



**BOARD OF DIRECTORS CHARTER
OF THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY
AS APPROVED MAY 2023**



Nigeria Sovereign Investment Authority

Board of Directors Charter

Adopted on 16 February 2018

A. Introduction

The Board of Directors ("Board") of the Nigeria Sovereign Investment Authority ("NSIA") has been established to attain the objectives of the NSIA, as set out in the Act.

B. Responsibilities of the Board

The Board's responsibilities include:

1. Articulate, oversee, and ultimately approve the development of a Strategic Plan to meet the long-term goals of the NSIA.
2. Oversee the financial performance of the NSIA through:
 - a. Review of the investment performance of each of the portfolios.
 - b. Approval of the NSIA's operating and capital budgets; and
 - c. Review and approval of quarterly and year-end financial statements.
3. Working with NSIA staff, identify the principal risks to the NSIA and ensure that systems are in place to manage those risks.
4. Monitor the NSIA's performance against agreed goals and objectives.
5. Approve or ratify the NSIA's policies, including but not limited to:
 - a. Investment Policy
 - b. Audit Policy
 - c. Risk Policy
 - d. Compensation Policy
 - e. Finance and General-Purpose Policy
 - f. Conflict of Interests Policy
 - g. Environmental, Social and Governance Policy

6. Ensure compliance with governing documents, legal and regulatory requirements, and policies.
7. Provide for the Board's proper management and ongoing effectiveness, including the establishment of committees to assist the Board, and a succession plan for the orderly turnover of Directors and Management staff.
8. Evaluate the performance of the Managing Director and Executive Directors and ensure succession planning in the Authority.
9. Provide counsel on the compensation of members of the Executive Management.
10. Annually, review this Board Charter and assess the Board's effectiveness in advancing the strategic goals of the NSIA.
11. Review key documents relating to the governance of the NSIA (e.g., charters for the standing committees, the Investment Policy Statement, and the Conflict of Interests Policy) for their continued efficacy on an annual basis.
12. Review performance of standing committees on an annual basis.
13. Periodically review Board governance practices.
14. Approve the criteria for appointment and potential candidates to be considered when filling Board vacancies for subsidiaries.

C. Responsibilities of the Board Chairman

1. The Board Chairman is responsible for managing Board affairs and ensuring effective Board performance with specific responsibility to:
 - a. Setting, with input from the Managing Director and other appropriate officers, the agenda for Board meetings.
 - b. Determining, with input from the Managing Director, the information to be provided to the Board.
 - c. Approve Board meeting schedules and assure there is appropriate time allocated to discuss all agenda items.
 - d. Consult regularly with Board members, the Managing Director, and other appropriate executive officers as to the quality, quantity, and timeliness of Board information and decision-making processes.
 - e. Coordinate with each Committee Chair, the maintenance of appropriate charters for each Committee.

- f. Foster the development of a Board culture characterized by active and constructive Board engagement, commitment to transparency, and commitment to practicing good governance.
 - g. Appoint, in consultation with the rest of the Board, Committee Chairs.
 - h. Provide leadership for Board functions and development.
 - i. Manage conflicts of interest (perceived or actual).
 - j. Build and maintain an effective working relationship with the Managing Director of the NSIA.
 - k. Serve as a spokesperson for the NSIA with stakeholders.
2. While the Board has broad discretion to delegate authority to the Board Chairman, it will seek to preserve the distinction between Board functions and management functions. It will take care to limit the Board Chairman's role to leading the work of the Board, while leaving to the Managing Director, the role of leading the management of the NSIA.

D. Board Committees

1. To assist the Board in fulfilling its duties and responsibilities, it has established the following Board Committees:
 - a. Investments Committee
 - b. Finance & General-Purpose Committee
2. The Board is responsible for appointing members to each of these Committees. It may also create such standing and special committees as from time to time may be deemed appropriate by the Board.

E. Membership and Organization

1. In accordance with the Act establishing the NSIA, the Board will consist of nine Directors elected by the Executive Nomination Committee. The Board shall be comprised of Directors with a range of backgrounds and experience.
2. Specifically, the Board shall consist of:
 - a. A non-executive Chairman
 - b. The Managing Director who is also the Chief Executive Officer of the NSIA
 - c. Two other Executive Directors of the NSIA
 - d. One Non-Executive Director with at least 10 years of post-qualification legal experience
 - e. Four other Non-Executive Directors

3. The standing committees of the Board shall consist of at least three members who shall be non-executive directors of the NSIA. The Executive Directors shall be in attendance at the Committee meetings.
4. The terms of office for Non-Executive Directors are as follows:
 1. Non-Executive Chairman: initial four-year term
 2. Non-Executive Directors: initial four-year term
5. All Non-Executive Board members are eligible for another term of four years and no more.

F. Meetings

1. The Board shall meet at least four times per year, once every quarter, with additional meetings convened at the discretion of the Directors.
2. The quorum for all Board meetings shall be 7 (seven) Directors.
3. To pass a resolution:
 - a. If only seven Directors are present, then unanimity is required.
 - b. If more than seven Directors are present, then a simple majority is required.
 - c. If seven Directors are present (meaning that a quorum is met) and any have a conflict of interest, the remaining Directors may vote, and unanimity is required.
 - d. As much as possible the Chairman shall ensure that decisions of the Board shall be unanimous. In the absence of unanimity however, strong dissenting opinions shall be noted in the minutes.

G. Provision of Work Tools for Board Members

Work tools (laptops or mobile devices) shall be provided for Board members during their tenure on the Board of NSIA to facilitate their ability to effectively undertake the work of the Authority. Such work tools will be depreciated and written off at the end of their tenure.