meeting. Member feedback directly influences our governance decisions, ensuring our efforts align with stakeholder benefits.



Our sustainability

Economic resilience

Our approach to economic resilience emphasises sustainable growth, risk management, and value creation. By diversifying our investment portfolio across various sectors and geographies, we mitigate risks and enhance portfolio stability, ensuring consistent, long-term returns. Over the past decade, our investment portfolio has withstood various challenges, including the Covid-19 pandemic, which led to a significant increase in benefit payouts while maintaining stable returns for our members.

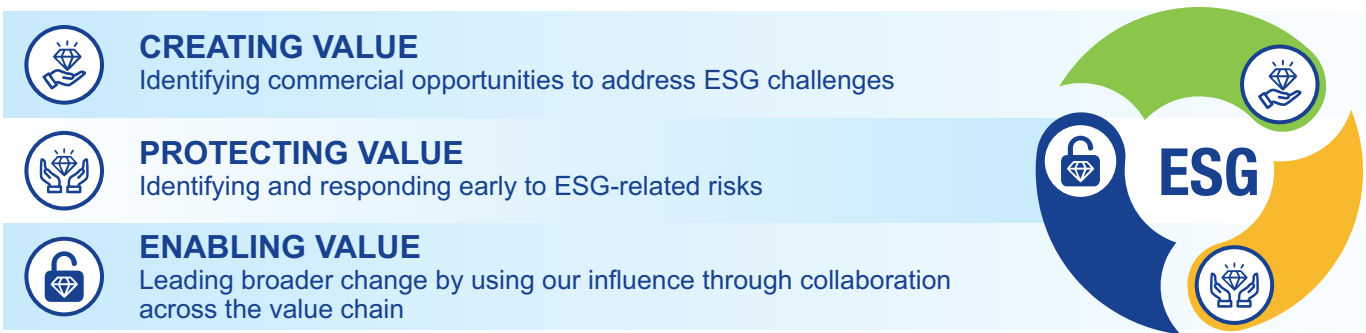


NSSF has prioritised commitment to the following SDGs:



Integrating ESG and sustainability in our strategy

The visual depiction of our strategy illustrates our approach to ESG and sustainability, which is premised on:



Roadmap and approach to IFRS S1 and S2 standards

Our approach

The Fund is incorporating reporting frameworks, standards, and protocols into its sustainability strategy and reporting structure through an iterative, interconnected process. To enhance understanding of their interplay, the Fund will follow this process in the following order over the coming years:

Process	Approach	Status
Engagement and materiality process	Conduct a materiality exercise to link sustainability initiatives with business benefits. This will involve engaging internal and external stakeholders to identify and prioritise issues relevant to the Fund's business. Additionally, collaboration across departments will be essential to achieve bold commitments aligned with the strategy.	The Fund has reviewed the ESG consultant's recommendations for the next materiality assessment and is preparing for the upcoming reporting cycle while working collaboratively with its departments.
Framework selection	Select a sustainability reporting framework that aligns with our strategic goals, stakeholder expectations, and industry context.	To date, the following frameworks and standards have been adopted: <ul style="list-style-type: none"> King IV Report on Corporate Governance for South Africa (King IV™) Integrated Reporting Framework Global Reporting Initiative (GRI) standards Sustainable Development Goals (SDGs) International Financial Reporting Standards (IFRS) Task Force on Climate-Related Financial Disclosures (TCFD)
Standard identification	Identify the relevant standards, both universal and industry-specific, to capture and report material sustainability issues.	After discussions with the Consultant, the Fund has identified and adopted the relevant reporting standards. Additionally, the Fund will engage with its Regulator and industry stakeholders to initiate discussions on developing industry-specific standards to support the creation of a reporting framework within Uganda.
Protocol application	Implement the appropriate protocols to measure, monitor, and report sustainability performance in alignment with the selected framework and standards.	This is ongoing following the adoption of the IFRS S1 and S2 standards.

Our sustainability

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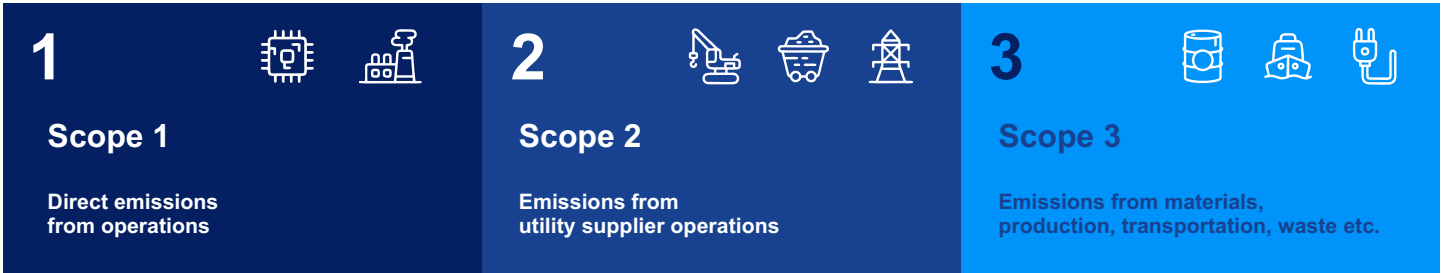
By cohesively integrating these elements, we will enhance the credibility, transparency, and impact of our sustainability reporting, driving positive change toward a more sustainable future.

With guidance from our ESG advisor, we will continue to evaluate our current structure and sustainability strategy during FY2024 to ensure they are fit for purpose going forward. This will involve conducting a gap analysis to identify areas needing improvement for compliance with the standards.

We will adopt the recommendations on reporting and progressively implement them over the next few years to ensure our sustainability reporting accurately reflects our strategy and the value we aim to provide to our customers. The next steps are:

- 1. We will adopt the Integrated Reporting Framework along with the ISSB standards of IFRS S1 and IFRS S2. These standards will guide us in preparing and reporting our sustainability-related financial and climate disclosures.**
- 2. We will conduct a materiality assessment to determine what is material, reassessing materiality judgments at each reporting cycle. This process will help us identify sustainability-related risks and opportunities that could reasonably impact our business model and strategy.**
- 3. We will disclose the process we follow to determine these risks and opportunities, as required by IFRS S1.**

On the road to Net Zero: Scope 1, 2, and 3 GHG emissions



In 2023, climate change continued to impact people and ecosystems globally, with extreme weather events affecting Uganda as well. Every business has a role in mitigating risks to both people and the planet. Over the next 24 months, we aim to accelerate our performance, targeting a 13.58% reduction in GHG emissions compared to the 2024 baseline assessment. Climate change presents both material risks and opportunities for us. We utilise the Task Force on Climate-Related Financial Disclosures (TCFD) methodology to assess and disclose our climate risks and opportunities.



Approach

In 2024, we started on baseline external assessment to ascertain the Fund's Net Zero Roadmap (see the next report issue) to set out how we plan to meet our net zero commitment by 2050. Guided by the Roadmap, we shall be transforming our business model to deliver reductions in GHG emissions across all three Scopes of our activities, according to the criteria approved by the Science Based Targets initiative (SBTi).

A detailed analysis of our GHG emissions will be published within the next 12 months as part of our baseline assessment. To address our Scope 3 emissions, we will develop a comprehensive strategy focused on reducing carbon emissions from logistics and enhancing collaboration with suppliers, stakeholders, and communities to promote regenerative agricultural practices.

For Scopes 1 and 2, which cover emissions from our own operations, our primary strategy will involve increasing energy efficiency and transitioning to renewable energy sources. We will also establish near- and long-term science-based emissions reduction targets with the SBTi, aligned with our Vision 2035 goals.

Sustainability drivers

Furthermore, we have identified five sustainability drivers which are based on assigning value to the capital assets we depend on for our economy and society to flourish, as they are all interdependent. Our sustainability drivers are embedded in our strategy and are focused on ensuring sustainability for our business, our customers, communities, society, the economy and the environment.



Our strategy is underpinned by good corporate governance, which is implemented in an integrated manner, promoting an ethical culture, good performance, effective control and legitimacy.

To view our strategy on a page, click here.



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CFO financial review

“FY2023/24 was a remarkable year for the Fund, achieving the 20Tn Vision 2025 target ahead of schedule. Despite initial regional economic uncertainty and foreign exchange exposure, the recovery of the Kenyan shilling in February 2024 positively impacted the bottom line, resulting in an unrealised foreign exchange gain.

The Fund delivered impressive results on its key performance indicators such as income, contributions, and asset size, showcasing our commitment to sustainable value creation for our members and stakeholders. Our dedicated efforts, strategic foresight, and agile response to market conditions allowed us to maintain a solid performance despite the challenges, underscoring our resilience and long-term focus.”

Mr. Stevens Mwanje, Chief Financial Officer



About the Finance Department

Operating at the heart of value creation, the Finance Department is driven towards transforming its scope; a deliberate effort towards becoming an advisory function. To achieve this vision, the function has defined its strategic objectives across key themes including team finance, data, finance processes, stakeholder management and advisory. We continue to embrace innovative approaches by leveraging technology to improve processes, empower data-driven insights, and develop a multi-disciplinary agile team.



The NSSF Finance Team

FY2023/24 Key highlights

To support value creation across the organisation and contribute to achievement of business goals, the Finance Department Strategic Plan (2024 – 2028) provides for a clear strategic vision, efficient processes, accurate data, skilled team, robust technology, and effective communication in this continuously changing business landscape. We have made commendable progress in the first year towards becoming a fit-for-purpose and future ready Finance Department that is able to appropriately support the Fund in achieving its Vision 2035 strategy and beyond. Despite facing regulatory changes, uncertain operating and economic environment in FY2023/24, we made notable progress towards this vision, accomplishing the following milestones:

Commitment to ESG: The Fund remains committed to driving action on sustainability, recognising its critical role in fulfilling our mission to improve the lives of our members, customers, and communities. This year we conducted a sustainability materiality assessment including a maturity model with support of an independent consultant, to identify, assess, and prioritise key ESG topics. The findings of this assessment provided a clear roadmap for the prioritisation of our sustainability efforts, allowing us to focus our resources on those areas where we can make the greatest positive impact.

Real time reporting and segmentation: We remain focused on achieving fully insights-driven reporting to support value-adding and timely decision-making. A key accomplishment this year was establishing the structure for segment reporting, aimed at enhancing visibility into the performance of each business unit within the Fund.

Process efficiency: With a strategic focus on aligning with evolving business needs and the operating environment, we continue to enhance operational efficiency through automation and process re-engineering. Key achievements this year include the deployment of Bank Auto Reconciliation and the integration of the Smartlife system, which manages our voluntary portfolio.

Business advisory: In the course of our advisory journey, we have continued to support external entities with Business Development services during the year under the Hi-Innovator programme and also conducted Financial Literacy sessions for the 2023 cohort. Specifically, we supported three entities, St Eliza, Ka cyber and Simply Nature. Business needs addressed this year included business process re-engineering, formulation of a strategic plan, financial and valuation modelling.

Leveraging data analytics for strategic decision-making: We heightened our involvement in conducting comprehensive strategic analyses which offered value to both the Fund and individual stakeholders. This has also enhanced our internal capacity through developing a more skilled and analytical team that can provide sophisticated advisory services to the organisation.

Employee development and upskilling the team: We intensified a significant initiative this year to upskill, raise awareness and foster interest in emerging technologies like AI, Data Analytics, Business Intelligence, etc. We also implemented several measures aimed at providing opportunities for professional growth including promotions and movement to other departments within the Fund.

Reporting awards: We remained steadfast in our commitment to financial excellence, supporting the Fund towards achieving its strategic objectives. This commitment to excellence was recognised through various prestigious awards, both locally and regionally.

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Noteworthy awards received during the year include:

Locally, NSSF won five accolades at the 2023 13th edition of the Financial Reporting Awards (FiRe) by the Institute of Certified Public Accountants Uganda (ICPAU):

- NSSF won the Integrated Report of the Year Silver Award
- Additionally, NSSF was the overall winner in the Sustainability, Public Sector Entities, Presentation and Communication categories and took Certification of Recognition for the Corporate Governance categories

This is critical in demonstrating transparency and accountability to our members, government, and all other stakeholders. The Finance Function remains committed to sustaining excellence while continuously adapting to the changing operating environment.



FY2024/25 key initiatives and priorities

- 1. Talent development and succession planning:** We remain focused on staff training and upskilling across the four critical categories: technical skills, professional knowledge, strategic awareness and leadership capabilities. This will be designed to ensure a knowledgeable and multi-disciplinary agile team that can effectively support the Fund's objectives with requisite skills for the future.
- 2. Efficiency:** Inspired by innovation, several projects are underway to implement automation and process enhancements, including the rollout of a new ERP, scaling of Robotic Process Automation (RPA), and deploying a visual database design tool. These initiatives aim to leverage technology to streamline critical business processes.

Additionally, we are improving cost efficiency through the implementation of Value Proposition Budgeting, which enhances the alignment between administrative costs and strategic initiatives.

- 3. Business Advisor:** The department is committed to providing expertise and support across various areas of the Fund in FY2024/25. We will continue providing financial literacy sessions, offering business development services to selected businesses under the Hi-Innovator programme, and delivering tax advisory support, particularly to contracts committees and procurement teams, among others.
- 4. Sustainability:** In line with our commitment to creating shared value for sustainable growth, we are prioritising the development of an ESG framework for the Fund. This includes establishing an ESG function to drive sustainability initiatives and creating a robust system for tracking and reporting our ESG performance.

Looking ahead, we are excited at the prospect of continuous change through capitalising on the needs of our members and the opportunities presented to the Fund by the NSSF Act Cap 2030. With our expanded mandate, we aim to deliver sustainable value to our members and stakeholders.

The economic environment impact on the Fund

Economic activity remained resilient despite multiple successive shocks. The external current account balance is estimated to have remained relatively stable, but a decline in foreign exchange reserves, along with rising portfolio outflows, increased depreciation pressure on the Ugandan shilling (UGX). In response, the central bank tightened monetary policy as these depreciation pressures worsened the inflation outlook in the second half of FY2023/24.

The Kenyan economy faced challenges from global economic headwinds, including rising interest rates in developed economies, political instability, and reduced investment capital inflows. This resulted in the depreciation of the Kenyan shilling against regional currencies, including the Ugandan shilling, which reduced the value of the Pension Fund's regional investments in Kenya. However, since February 2024, the Ugandan shilling has depreciated against the Kenyan shilling, leading to a noticeable recovery across all our positions in Kenya. The Fund holds significant investments in Kenyan government bonds and equity securities.

Operating environment

Every new day brings with it emerging needs from our membership. In alignment to the new law, the Fund has developed innovative products that meet the diverse needs of its customers. The Fund aimed to launch several new products in FY2023/24, such as the Smart Life Voluntary Savings Plan and a value proposition for mandatory savings, however the necessary regulations were not released in a timely manner, leading to setbacks in the rollout of these new offerings.

Despite this, NSSF remains committed to this mandate and we have realigned our business model e.g. through establishing a new department to manage these innovative offerings and intensifying collaboration through strategic partnerships.

Stakeholder engagement is crucial to NSSF's operating environment. The Fund recognises the importance of maintaining strong relationships with stakeholders, including members, regulators, government, and the wider community. Our business activities and reputation are both directly and indirectly affected by these relationships. By proactively engaging with stakeholders, we align our business strategy, manage social expectations, minimise reputational risks, and influence the environment in which we operate.

The operating environment is dynamic, and NSSF faces a range of internal and external risks. To address these, the Fund has implemented a robust risk management framework that includes risk identification, assessment, monitoring, and mitigation. This framework has enabled the Fund to remain resilient in the face of challenges. Additionally, NSSF has established an internal audit function and an Enterprise Risk function to support and enhance its risk management efforts.



Our performance

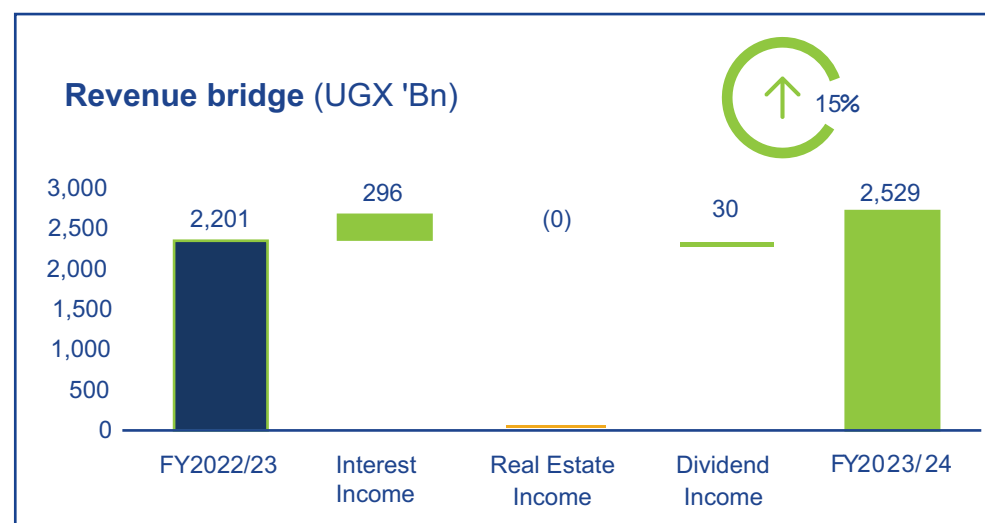
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Business and financial performance

The Fund achieved commendable performance across most key performance indicators. Total assets, realised income, cost of administration, and contributions all surpassed their budgeted expectations. The asset size grew to UGX 20 trillion by January 2024, reaching this target nearly 18 months ahead of the expected date of 30 June 2025.

Additionally, the Fund recognised a significant unrealised foreign exchange gain on the regional investments, especially due to the recovery across all our positions in Kenya.

FY2023/24 key performance highlights



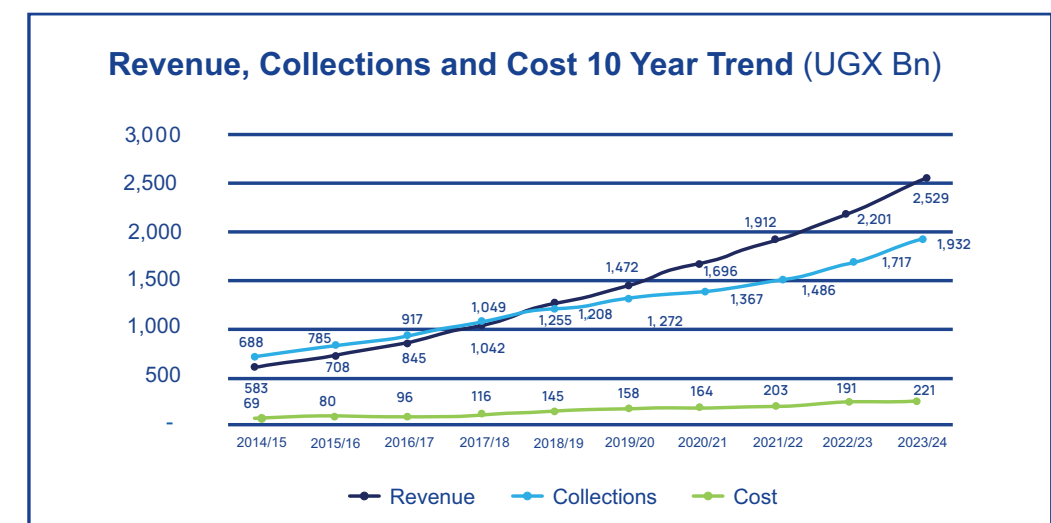
1. Interest income which makes up over 93% of total income, grew by 14% from UGX 2.044Bn in FY2022/23 to UGX 2.340Bn in FY2023/24. This was driven by higher yields especially in the Kenyan market and appreciation of the Kenyan currency.
2. Real estate income increased by 11% from UGX 11.95Bn in FY2022/23 to UGX 13.29Bn in FY2023/24 due to rent escalations and increased unit sales in Mbuya compared to the prior year, but below budget by 17% due to lower than planned occupancy rates and house sales.
3. Dividend income grew by 21% from UGX 145.1Bn in FY2022/23 to UGX 175Bn in FY2023/24. This was driven mainly by dividend income from Airtel Uganda and a general increase in dividends earned from MTN Uganda, Safaricom, National Microfinance bank, Cooperative Rural Development Bank (CRDB) Tanzania, Stanbic Bank Uganda Limited, UMEME and Tanzanian breweries.

As a result, total realised revenue grew by 15% from UGX 2.201Bn to UGX 2.529Bn driven by the growth in fixed income, dividend income and real estate income.

Operating costs

Annual operating costs increased by 16% from UGX 191Bn in FY2022/23 to UGX 222Bn in FY2023/24, and 3% below the budget of UGX 228Bn. The increase from the previous period is attributed to the Fund's continuous strides towards its strategic direction (Vision 2035), driven by initiatives to improve sustainable return and benefits to members through the Fund's expanded mandate, increased strategic partnerships and engagement, processes to boost internal capacity and innovative solutions to improve efficiencies in the delivery of services to our members.

The annual cost-to-income (Total Income) ratio dropped to 7% in FY2023/24, down from 16.45% in FY2022/23, driven by a significant increase in total income due to unrealised exchange gains of UGX 640Bn. The expense ratio also improved, reducing to 1.00% in FY2023/24 from 1.03% in FY2022/23, better than the target of 1.08%.



Whereas revenue and collections have grown by a compound annual growth rate (CAGR) of 18% and 12% respectively, costs have only grown by a CAGR 13% over a 10-year period (FY2013/14-FY2023/24). Revenue has posted significant growth over the historical period, and it continually surpassed collections from FY2018/19 onwards. Revenue was higher than collections by 4% in FY2018/19 versus 31% in FY2023/24 and this gap continues to grow.



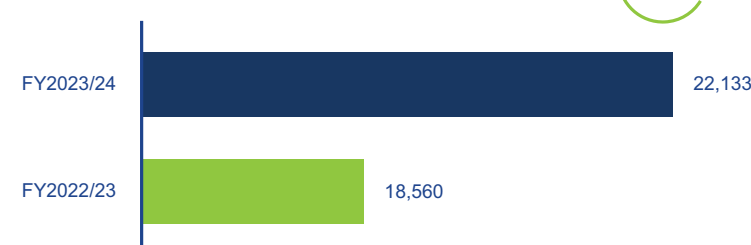
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Interest credited to members

The Fund declared a return to members of 11.5% in FY 2023/24 resulting in UGX 2.073Bn compared to 10% in FY 2022/23 which resulted in UGX 1.584Bn.

Total assets growth (UGX 'Bn)



- The Fund balance sheet size grew by 19% to UGX 22.133Bn (FY2022/23: UGX 18.560Bn)
- This growth is consistent with the combined growth in investments driven by contributions and income generated including unrealised gains net benefits paid out.

The Fund invests in 3 asset classes: Fixed Income Securities, Equity Securities and Real Estate.

Fixed income investments (UGX 'Bn)



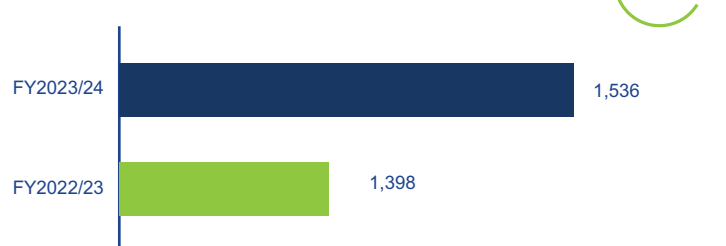
- The 21% growth in Fixed Income investments to UGX 17.293Bn (FY2022/23: UGX 14.340Bn) was due to the increased in investment in Fixed income.

Equity investments (UGX 'Bn)



- Equity Investments increased by 23% to UGX 2.924Bn (FY2022/23: UGX 2.370Bn) attributed to the gain driven by a rise in share prices for several equities, additional shares from Airtel Uganda and MTN Uganda, and appreciation of the Kenyan shilling further amplified the market's performance.

Real estate investments (UGX 'Bn)

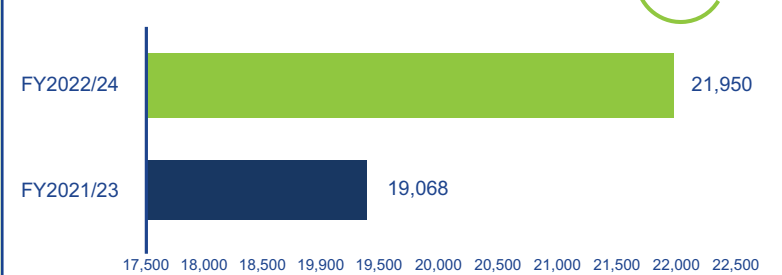


- Real Estate Investments increased by 10% to UGX 1.536Bn (FY2022/23: UGX 1.398Bn) due to progress on ongoing projects including Pension Towers, Temangalo, Lubowaand Mbale.

Accumulated member fund

Member Fund grew by 15% to UGX 21.950Bn (FY2022/23: UGX 19.068Bn) driven by contribution collections of UGX 1.932Bn and interest credited to members of UGX 2.073Bn net of total benefits paid of UGX 1.121Bn.

Accumulated member fund (UGX 'Bn)



Taxation

Following the favourable ruling from the High Court in November 2020, which categorised interest paid to members as a deductible expense for income tax purposes, NSSF attained another milestone.

In FY2023/24, URA refunded UGX 25Bn initially collected from the Fund in respect to this case. However, URA intends to appeal the case.

Cashflow analysis

The closing cash and bank balances stood at UGX 295Bn in FY2023/24 compared to UGX 191Bn in FY2022/23.

Net cash generated from financing activities amounted to UGX 828.3Bn. Net cashflows used in investing activities was UGX 606Bn whereas net cashflows used in operations was UGX 118Bn.

This is a clear indicator of the Fund's ability to generate enough cash for all routine operations, financing and investing activities.



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Update on accounting standards

In response to the constantly evolving global business environment, the International Accounting Standards Board (IASB), which develops and approves International Financial Reporting Standards (IFRSs) under the oversight of the IFRS Foundation, regularly issues new standards and amendments to existing ones.

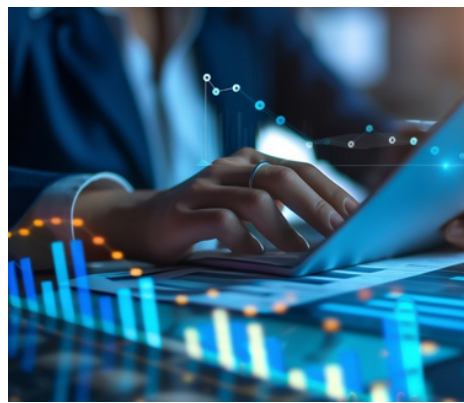
Several amendments to existing standards became effective during the year. However, these had little/no impact on the Fund's financial statements. These included the following:

- **Lease liability in sale and leaseback:** Amendments to IFRS 16 - effective 1 January 2024
- **Supplier finance arrangements:** Amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments: Disclosures - effective 1 January 2024
- **Non-current liabilities with covenants:** Amendments to IAS 1 - effective 1 January 2024

There are new and revised International Financial Reporting Standards issued but not yet effective. These included the following:

- **Lack of exchangeability:** Amendment to IAS 21, The Effects of Changes in Foreign Exchange Rates - effective 1 January 2025
- **Sale or contribution of assets between an investor and its associate or joint venture:** Amendments to IFRS 10 and IAS 28 - effective 1 January 2025
- **IFRS18 Presentation and Disclosure in Financial Statements** - effective 1 January 2027

We highlight further the significant accounting policies and how these affect the Fund in Note 3 of the financial statements.



Economic outlook over the short, medium and long term

The IMF predicts the world economy to continue growing at 3.2% during 2024 and 2025, at the same pace as in 2023. Sub Saharan Africa (SSA)'s growth is not enough to dent poverty, according to the World Bank. Global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

Kenya's economic outlook shows mixed results, stable growth amidst persistent macroeconomic risks. Kenya's growth is projected to reach 5.2% on average during 2024-2026, mainly driven by the private sector as business confidence strengthens and the public sector continues to scale back.

The country faces large funding needs, ongoing risks to external finances, high domestic financing costs, expensive external commercial borrowing, and challenges to fiscal consolidation, despite the government's stronger commitment to narrowing the budget deficit.

Tanzania is expected to continue with a stronger stable growth, higher than Uganda and Kenya. The real GDP growth in Tanzania is expected to rise to 6.3% in 2024 supported by increased mining and tourism activity, as well as infrastructure investment. In the long term, real GDP growth will benefit from the development of offshore gas fields and liquefied natural gas (LNG) production (from 2029). However, external pressures remain due to reduced level of foreign-exchange (FX) inflows, higher import bill, debt amortisation and a tightly managed exchange rate, resulting in FX shortages.

Uganda's economic prospects are projected to improve with GDP forecasted to grow at 6.5% in 2023 and 6.7% in 2024 according to the African Development Bank. This assumes that global growth slowdown will be short lived. BOU's contractionary monetary policy stance since June 2022 to date, along with the declining global inflation, is expected to reduce inflation further in the coming months. The relatively stable shilling has also helped accelerate the disinflation process. Despite the improvement in the near-term inflation outlook, BOU's current inflation projections remain susceptible to eminent risks like imported inflation and tighter global financial conditions which could weaken the shillings exchange rate. This could exert pressure on consumer prices.

The positive economic outlook provides an enabling operating landscape that will not only be critical to achieving our 2035 vision but also envisioning NSSF of the next decade. Our ambitious goals for the next decade include enhancing our coverage to 50% which currently stands at less than 10%, attaining an asset size of UGX 50Trillion (Currently UGX 18Trillion) and achieving employee and stakeholder engagement scores of 95%.

As a Finance Function, we remain committed to driving Fund-wide strategic and operational excellence by providing data driven decision support, predictive analytics, adoption of relevant emerging technologies for continuous process improvements and talent nurturing. These continuous efforts are critical pillars that strengthen our ability to keep adapting in the ever-changing operational landscape, and ultimately guiding the Fund towards lasting success.

Appreciation

My sincere appreciation is extended to the Board and the Executive Management Team for their great support and co-operation rendered during the year. Special thanks is extended to Team Finance for their continuous commitment to future readiness through excellence and innovation and, lastly to all NSSF employees for their firm commitment to ensuring that the Fund achieves its purpose of Making Lives Better.

Our performance

CIO business review

Introduction

“On behalf of the NSSF investment team, I am pleased to report on the investment performance and initiatives for the reporting period ending 30 June 2024. It is a new day. The fiscal year was yet another period, marked by significant challenges, including the ongoing wars and violence in the Middle East and Ukraine, as well as continued geopolitical tensions between the US, Russia, and China. Almost all nations felt the effects of sustained global economic uncertainty and volatile markets.”

Gerald Paul Kasaato, CFA, Chief Investment Officer

On a positive note, inflation in most countries has decreased from the peak seen last fiscal year, as higher policy rates and borrowing costs have helped ease price pressures globally. However, the easing of inflation towards the central banks' targeted rates (around 2% in advanced economies, and 5% in East Africa), has been slow, leading to delays in reducing the respective policy rates. As a result, the fiscal year was marked by significant accomplishments driven by a combination of strategic asset allocation, rigorous risk management, and a commitment to sustainability practices.

Towards the end of the fiscal year—in the last weeks of June 2024, we witnessed protests in Kenya spearheaded by the Gen Z movement who were unhappy with the Finance Bill 2024 and the tax proposals therein—the effect of the market movement on the performance was more than UGX 100Bn. However, despite the combination of a challenging macroeconomic and social environment, we managed to achieve very strong returns that yet again underscore the resilience and effectiveness of our investment strategy. East Africa continues to enjoy robust growth of between 5% and 6% compared to other parts of the world (world 3.2%, Sub-Saharan Africa 3.8%) in 2024.

It is now the 9th year of the 10-year strategic plan ending 30 June 2025. The Fund continues to grow in all dimensions. By recording assets of over UGX 22Tn, we have achieved the asset goal of UGX 20Tn one year ahead of schedule—as promised last year. Reaching UGX 20Tn was accomplished against a backdrop of legislative changes—such as amendments to the NSSF Act in 2022, the Covid-19 pandemic, and heightened geopolitical tensions globally. By all accounts, this performance is remarkable. I could not have been prouder of the team that I have led for the last 10 years to 30 June 2024.

A total revenue of UGX 3.180Tn, 35% above the budget of UGX 2.349Tn, and 175% year on year from UGX 1,178Tn, was impressive. We manage the Fund's investments to maximise long-term returns within the guidelines of the Investment Policy Statement (IPS) using strategies like; market exposure, security selection, and timing across various asset classes. These strategies are complementary and aim to take advantage of the Fund's size and long investment horizon. Each strategy has evolved over time. The contributions to the relative return from all the asset classes show that fixed income continues to contribute most to the Fund's return.

Under the market exposure strategy, the Fund is broadly invested in equities and bonds, following the guidelines in the IPS. Investments are made cost-effectively with the goal of achieving the highest possible return. The security selection strategy relies on fundamental analysis of companies and bonds, using in-house expertise developed over time. The allocation strategy also includes investments in real estate and unlisted equities.



Robust performance despite a challenging economic environment and volatile markets

A total portfolio return performance of 17.10% (compared to 11.93% last year) in the prevailing macroeconomic economic and social conditions is remarkable. The 12-month returns were led by fixed income investments at 17.61%, equity returns came in at 20.07%, and real estate investments delivered 5.56%. The equity returns performance as of 30 June 2024, compared to other African markets (excluding South Africa) and frontier market benchmarks is depicted in Figure 1 below:

Figure 1: How the Fund's equity returns compare with different markets over the one year to 30 June 2024

Portfolio Index	Annual Return (30 June 2023) LCY	Annual Return (30 June 2024) LCY	Annual Return (30 June 2024) USD
NSSF Global Equities	-4.8%	20.1%	20.1%
MSCI Frontier Markets	-6.1%	7.76%	7.76%
Nairobi Securities Exchange Ltd All Share Index	-14.0%	2.33%	11.84%
Tanzania Share Index Real Time	-4.0%	12.15%	2.67%
Uganda Stock Exchange Local Index	-11.5%	1.11%	0.00%
Rwanda Stock Exchange Share Index	-2.3%	1.29%	-8.33%
FTSE/JSE Africa All Share Index	14.8%	4.84%	8.11%
Ghana Stock Exchange Composite Index	10.3%	36.38%	1.50%

Source: Bloomberg

The year-on-year performance of the equity markets as of 30 June 2024, highlights the effectiveness of the Fund's investment strategy, of which diversification is key. The regional equity markets' performance in the year was bullish (compared to last year), thereby driving the overall equity portfolio return performance to 20.07% (compared to a negative 4.8% in 2023). In relative terms to the markets shown in Fig.1 above, this was impressive. The portfolio continues to benefit from robust stock selection and country weighting. The portfolio also benefited from a tactical addition of MTN and Airtel stocks which are listed on the Uganda Securities Exchange—two value stocks.

The Nairobi Stock Exchange (NSE) saw a significant capital inflow after two consecutive years of net outflows due to capital flight, driven by Kenya's improved macroeconomic conditions around currency and debt. The year-on-year performance of the NSE All Share Index was 2.33% in KES, but when converted to USD, it rose to 11.84%, making the NSE the best-performing African market in hard currency(USD) terms. Meanwhile, the Uganda Securities Local Index grew by 1.11%, and the Tanzanian market saw a recovery with a 12.15% increase, compared to last year's negative 4.0%.

Emphasis on long-term sustainability

It is important to note that, while the strong gross positive returns are encouraging in this period of uncertainty, our focus remains on the long-term sustainability of the Fund's investment programme. Capital markets are naturally subject to volatility in the short-term, which is why we prioritise long-term performance. The Fund invests for decades to match its liability profile, not just for a single year. To this end, one-year returns of 17.10% are just part of the results picture for a retirement savings scheme like NSSF. Even returns over 3 years (13.50%), 5 years (14.04%) and 7 years (14.60%)—annualised returns, as shown in Table 1 below, represent relatively short to intermediate time frames for measuring results.

It is the 10-year (14.66%) and 15-year (14.05%) returns that truly reflect the Fund's ability to sustainably provide retirement benefits. The returns achieved for the year ending 30 June 2024, in a challenging regional and global environment, affirm the sustainability and strength of the investment strategy.

Our performance

Table 1: A review of the historical return performance of the Fund over the last 15 years

Periods through 30/06/2024	The Fund's Investment Total/Annualised Average return	Average 10-year/Annualised Average inflation	Average 10-year inflation + 200 basis points	Interest declared to Members
1 Year	17.10%	3.99%	5.99%	11.50%
3 Years	13.50%	4.03%	6.03%	10.29%
5 Years	14.04%	4.63%	6.63%	10.72%
7 Years	14.60%	5.22%	7.22%	11.37%
10 Years	14.66%	6.00%	8.00%	11.53%
15 Years	14.05%	6.52%	8.52%	10.74%
3-Years after 2008	10.40%	7.01%	9.01%	7.67%

Source: Internal

Downsides and trade-offs

The downsides and trade-offs included benefits payouts, the appreciation of the Uganda Shilling, low compliance, and continued slow progress on projects. The robust performance for the fiscal year is better understood in the context of these challenges.

At the beginning of the fiscal year (July 2023) our economic outlook for the region, particularly Kenya, was more pessimistic than what ultimately transpired by the end of the year. As a result, to some extent, our portfolio was positioned more conservatively which limited our gains from the equity market recovery. For example, the Bamburi stock on the NSE achieved a total return of 81.93% (or 83.14 % annualised) between 3 July 2023 and 30 June 2024, according to Bloomberg data.



Benefits pay-outs remain elevated

The NSSF Act Cap 230, provides for mid-term access to members' benefits who meet the qualifying criteria. This required immediate liquidity/cash to fund the pay-outs. As seen in Figure 2 on the right-hand side of the page, benefits pay trajectory continues to be elevated (although there was a reduction in the year of about 7%). The effect is a drag on investment performance, with a sustained heightened focus on treasury and cash flow management.



Figure 2: Benefit payments (count and amount)



Source: Internal



Macro environment and strengthening of the Uganda Shilling

Regional investments are assets denominated in currencies other than the Uganda Shilling (UGX). The total return on these assets is a function of exchange rate movements between the UGX and the regional currencies (Kenya Shillings, KES, Tanzania Shilling, TZS and Rwandese Franc, RWF). For example, the UGX return on the Fund's KES bonds or equities is affected by the KES return on the bonds or equities as well as movements in the exchange rate between the UGX and the KES. In the financial performance, we consider returns in UGX terms. The UGX return also determines the regional portfolio's contribution to the interest rate declared to members. Put simply, $R_{UGX} \approx R_{RC} + R_{FX}$, where R_{RC} is the KES or TZS return on the regional asset and R_{FX} is the movement in the exchange rate. Movements in exchange rates (R_{FX}) represent a sizeable portion of the regional portfolio's risk and return. The Fund's investment strategy views currency risk as a potential source of incremental return, and the fiscal year ended 2024 demonstrated this. Essentially, a weaker UGX against the foreign currencies in which the Fund is invested increases the market value when measured in UGX.

From June 2011 to June 2024, all East African currencies have depreciated against the USD. Over the period, the UGX, KES, and TZS moved by 44.6%, 44.7% and 63.9% respectively against the USD. This represents an average annual depreciation over the period of 3.1%, 3.1%, and 3.9%, respectively (see investment beliefs later). However, during the fiscal year to 30 June 2024, the UGX continued to appreciate against regional peers (or regional currencies depreciated against the UGX) except for the KES. Figure 3 below shows that when paired against the KES, the second major portfolio currency, the UGX depreciated (or the KES appreciated against the UGX) by 9.9% in the year. The UGX appreciated by 10.5% against the Rwandese Franc. Moreover, the UGX appreciated by 8.4% against Tanzania Shilling. The net effect was UGX 255Bn in currency gains.

Figure 3: Uganda Shillings against regional currencies over the one year to 30 June 2024

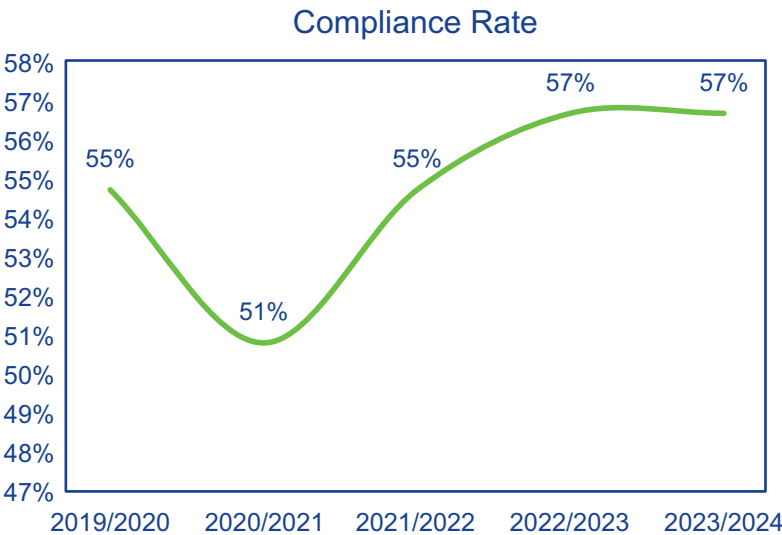
Currency Pair	Currency Return 30 June 2023	Currency Return 30 June 2024
USDUGX	-2.6%	1.1%
KESUGX	-22.2%	9.9%
TZSUGX	-5.2%	-8.4%
GBPUGX	1.7%	0.6%
EURUGX	1.5%	-0.7%
RWFUGX	-16.4%	-10.5%

Source: Bloomberg

Slow recovery in compliance and collections

The impact of the lockdown to combat the spread of Covid-19 continues to weigh heavily on compliance rates. As depicted in Figure 4 alongside, compliance rates stagnated to about 57%. Delays in collections or non-compliance, results in the investment programme being adversely affected. In partnership with the Ministry of Gender, Labour, and Social Development, there is a drive to train and equip labour inspectors to ensure compliance with the existing labour laws.

Figure 4: The Fund's compliance trend in the last four fiscal years



Impact of geopolitical tensions and Covid-19 on real estate projects

Global conflicts, high oil prices, fiscal consolidation, anxiety, and volatile markets continued in the fiscal year. Our projects, especially those initiated before the Covid-19 pandemic, continue to feel these effects. Nevertheless, we persist in navigating these challenges, balancing compliance with pragmatic solutions to enhance project progress.

Opportunities

Despite the downside effects and trade-offs, we took advantage of several opportunities.

Diversification opportunities in the regional markets

Diversification of the portfolio continues to be a continuous journey. Markets volatility continued throughout the fiscal year. We, however, cautiously took advantage of the diversification opportunities albeit with the constraint of market liquidity. After two consecutive years of net outflows, the Nairobi Stock Exchange bourse registered a year of net foreign inflows. This was driven by the improved investor confidence following Kenya's successful issuance of the \$1.5 billion Eurobond and settlement of the June 2024 Eurobond. Indeed, the NSE posted the highest returns among African bourses in dollar terms in the first half of 2024 (the period between 2 January 2024, and 30 June 2024) buoyed by a stronger KES and higher blue chip share prices that saw investor wealth at the market rise by KES 291 Bn (\$2.26Bn) in the period. In USD terms, the Kenyan equity market achieved a return of 50.4% according to the Morgan Stanley Capital International (MSCI) Index for the six months to June 2024, beating Zimbabwe (34.4%), Mauritius (8.0%) and Morocco (6.8%) which were the other top African performers in the frontier and emerging markets indices.

On the fixed income side, the Central Bank of Kenya maintained its benchmark rate (CBR) at 13%, its highest level since 2012, during its 5 June 2024 meeting, against a backdrop of global economic improvements, ongoing inflationary pressures, and geopolitical uncertainties. In Uganda, CBR was above 10% for most of the fiscal year-closing the year at 10.25%. Therefore, we were able to reinvest funds from maturities and coupons in Kenya and Uganda at attractive yields.



Our performance

Sustainability of the Fund's Investments, climate change, and impact

Responsible investment is a core component of NSSF's investment approach and aligns with sustainable development goals. Achieving good long-term returns relies on sustainable economic, environmental, and social progress. We focus on identifying investment opportunities that minimise unacceptable risks, with climate change being a significant concern. We prefer companies that support environmentally friendly activities and engage directly with our portfolio companies on material ESG issues to enhance their long-term value. Our approach is tailored to assess and evaluate issues crucial to each company's long-term value creation and preservation. While we may avoid investments in companies for sustainability or ethical reasons, such as tobacco companies, we find value in investing in firms that promote environmentally friendly and sustainable practices.



Many of the blue-chip companies the Fund has invested in not only offer good returns but also support inclusive prosperity. For instance, investments in the financial and telecom sectors, such as, MTN Uganda, Airtel Uganda, Safaricom, Vodacom Tanzania, Stanbic Bank, Equity Bank, KCB Bank, Trade Development Bank, CRDB Bank, Bank of Kigali, and NMB Bank, contribute to the growth of small, medium, and micro-enterprises (SMMEs) and entrepreneurship. Inclusivity is a crucial criterion for the Fund's investments. By supporting these companies, the Fund benefits from fintech innovations that provide financial services to previously unbanked populations, thereby enhancing financial inclusion, particularly in rural areas.

The top five equity holdings, depicted in Table 2 below, represent 49.39% of the equity portfolio and are distinguished by their strong sustainability initiatives, which include themes such as economic empowerment, education, health, energy and the environment, food and agriculture, and social protection. As of 30 June 2024, about 90.15% of the equity portfolio comprises of companies with robust sustainability practices, an increase from 77.50% the previous year.

Table 2: Top equity holdings and sustainability in the portfolio in the year ended 30 June 2024

30 June 2024				30 June 2023			
	Counter	Amount (UGX)	%		Counter	Amount (UGX)	%
1	MTN Uganda	447,033,344,700	16.27%		MTN	336,600,000	14.43%
2	Airtel Uganda	295,316,000,000	10.75%		Tanzania Breweries Limited	213,391,443	9.15%
3	Equity Bank	210,517,668,783	7.66%		Trade Development Bank	189,162,568	8.11%
4	Trade Development Bank	203,877,478,298	7.42%		Safaricom Limited	184,250,266	7.90%
5	Safaricom (K) Ltd	200,227,350,415	7.29%		Equity Bank Holdings Plc	173,374,834	7.43%
6	Tanzania Breweries	195,555,532,658	7.12%		CRDB Bank	141,733,471	6.08%
7	Umeme Limited	179,634,735,700	6.54%		Kenya Commercial Bank	131,674,397	5.65%
8	NMB Bank (NMB TZ)	171,167,256,000	6.23%		NMB Bank	124,998,120	5.36%
9	Housing Finance Bank	161,955,254,294	5.89%		East African Breweries Limited	109,633,677	4.70%
10	Kenya Commercial Bank	154,379,971,914	5.62%		Umeme Limited	89,695,482	3.85%
11	CRDB Bank (CRDB)	143,704,714,761	5.23%		Twiga Cement	58,330,000	2.50%
12	East African Breweries	114,103,143,879	4.15%		Stanbic Bank Uganda Limited	54,684,148	2.34%
	Total	2,477,472,451,402	90.15%		Total	1,807,528,406	77.50%

Source: Internal



Measurement of impact, sustainability, and non-financial returns

Although quantifying the effects of responsible investment is challenging, the Fund has once again demonstrated leadership and trailblazing efforts, surpassing its peers and other corporations in Uganda—both public and private. To better understand whether its resources are contributing positively to Uganda and the East African region while ensuring financial security for its members, the Fund engaged KPMG to conduct an impact assessment.

KPMG assessed the activities of the Fund including its investment programme for the last 11 years from July 2014 to June 2024. The Fund has invested over UGX 16Tn in the last 10 years to 2024.

The aims of the exercise included assessing whether the Fund's investments and own operations were:

- Generating decent jobs and contributing to economic growth
- Impacting the environment through hazardous waste disposal and water consumption from investment activities and operations
- Reducing carbon dioxide (CO2) emissions

The impact of investments was estimated by applying the Sustainable Investment Framework (SIF) developed by Cambridge University in the United Kingdom and the KPMG True Value Methodology. The SIF aggregates Sustainable Development Goals (SDGs) into six themes: resource security, basic needs, wellbeing, decent work, climate stability, and healthy ecosystems. Meanwhile, the KPMG True Value Methodology monetizes social, economic, and environmental impacts using standardized monetization factors as outlined by international methodologies such as the Value Balancing Alliance.

According to KPMG, the total value created over the period 2014 to 2024 by NSSF is estimated at UGX 143.3Tn. For FY2024, the total true value created amounted to an estimated UGX 32Tn which is 7.3 times more than the total value achieved in FY2014.

KPMG found that by far the largest value-adding component resulted from the financial security provided by NSSF to its members. The average annual interest credited to member accounts accruing from investments since 2014 has been 11.5%. Moreover, the total value of financial security for 2024 was calculated at UGX 15.5Tn (of the UGX 32Tn). KPMG assisted the Fund in quantifying this impact by looking at how the pay-out to members contributed to a high-quality life where basic needs are covered allowing those members to better enjoy their lives.

To express NSSF's contribution to the Uganda economy, KPMG calculated the value of NSSF's financial security in economic terms which leads to a lower value compared to applying the international standards for impact measurement based on the quality of life. In economic terms NSSF's payouts contribute to the Ugandan GDP and employment. The total value created in Uganda alone, amounted to an estimated UGX 59.5Tn over the past 11 years which is equivalent to 28.1% of the country's expected GDP for 2024, or an average annual contribution of 3.8% of GDP for each of the years from 2014 to 2024.

Our performance

OUR REPORT OVERVIEW | OUR BUSINESS | OUR STRATEGY | OUR GOVERNANCE | OUR SUSTAINABILITY | OUR PERFORMANCE

Over the same period, an estimated total of 1,879,500 (or an annual average of 170,800) Full Time Equivalent (FTE) employment opportunities were created—these are jobs, on average, earning above the average living wage—which for Uganda is about UGX 27M a year - **according to Valuing Impact most recently available dataset (2022) - Valuing Impact is a globally recognised organisation recommended by international standards, such as Value Balancing Alliance, as the provider for living wages datasets.** In 2024 alone, 310,000 FTEs employment were supported by NSSF activities in line with the NDPIII goal to generate approximately 558,000 jobs a year.



A part of this value originates from the NSSF investing in government bonds, which assist in providing funds to the Government of Uganda to make investments into the economy through the provision of public goods and services including administration, safety and security, education, health services and infrastructure development. The contribution includes not only government's direct expenditure on public goods and services, but also the secondary impacts of this expenditure throughout the value chains within the Ugandan economy. The result is that for each shilling invested in Uganda in 2024, the total true value created is 2.0 times larger.

The positive impact resulting from NSSF's equity investments in Uganda is UGX 6.5Tn over the past 11 years to 2024, with UGX 2.6Tn generated in 2024.

The final asset class invested in by NSSF is real estate. This portfolio is growing over time. The NSSF is continually adding to the portfolio and has already started or completed developing projects across Uganda including locations in Kampala, Mbale, Wakiso, Mbarara, and Jinja. To this end KPMG calculated the value of the active real estate investments as opposed to vacant land. The results show that for each shilling invested in real estate in 2024, the estimated true value is 1.7 times larger.

The true value calculated for NSSF's own operations is far broader than their financial results and amounts to UGX 16.1Tn over the period from 2014 to 2024, where UGX 3.9Tn was generated in 2024.

Investment beliefs

Foreign currency and hedging

As explained last year, changes in foreign exchange rates on our non-Uganda Shillings investments have a substantial impact on short-term investment performance expressed in Uganda Shillings. The exchange rate gain for the fiscal year ending 30 June 2024, was UGX 255Bn compared to a loss UGX 1.05Tn last year. Some investors manage this risk with currency hedging, which reduces the shorter-term impact of foreign exchange rate changes on their returns.

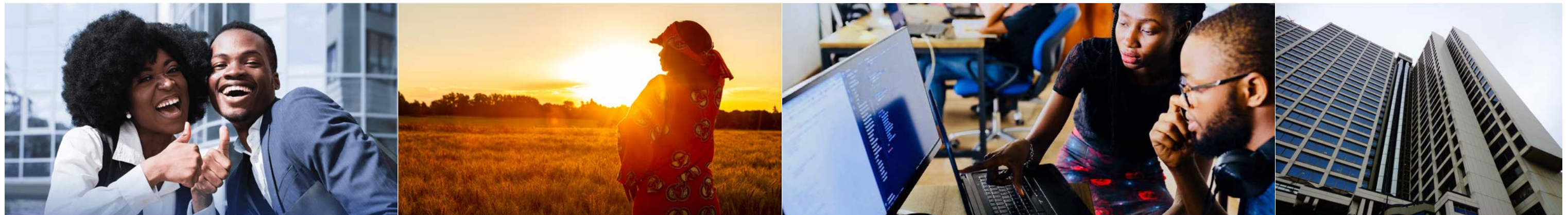
Hedging carries a significant execution cost, however, and requires setting aside cash or at times generating it quickly to meet currency hedging contract obligations.

The Fund's investment strategy views currency risk as a potential source of incremental return. We believe that extensive hedging of foreign investments is not appropriate for the Fund for the following reasons:

- For a Ugandan investor, hedging foreign equity returns tends to increase, rather than reduce, overall return volatility. The Uganda Shilling tends to strengthen when global equity markets are rising and weaken when they are falling. This is partly due to the Uganda Shilling's status as a commodity currency. Regional currencies tend to depict the same trend and are positively correlated with the Uganda Shilling. The extent of the differences is largely explained by demand and supply and openness of the respective country's currency market, with Uganda's market being the most open.
- The cost of hedging currencies of many developing countries and frontier markets is high. If these countries continue to experience higher productivity and economic growth as their economies mature, their currencies should tend to strengthen over time. That would make a hedging programme a long-term drag on returns.
- We mitigate the volatility of individual exchange rates by holding a broadly diversified set of currency, market timing for specific securities and country allocation.

In-house asset management

During this fiscal year, we reviewed our asset allocation and investment strategy to capitalise on our comparative advantages and eliminate costly fees, reinforcing our commitment to in-house asset management. By keeping the majority of assets under internal management, we save the Fund over UGX 36Bn annually in fees—potentially even more—as internal management costs are less than a third of that amount. We believe our respected brand helps attract, motivate, and retain top investment professionals and operational specialists, differentiating us in competitive markets for select investments. Our investment programme is designed to leverage regional growth and demonstrate resilience during market uncertainty. Our team uses their deep expertise and local knowledge to source investment opportunities, engage with world-class partners, and enhance the value of our existing assets. In-house asset management also helps differentiate the Fund in hotly contested markets for select investments.



Our performance

Real estate and alternatives

Few schemes globally include real estate and alternative investments due to their inherent risks. However, we believe that, despite legacy issues, we have developed the capacity to leverage these assets as a distinct advantage for the Fund. Real estate provides diversification benefits, particularly evident during volatile equity markets. In such situations, a single-digit positive return is preferable to a negative one. Our goal is to achieve double-digit returns at the total portfolio level moving forward.



Long-term investment approach

We believe in a long-term investment approach. Our investment team has the scale to engage with nearly every capital market and investment opportunity in the East African region. The Fund's unique characteristics and controllable circumstances drive our investment strategy. We manage our portfolio to meet both current and future obligations, ensuring timely benefit payments, achieving real long-term annualised returns, and minimising the risk of significant, sustained asset drawdowns. This approach allows the Fund to withstand short-term downturns and focus on creating long-term value.



The progress made since the last fiscal year is summarised in Table 3 below:

Table 3: The progress made since the review of the fiscal year 30 June 2024

A	Reducing the allocation to fixed income to 75% of the investment portfolio. The minimum allocation is 70% while the maximum is 82.5%	Achieving the optimal target remains a work in progress as most of the opportunities to absorb the kind of liquidity of a scheme of our size tend to exist in the fixed-income asset class. Nevertheless, we managed to keep the allocation below 80% at 79.6% (it increased from 78.48% last year)
B	Increasing the allocation to equities to 17.5% of the investment portfolio. This will include listed and private equity. The minimum allocation is 12.5% while the maximum is 20%.	The optimal target weight is still a work-in progress. In the fiscal year, allocation to equities increased to 13.32% (from 12.51% last year) on account of the recovery in equities on NSE and new investments in Airtel and MTN in Uganda.
C	Maintaining the allocation to real estate at 7.5% of the investment portfolio. This will include investing in build and sell projects, commercial and mixed-use properties, and land banking. The minimum allocation is 5% while the maximum is 10%.	This was largely achieved. The allocation reduced from 9% in 2023 to 6.9% in the most recent fiscal year ended 30 June 2024. The Mbuya Citadel is now fully sold. Solana selling is ongoing. The reduction in allocation was largely caused by project delays at Pension Towers, Temangalo, Off taker, Bwebajja, and the Yusuf Lule projects.
D	Unlocking the value of real estate land by producing concepts to have it developed.	Construction works are ongoing in Temangalo and Mbale. Progress was also made on the Pension Towers. A Design and Build Contractor was procured for Yusuf Lule Road. The project is still at the design stage.
E	Diversifying by country (within the investment universe), asset class, sector, currency, and many other risk factors.	This continues to be a work-in progress. We deployed over UGX 300Bn in equities. We were also affected by the disruptions in Fund activity in the last half of the fiscal year.
F	Exploring new asset classes that improve the risk-return profile of the Fund.	We continue to engage the legal and regulatory framework and other partners for diversification opportunities.

The plans for the year ahead

On average, we anticipate the economies of the countries we invest in will grow by 5% to 7%. We expect yields in the region to remain elevated, while inflation should stay within targeted ranges across our markets. In this high-yield and growth environment, we aim to achieve our double-digit return target. Nonetheless, given the continuance of heightened geopolitical factors and uncertainty as to when stability can be restored, there is a downward risk of volatility. Navigating market volatility and uncertainty requires innovation and leveraging our structural advantages.

Outlook

Our investment management strategy focuses on achieving the following goals:

- a) Setting a well-thought-out asset allocation that balances the collection of acceptable risks.
- b) Carefully selecting and sizing a range of strategies that we believe can achieve our investment objectives.

We will continue to use a comprehensive portfolio investment framework to achieve our dual goals of competitive returns and long-term member empowerment. Our commitment to the Fund's purpose is unwavering: to provide economic security and promote saving as a way of life. We remain dedicated to the Fund's success and sustainability. Our mission is clear: manage the Fund's investment portfolio cost-effectively, transparently, and with a focus on risk to generate value for members. With a skilled investment team and a well-thought-out strategy, we are confident in our ability to deliver strong, long-term performance.

Gerald Paul Kasaato, CFA
Chief Investment Officer

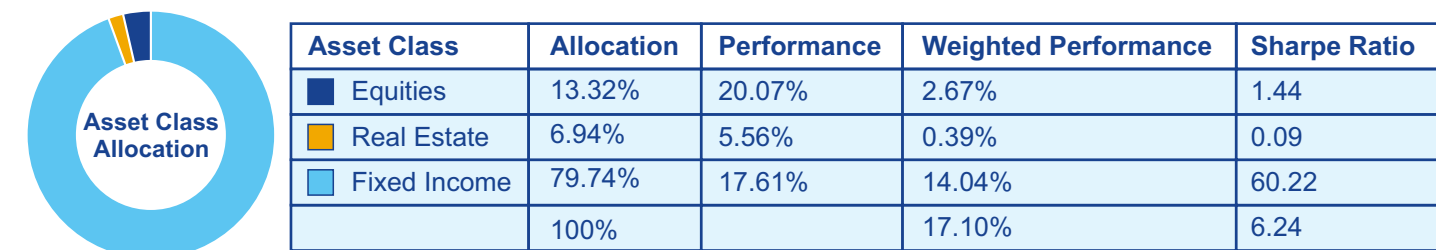


Our performance

Investment performance explained

During the year, we reviewed our strategic asset allocation (SAA). Upon evaluation and analysis, we elected to maintain the optimal weight targets to 75%, 17.5% and 7.5% for fixed income, equities, and real estate, respectively. This suggests an overall modest risk profile. The asset mix as of 30 June 2024, is depicted in Table 4 below:

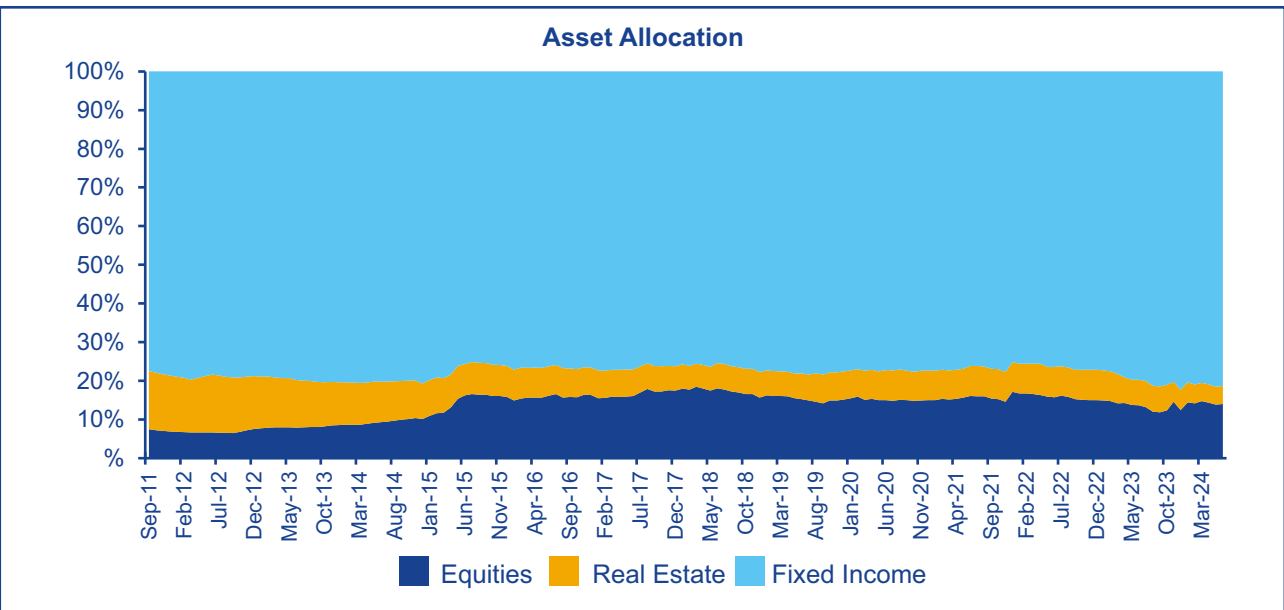
Table 4: The Fund's asset mix as of 30 June 2024



Source: Internal

The asset mix trend over the last twelve years is depicted in Figure 5 below.

Figure 5: The Fund's asset mix trend for the last thirteen years



Source: Internal

Essentially, the investment mix is predominantly skewed towards fixed income. There have been deliberate efforts to diversify the investment portfolio since 2011. This has resulted in more allocation to equities and a reduction in real estate allocation over the years. This is mainly attributed to the slow absorption of funds into projects caused by a rather bureaucratic process of procurement and contract management.

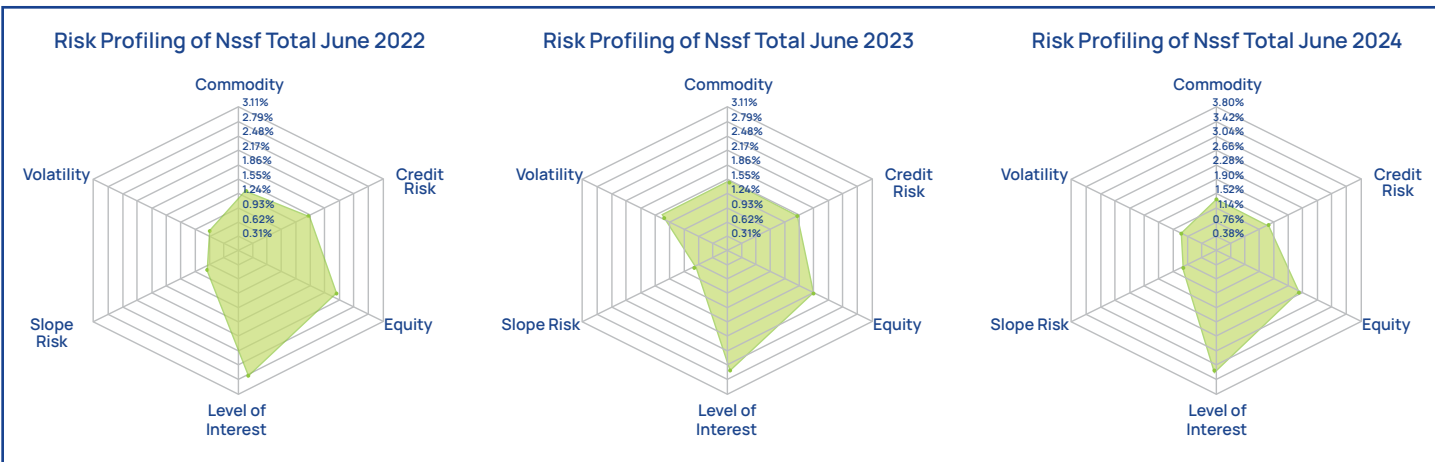
Moreover, the growth in the asset size of the Fund has not been consistent with the opportunities on the stock markets. Even the significant investments in MTN (secondary listing) and Airtel (IPO) with over UGX 300Bn invested in the fiscal year did not necessarily cause a dent in the allocation. Most listed companies are either small or have free floats that are less than 50% - with several at 20%. Yet the few blue chips present a concentration risk.

Nonetheless, we believe that, in the circumstances, having a moderate risk profile for the asset allocation for the Fund is reasonable for several reasons:

- It recognises the inherent constraint posed by the nature of capital markets where the Fund invests. Compared to mature markets, the markets where the Fund invests are small, illiquid, concentrated in a few sectors, and not deep. We still have a few listings on the stock exchanges, but the free float of several listed companies is less than 50%. This is exacerbated by the dominance of the financial services and telecom sectors which technically causes a concentration risk.
- It recognises the need for sufficient liquidity for asset/liability matching needs. This is crucial in guaranteeing a timely payout to eligible beneficiaries.
- It takes advantage of the relatively attractive interest rates and stable inflation in Uganda and the East African region.
- It augurs well with the investment governance structure.
- It still allows us to recognise the need to search for growth of the assets by taking calculated risks. There is no return without risk. We believe that the Fund can earn sufficient risk premiums by leveraging its liquidity and long-term investment horizon.

The investment portfolio is mainly exposed to six risk factors as depicted below. The exposure to these risk factors has largely stayed the same if you observe the periods of 30 June 2022, to 30 June 2024.

Figure 6: The Fund's investment portfolio broad risk factors



Source: Internal

The overall risk of the portfolio on 30 June 2024, was lower compared to what it was on 30 June 2022. Nevertheless, the biggest exposure of the portfolio is the level of interest rates. This is consistent with the large allocation to fixed income and investments in interest rate-sensitive stocks like financial services companies, mainly banks. The other key risk factors are market volatility, company-specific factors, and credit risk. Equities explain most of the volatility of the portfolio occasioned by the change in prices on the stock exchanges. Uganda being a frontier market also explains the existence of commodity and credit risk as key risk factors for the portfolio.

Diversification efforts

The fixed income portfolio stood at 79.74% of total assets while the equity and real estate portfolios stood at 13.32% and 6.94% respectively. Compared to one year ago, the allocations to fixed income largely remained flat, while equities have increased with the recovery of the stock market and addition of MTN and Airtel to the portfolio. These allocations are consistent with the Fund's preferred strategic exposures as per the SAA limits in Table 5.

Our performance

Table 5 Asset class allocation

Asset Class	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	SAA
Fixed Income	77.62%	78.41%	78.46%	79.14%	78.48%	80.31%	78.77%	79.11%	79.74%	75.00%
Equity	14.82%	14.13%	13.88%	13.26%	12.51%	11.85%	13.52%	13.84%	13.32%	17.50%
Real Estate	7.56%	7.46%	7.67%	7.60%	9.01%	7.84%	7.71%	7.06%	6.94%	7.50%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Internal

Fixed income

We continued to take advantage of opportunities in the fixed income markets in both Uganda and the region, albeit in a constrained way. The fixed income asset class recorded a return of 17.61%, an increase from 10.45% recorded the previous year. Table 6 below illustrates the movement in the regional yield curves.

Table 6: Regional yield curves movements

Tenor	Uganda			Kenya			Tanzania		
	Jun-24	Jun-23	Change	Jun-24	Jun-23	Change	Jun-24	Jun-23	Change
91 days	10.08	9.34	0.08	16.06	11.90	0.35	8.07	3.96	1.04
182 days	12.38	10.73	0.15	16.61	11.95	0.39	6.57	5.80	0.13
364 days	13.39	11.78	0.14	16.90	12.16	0.39	6.75	7.14	-0.05
2 years	13.62	12.29	0.11	17.30	13.76	0.26	11.64	9.13	0.28
5 years	15.23	14.26	0.07	15.39	14.36	0.07	10.09	9.85	0.02
7 years	15.75	14.53	0.08	14.98	14.58	0.03	9.71	9.71	0.00
10 years	16.02	14.79	0.08	14.98	14.77	0.01	12.30	11.22	0.10
15 years	16.12	15.29	0.05	14.97	14.76	0.01	15.16	11.96	0.27
20 years	16.73	15.31	0.09	15.45	14.61	0.06	15.13	13.08	0.16
25 years				16.00	15.05	0.06	15.38	13.60	0.13

Source: Internal

In Kenya, we observed an upward shift in short-term yields, creating favourable opportunities in the second half of the year after a cautious approach in the first half. Yields in Uganda also improved year-over-year. In Tanzania, yields increased at the long end of the curve following the Bank of Tanzania's decision to reopen high-coupon rate bonds in February 2024. The Fund primarily invests in the long end of the yield curve to match the duration of its member fund. As a result, we secured attractive yields at this segment, which will provide substantial interest income in the years ahead.



Equities

The equity portfolio generated a return of 20.07% during the year ended 30 June 2024. This was primarily driven by forex and capital gains in the regional markets; the recovery of the NSE and addition of MTN and Airtel to the Uganda portfolio, to mention but some. Over the last two years performance of listed securities at the NSE came under significant pressure due to various macro-economic developments, both locally and internationally. Protracted global inflation and the subsequent rise in interest rates following the fiscal stimulus packages after Covid-19 in developed markets, led to significant capital reallocation from frontier markets such as Kenya to global markets.

The economic policies pursued by President William Ruto - such as raising taxes, cutting the fiscal deficit, taming inflation, refinancing a maturing Eurobond in June 2024 and stabilising the exchange rate – have been credited with enthusing the investors who are flocking back to the NSE.

Following the election of H.E William Ruto, tough measures were implemented to improve the fiscal position, initially causing unrest and resistance.

The Finance Bill of 2024 included proposals to eliminate subsidies, double VAT on fuel to 16%, increase tax rates for high-income earners, and reduce recurrent and capital expenditures. These measures led to protests that unsettled investors, while global inflationary pressures compounded the difficulty of implementing the proposed changes.

Consequently, the NSEASI suffered price depreciations in the month of June 2024 as foreign investors became net sellers on the country's macro issues and negative sentiments of possible spikes in NPLs in the banking sector, and Safaricom's challenges in Ethiopia. As an index, the NSEASI gained 2.33% year on year to 30 June 2024. However, this is better understood with context. For example, counters like Safaricom which had rebounded to a high price of KES 19.30 on 27 March 2024 retreated to close the year at KES 17.30 (a loss of 10.36% in KES excl. dividends) while KCB which had recorded its highest price in the year of KES 37.60 on 29 May 2024 closed the year at KES 31.25 (a loss 16.9% excl. dividends).

Equity bank which had touched a one-year high price of KES 49.20 on 26 March 2024 retreated to close the year at KES 42.25 (a loss of 14.13% excl. dividends). Nonetheless, the fact that the return on the currency in UGX (when KES is converted back to UGX) was 9.9% and starting the fiscal year from a low base for equity prices of KCB and Equity Bank (KES 29.30 and KES 38.25, respectively), returned an overall positive situation in Kenya. Even Safaricom which was flat in price terms, was positive when adjusted for currency and dividends.

Moreover, Tanzanian counters (just like the year before) continued to offer attractive returns; CRDB (20.7% when adjusted for dividends), NMB (59.3%), and TWIGA cement (11.8%). There were also strong positive returns from associates like; TDB Bank, Housing Finance Bank, and TPS Serena. The net effect was a fair value gain of UGX 306.7Bn from equity investments. This further validates a diversification strategy across different countries and sectors.



Our performance

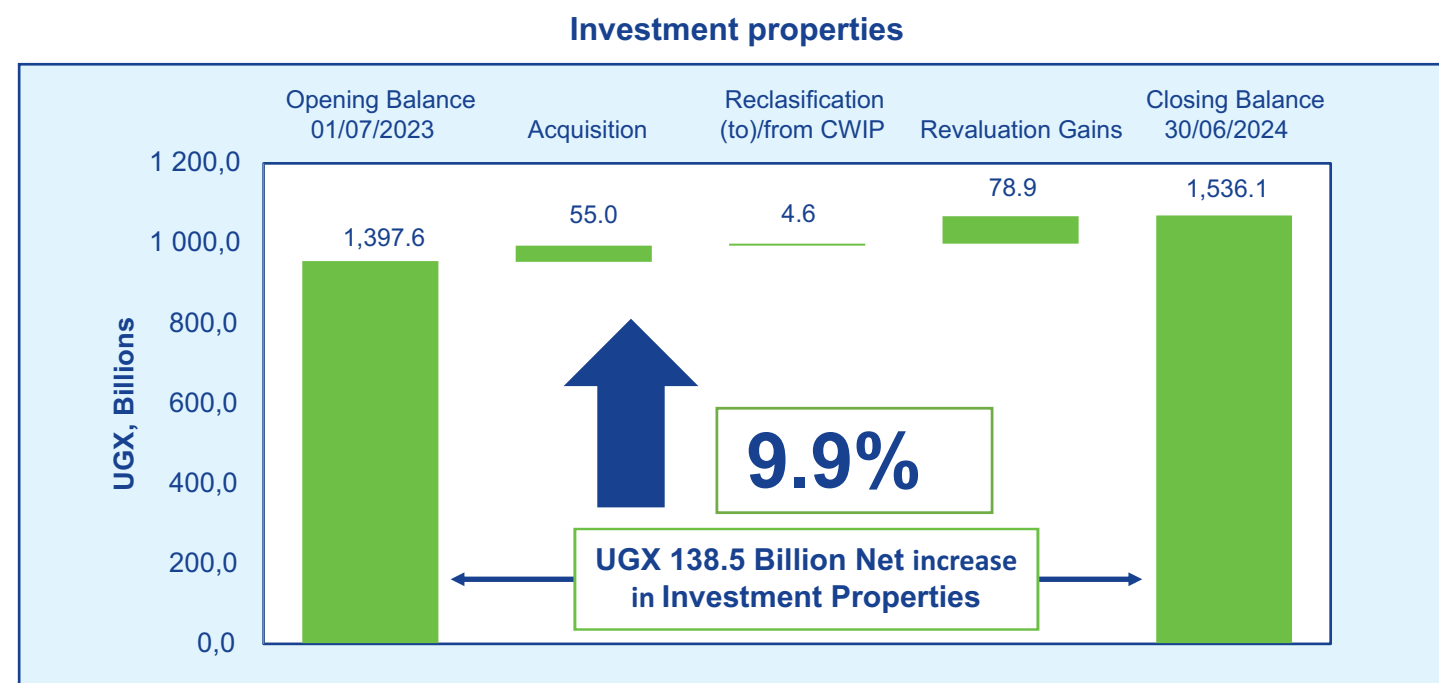
OUR REPORT OVERVIEW | OUR BUSINESS | OUR STRATEGY | OUR GOVERNANCE | OUR SUSTAINABILITY | **OUR PERFORMANCE**

Real estate portfolio

We hold real estate assets to realise capital gains and earn income. Over 40% of this asset class comprises undeveloped land. The strategy is to continuously work towards unlocking the value of some of the prime land through either, commercial developments for rent or the sale of residential units. The entire real estate portfolio (including non-income generating assets) yielded 5.56% during the financial year to 30 June 2024, which is almost flat compared to last year. This return is mainly attributed to capital gains and sale of residential housing units.

The illustration below shows the build-up of the investment properties for the financial year ended 30 June 2024:

Figure 7: The growth in the Fund's investment properties and work in progress over the last year



Real estate project information update

Solana Housing Estate

The Lubowa Housing Project is conceptualised as a self-sustaining satellite city with mixed-use housing and commercial developments on approximately 600 acres. The project branded as Solana is intended as a phased development with construction starting with an initial 306 housing units on 78 acres. Phase 1 will comprise of four (4) distinct house types: Apartments, Bungalows, Townhouses, and Villas.



The progress so far:

Selling of housing units is ongoing and the market response has been excellent.

Figure 8: Some of the houses at Solana Lifestyle and Residences



Our performance

[OUR REPORT OVERVIEW](#) | [OUR BUSINESS](#) | [OUR STRATEGY](#) | [OUR GOVERNANCE](#) | [OUR SUSTAINABILITY](#) | [OUR PERFORMANCE](#)

Pension Towers

Pension Towers is conceptualised as an intelligent and modern commercial complex comprising 3 Towers (with a height of 32 floors) all sitting on 4 No. basement floors of parking. The total built-up area will be approximately 75,000m2 that will house office and retail space. The project has frontage on both Lumumba Avenue and Nakasero Road.

The progress so far:

Construction works are ongoing and as of 30 June 2024, the progress was estimated at 82%.

Figure 9: The progress at pension towers



Temangalo Housing Project

The Temangalo Housing Project (THP) is a mixed-use affordable housing project under construction on 463.87 acres of land in Temangalo, Wakiso district, just 17 km from Kampala City Centre.

It comprises 3,500 houses, retail and commercial spaces, community amenities including education, health, and social facilities, a large neighbourhood green area/park, and associated infrastructure including roads, electric power, sewage drainage, and water supply.

Construction of Phase 1 started in October 2021 and comprises 550 units; 200 bungalows, 100 townhouses, 50 villas, and 200 apartments, with the starting price being UGX 90M. The construction is scheduled to be completed before the end of 2025.

Figure 10: The progress at Temangalo Housing Project



Outlook for FY2024/25

We intend to continue with portfolio rebalancing. For the fixed income asset class, this will be done by exploring corporate bonds, structured product opportunities, among others. We will also continue to seek more diversification opportunities within Uganda and the East African region.

In the equity asset class, we will explore opportunities in all the markets where we invest including private equity.

In the real estate asset class, the strategy is to continuously work towards unlocking the value of some of the prime land that the Fund owns through either undertaking commercial and mixed-use developments for renting out or building residential houses for sale. About 70 percent of the real estate class comprises undeveloped land. Developing the land is one of the ways of unlocking the accumulated value over time.

Our performance

Outlook

We have presented our integrated report to provide all our stakeholders with balanced and transparent information, which can assist them in making more informed assessments of the organisation's prospects (including its viability/ sustainability) and value creation ability into the future.

The information in this outlook is essential when reporting to stakeholders as it completes the value creation story of the Fund as told in our report, which will also continue to evolve over coming years.



The following information covers the organisation's strategic path ahead – the leadership's view of the material uncertainties, disruptive factors, challenges that may affect the achievement of the strategic objectives and the potential implications for the organisation and of course the opportunities that have been identified. We present the information under each of the six capitals.



Legend		↑ Increasing	↓ Reducing	↔ Stable
<div>Financial Capital</div> <div></div>	Strategic priorities		KPI	
	<ul style="list-style-type: none">• Increase contributions• Increase income earned• Improve cost efficiency		Minimum return of 10-year inflation +2%	
Challenges, uncertainties, and disruptive factors			Mitigating factors/opportunities	
<div>Key challenge</div> <div>↑</div> <p>The Fund has shown robust annual performance throughout the reporting period.</p> <p>However, we encountered a few challenges, including lower-than-expected occupancy rates and reduced unit sales, which affected revenue generation from our real estate portfolio. In addition, we faced issues with low compliance rates which has a detrimental effect for members' long-term social security.</p>			<div>Measures undertaken to address the challenge:</div> <p>During the year, we enhanced our Whistleblower platform to allow members to report non-compliance, enhancing overall compliance. We also upgraded our AI integration with the Uganda Revenue Authority to automate the creation of social security bills for employers, addressing under-declaration issues and increasing value for our members.</p> <p>Additionally, we established the foundation for strategic partnerships with government bodies and other key collaborators to tackle obstacles in the real estate sector. This groundwork aims to enhance the prospects of our real estate portfolio by addressing and overcoming the factors that are currently impeding us.</p> <div>Trend during the reporting period:</div> <p>Our annual collections totaled UGX 1,932Bn, exceeding the budget by 0.63% and representing a 12.5% increase compared to the previous year. Arrears and new registrations contributed UGX 157Bn, driving over 70% of this growth. Additionally, we registered 8,374 employers, up from 6,827 the previous year, reflecting a 23% increase.</p> <p>As of the end of June 2024, the Fund's actual growth exceeded the target by UGX 1.03Tn. Our asset size increased by 19.2%, rising from UGX 18.56Tn the previous year to UGX 22.13Tn. This growth was primarily driven by unrealised gains, including UGX 255Bn in foreign currency gains and UGX 270Bn in capital gains.</p> <p>Despite the challenges presented by rising global supply chain costs, we are committed to enhancing cost efficiency throughout our operations. Notably, we have achieved a cost of administration of 1.0%, surpassing our target of 1.08%.</p>	
Outlook				
<p>Our strategic focus will be on implementing key actions that align with our growth and development objectives. This includes maximising value from partnerships by enhancing collaborations, improving our voluntary product offerings to better meet member needs, refining asset allocation strategies to optimise returns and manage risks, and addressing challenges in real estate development through innovative solutions and improved project management.</p> <p>Together, these efforts will drive us towards a more successful and resilient future, ensuring we effectively meet our goals and deliver greater value to our members which still remains guaranteeing an interest on member savings that surpasses long-term inflation rates by a margin of at least 2%.</p>				
Committee oversight				
<div></div> <div>Investments and Project Monitoring Committee (IPMC)</div>				

Our performance

Outlook, cont



Manufactured Capital		Strategic priorities	KPI
		<ul style="list-style-type: none">• Enhance data capability• Improve governance, compliance, and risk management• Improve service delivery	Our strategic target is to pay member benefits in 1 day
Challenges, uncertainties, and disruptive factors		Mitigating factors/opportunities	
<div>Key challenge<div>↔</div></div> <div>Delays in payment of member benefits.</div>		<div>Measures undertaken to address the challenge:</div> <div>During the year, we focused our efforts on optimising OctoPAS to enable straight-through processing across core pension services such as registration, contribution, and claims. This optimisation is crucial for enhancing efficiency, reducing manual interventions, and improving the overall member experience.</div>	
Outlook		Trend during the reporting period:	
<div>In the upcoming year, we will concentrate on building new capabilities by utilising our internal expertise to enhance OctoPAS. Our main initiatives will include developing an internal compliance module to ensure regulatory adherence, integrating value-driven features into the system, and creating a strategic roadmap for medium-term digitisation.</div> <div>These efforts are expected to generate significant cost savings, speed up the launch of new products, and implement an ERP system to centralise data and decision-making, which will also involve deploying virtual customer service agents and language-based support to improve customer interactions.</div>		<div>Although we have not fully met the 1-day target, we have made notable progress that has improved the member experience. The benefits payout turnaround time has remained relatively stable at 10.1 days, showing only a slight improvement from the previous year's 11.9 days, mainly due to system limitations.</div> <div>We are now investing substantial resources and effort into business process re-engineering and system customisation to enhance and expand our product and service offerings. We are confident that these efforts will ultimately enable us to reduce the turnaround time to one day, increase the number of beneficiaries, and address process challenges, particularly at the verification stage, as well as manage cash flow issues during peak periods when interest is declared.</div> <div>Other key developments during the year included transitioning 44.8% of claims applications to digital formats to reduce manual interventions, and launching an AI-driven financial literacy agent that supports users in English, Luganda, and Swahili, enhancing financial education and accessibility.</div>	
Committee oversight			
<div> Finance Committee</div>			




Human Capital		Strategic priorities	KPI
		<ul style="list-style-type: none">Enhance work experience and people impact	Staff satisfaction rating of 95%
Challenges, uncertainties, and disruptive factors		Mitigating factors/opportunities	
Key challenge		Measures undertaken to address the challenge:	
Ensuring that our workforce remains agile, flexible, and engaged amidst the changing operating environment.		During the year, we introduced several key initiatives to strengthen and empower our workforce, including manager coaching, cross-functional collaboration through agile projects, HR training for non-HR managers, and strategic partnerships for employee growth. These efforts are designed to build a resilient and adaptable workforce equipped to handle current and future challenges. Employee engagement remains a top priority as we strive to create an inclusive workplace where every voice is valued	
Outlook		Trend during the reporting period:	
In the coming year, we will focus on advancing our team through key initiatives aimed at improving talent management, performance, and innovation. We will establish a comprehensive, digitised talent management journey that supports employees from application through to alumni, fostering growth and seamless integration. We will also introduce a new performance management approach centred on clear goals, continuous feedback, and customised development plans to boost productivity and engagement. Additionally, we will prioritise enhancing innovation and productivity by implementing agile methodologies and promoting a culture of continuous improvement, enabling employees to contribute more effectively and drive the Fund's success.		Employees remain at the core of ensuring a robust and enduring Fund. Compared to the previous financial year, we have seen a notable improvement in employee satisfaction scores. Throughout the year, the Fund attained a staff engagement score of 89%, largely due to several key initiatives aimed at boosting engagement and performance.	
		During the year, we enhanced innovation and productivity by adopting agile methodologies, creating national subject matter experts, and providing placement and secondment opportunities for employee development. Significant organisational and structural improvements included reconstituting the staff committee for better representation and finalising a new organogram to mitigate risks from the Voluntary Early Retirement initiative.	
		We also prioritised employee well-being by integrating mental health support into our operations and advancing inclusivity, particularly with a focus on gender parity. Additionally, we optimised performance and communication by updating job descriptions and grades to align with organisational goals and strengthening transparency through improved communication channels.	
Committee oversight			
	Staff Administration and Corporate Affairs Committee (SACA)		



Our performance

Outlook, *cont*

Social and Relationship Capital		Strategic priorities		KPI	
		<ul style="list-style-type: none">• Enhance brand image• Improve customer satisfaction• Enhance product development		Customer satisfaction rating 95%	
Challenges, uncertainties, and disruptive factors			Mitigating factors/opportunities		
<div>Key challenge</div> <div>↑</div> <p>Delays in gazetting new regulations, which have significantly impeded our ability to develop a compelling value proposition for our voluntary offerings.</p>			<div>Measures undertaken to address the challenge:</div> <p>To tackle the challenge of delays in gazetting new regulations, we took several proactive measures. We actively engaged with regulatory bodies through regular communication and meetings to expedite the approval and implementation process.</p>		
<div>Outlook</div> <p>To remain relevant to our members and also stay competitive in the market, we will focus on accelerating the delivery of valuable products and services to our clients. We see significant growth potential in three key areas: insurance partnerships, trusts, and wealth management.</p> <p>We will further implement our new business model, which emphasises streamlined processes, innovative technologies, and a client-centric approach. Our goal is to introduce the Smart Life Savings Plan, aimed at offering individuals a compelling value proposition for voluntary savings.</p>			<div>Trend during the reporting period:</div> <p>The overall CSI score has experienced a notable improvement, reaching 88%. This can be attributed to an improvement in the Fund's brand health rating, which rose from 71% to 78% this year, driven by increased member confidence in the Fund's engagement and perceived value. Members feel more secure about their investments and value the competitive returns, boosting overall trust and positive perception of the brand.</p> <p>Additionally, positive sentiment has increased significantly, rising from 56% in July 2023 at the beginning of the financial year to an average of 92.1%. This improvement is closely linked to increased exposure and enhanced engagement initiatives.</p>		
<div>Committee oversight</div> <div> Finance Committee</div>					

Natural Capital		Strategic priorities	KPI
		<ul style="list-style-type: none">• Reduction in paper consumption• Improving energy and water management	Annual saving of 15% on water and 20% on energy bills
Challenges, uncertainties, and disruptive factors		Mitigating factors/opportunities	
Key challenge		Measures undertaken to address the challenge:	
Combating climate change; taking a sustainable approach to waste management; and minimising usage of water resources and energy.		Our ongoing commitment to environmental sustainability is reflected in our comprehensive efforts to enhance water and energy efficiency, reduce waste, and support a paperless office. We have implemented various measures to optimise water and energy use, such as installing energy-efficient systems, conducting regular audits, and adopting conservation practices.	
Outlook			
In the coming year, we aim to achieve a 20% reduction in energy consumption over the next three years, with the previous fiscal year serving as our baseline. To support this goal, we will implement regular maintenance of transformers, stabilisers, and HVAC systems to ensure they operate at peak efficiency. Additionally, we will explore the installation of solar panels in the parking tower to harness renewable energy. We also plan to enhance energy efficiency by installing timer systems for security lights, ensuring they are only active when needed and are not left on during daylight hours.		Additionally, our push for a paperless office involves continued advocacy for full transitioning to digital documentation and communication methods, which not only reduces paper consumption but also streamlines our processes and improves operational efficiency. These initiatives collectively demonstrate our dedication to lowering our environmental impact and fostering a more sustainable workplace.	
We are targeting a 15% reduction in water consumption within the next two years. We will also focus on improving waste management by ensuring all waste from our buildings is diverted to city pipelines, in accordance with local waste management regulations. These initiatives reflect our commitment to advancing our sustainability efforts and minimising our environmental footprint.		Key outcomes:	
		<ul style="list-style-type: none">• As of end of June 2024, the fund recorded an increase in energy consumption at both Social Security House and Workers House building due to the increase in the occupancy rate for the two buildings• Water consumption increased by 26.95% primarily attributed to a 10% tariff increase imposed by NWSC in July 2023 and a rise in occupancy rates across both Worker's House and Social Security House• Paper usage resulted in a savings of 4.96%	
Committee oversight			
		Staff Administration and Corporate Affairs Committee (SACA)	



Financial Definitions

Total Revenue (UGX)

Income generated from various investment activities associated with the main operations of the Fund and shown before any costs or expenses are deducted.

Realised Revenue (UGX)

Profits or income from completed transactions.

Unrealised Revenue (UGX)

Profits or income occurring on paper, but the relevant transactions not yet completed. Also called paper profit or paper income, because it is recorded on paper but has not actually been realised. It includes gains on; Revaluation, Equity Investments and Foreign Exchange.

Cost of Administration

Total operating costs/expenses, associated with company management, direction, policy or business activities/operations.

Accumulated Members' Funds

Total amount of money collected over a period of time from employees and other contributors in the private sector plus interest credited to members over time.

Interest to Members

Amount credited to members accounts based on the income earned from various investments.

Asset Growth

Movement in Total Assets.

Return on Average Investment (%)

Gain generated on an investment relative to the amount of money invested.

Cost Income Ratio (%)

Total Operating Costs expressed as a percentage of Total Income.

Return on Member's Fund (%)

Gain generated in the period expressed as a percentage of Member Fund balance.

Compliance Level (%)

Active members contributing consistently as a percentage of total active members.

Strategic Assets Allocation

A portfolio strategy that involves setting target allocations for various asset classes and re-balancing periodically.

Dividend Income

A distribution of a portion of a company's earnings, decided by the board of directors, paid to a class of its shareholders.

Share of Results/ Profits from Associate/Fair Value Gain on Associates

A portion, allocation or share of Investee company profits in which the Fund owns a significant portion of voting shares (20 - 50%).

Fair Value

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.

Investment Portfolio

A compilation of investment assets designed to achieve a specific investment objective based on parameters such as risk tolerance, time horizon, asset preference, and liquidity needs with a potential to achieve the desired returns, while minimising risk and volatility through proper diversification and balance.

Fixed Income Portfolio

Assets or securities in an Investment portfolio paying regular income in the form of coupon, interest and principal at maturity.

Equity Portfolio

Stock or any other security in an investment portfolio representing an ownership interest in Investee companies.

Real Estate Portfolio

Physical securities and assets in investment portfolio purchased, owned, sold, managed for rental income for a profit.

Convexity

Convexity is a measure of the degree of the curve, in the relationship between bond prices and bond yields. It demonstrates how the duration of a bond changes as the interest rate changes. We use it as a risk-management tool, to measure and manage out portfolio's exposure to interest rate risk.

Sharpe Ratio

Sharpe Ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. Subtracting the risk-free rate from the mean return allows us to better isolate the profits associated with risk-taking activities. The greater the value of the Sharpe ratio, the more attractive the risk-adjusted return.

Discontinued Operations

This relates to operations that were ceased during the financial year due to disposal or cessation.

Fund Reserves

Fund Reserves relate to accumulated special contributions received in accordance with Section 13 (1) and Section 14 (1) of the National Social Security Fund Act, (Cap 222).

Emphasis of Matter

A paragraph included in the auditor's report that refers to a matter appropriately presented or disclosed in the financial statements that, in the auditor's judgment, is of such importance that it is fundamental to users' understanding of the financial statements.

Key Audit Matter

A key audit matter is that which in the auditor's professional judgment was of most significance during the audit of the financial statements.

List of Acronyms

OUR REPORT OVERVIEW | OUR BUSINESS | OUR STRATEGY | OUR GOVERNANCE | OUR SUSTAINABILITY | OUR PERFORMANCE

Acronyms	Description	Acronyms	Description	Acronyms	Description
ACCA	Association of Chartered Certified Accountants	FUE	Federation of Ugandan Employers	PPDA	Public Procurement and Disposal of Public Assets Authority
ADA	Advanced Digital Archival	GRI	Global Reporting Initiative	PDL	Premier Developments Limited
ADF	Allied Democratic Forces	HFB	Housing Finance Bank	PRAU	Public Relations Association of Uganda
AI	Artificial Intelligence	HR	Human Resources	PwC	PricewaterhouseCoopers International Limited
AMM	Annual Members' Meeting	IAS	International Accounting Standards	RAF	Risk Appetite Framework
ARC	Audit and Risk Assurance Committee	IASB	International Accounting Standards Board	RPA	Robotic Process Automation
BA.	Bachelor of Arts	ICPAU	Institute of Certified Public Accountants of Uganda	Rwf.	Rwandese Franc
B2B	Business-to-Business	IFRS	International Financial Reporting Standards	Rd.	Road
B2C	Business-to-Customer	ILO	International Labour Organisation	RMPP	Risk Management Policy and Procedures
Bn.	Billion	IPM	Investment and Project Monitoring Committee	RSE	Rwanda Stock Exchange
BRITAM	British-American Investments Company	ISSA	International Social Security Association	SAA	Strategic Asset Allocation
Bsc.	Bachelor of Sciences	ISSB	International Sustainability Standards Board	SACCOS	Savings and credit cooperative services
BUBU	Buy Uganda Build Uganda	IMF	International Monetary Fund	SACA	Staff Administration and Corporate Affairs Committee
CAGR	Compound Annual Growth Rate	Info	Information	SDG	Sustainable Development Goals
CBD	Central Business District	IT	Information Technology	SBU	Stanbic Bank Uganda
CBK	Central Bank of Kenya	IVR	Interactive Voice Response	SMME	Small, Medium and Micro Enterprise
CBR	Central Bank of Rwanda	K	Thousand	SMS	Short Messaging Services
CBR	Central Bank Rate	KAVC	Kampala Amateur Volleyball	STP	Straight through process
CCW	Customer Connect Week	KCB	Kenya Commercial Bank	TAT	Turnaround time
CEO	Chief Executive Officer	KCCA	Kampala Capital City Authority	TBN	Transformation Business Network
COFTU	Central Organisation of Free Trade Unions	KES	Kenyan Shilling	TBL	Tanzania Breweries Limited
CMA	Capital Markets Authority	KYC	Know Your Customer	Tn.	Trillion
CMP	Crisis Management Plan	KPI	Key Performance Indicator	TWIGA	Tanzania Portland Cement Company Limited
CRDB	Cooperative Rural Development Bank	LAPSNET	Legal Aid Providers Network	Tz.	Tanzanian Shilling
CSA	Control Self-Assessment	M	Million	UBTS	Uganda Blood Transfusion Services
CSI	Corporate Social Investment	MBA	Masters Degree in Business Administration	UCL	Uganda Clays Limited
CSR	Corporate Social Responsibility	MDF	Medium Density Fibreboard	UI	User interface
DEI	Diversity, Equity and Inclusion	MoFPED	Ministry of Finance, Planning and Economic Development	UK	United Kingdom
DIT	Directorate of Industrial Training	MoGLSD	Ministry of Gender, Labour and Social Development	UNICEF	United Nations International Children's Emergency Fund
DRC	Democratic Republic of the Congo	MOH	Minister of Health	UNABCEC	Uganda National Association of Building and Civil Engineering Contractors
DRP	Disaster Recovery Plan	Msc.	Masters Degree in Science	UNRA	Ugandan National Roads Authority
DSE	Dar-Es-Salam Stock Exchange	MSCI	Morgan Stanley Capital International	UPDF	Uganda People's Defence Force
DFCU	Development Finance Company of Uganda Bank Ltd	MTA	Midterm Access	URA	Uganda Revenue Authority
EABL	East African Breweries Limited	NEMA	National Environmental Management Authority	USST	Unstructured Supplementary Service Data
ECASSA	East and Central African Social Security Association	NIRA	National Identification and Registration Authority	URBRA	Uganda Retirement Benefits Regulatory Authority
EIA	Environmental Impact Assessment	NIC	National Insurance Corporation	URSB	Uganda Registration Services Bureau
ERA	Electricity Regulatory Authority	NOTU	National Organisation of Trade Unions	USE	Uganda Securities Exchange
ERM	Enterprise Risk Management	NPS	Net Promoter Score	UGX	Uganda Shilling
ESG	Environmental, Social and Governance	NSE	Nairobi Stock Exchange	USSD	Unstructured Supplementary Service Data
ExCo	Executive Committee	NSSF	National Social Security Fund	UBTS	Uganda Blood Transfusion Services
FCCA	Fellow of the Chartered Certified Accountants	NWSC	National Water and Sewerage Corporation	UX	User experience
FiRe	Financial Reporting Awards	OECD	The Organisation for Economic Co-operation and Development	VPDL	Victoria Properties Development Limited
FL	Financial Literacy	OSH	Occupational Safety and Health	WHT	Withholding Tax
Fx	Foreign Exchange	PAS	Pension Administration System	YTD	Year to Date
FY	Financial Year	PBI	Performance-Based Increment	Y/Y	Year on Year