



**FINANCE AND INVESTMENTS COMMITTEE
OF THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY**

GLOSSARY OF TERMS

Term	Meaning
Act	NSIA (Establishment) Act 2011
Authority or NSIA	Nigeria Sovereign Investment Authority
Board	The Board of Directors of NSIA
CBN	Central Bank of Nigeria
CEO	Chief Executive Officer of NSIA
Chair	The Non-Executive Director appointed to chair/preside over the Committee
Chairman	Chairman of the Board of Directors of NSIA
CIO	Chief Investment Officer of NSIA
COO	Chief Operating Officer of NSIA
Committee	The Board Finance and Investments Committee of NSIA
General Counsel or GC	The Authority's General Counsel
Group	The Authority and its subsidiaries
IT	Information Technology; the unit in charge of implementing the Authority's information technology policies and processes
Management or Executive Management	The executive management team of NSIA comprising its CEO and the executive director(s)
Manual of Authority	The policy that documents the approving authorities and limits for financial and other related activities carried out in NSIA.
Procurement	The Unit responsible for administering the Authority's procurement functions
Tenders Committee	The Committee that has responsibility for oversight and approval of procurement processes and policies
Unit	Any business unit of the Authority



Nigeria Sovereign Investment Authority

Finance and Investments Committee Charter

A. INTRODUCTION

This document outlines the purpose and procedures of the Finance and Investments Committee (the Committee") of the Board of Directors of the Nigeria Sovereign Investment Authority ("NSIA").

The Committee is established in accordance with Section 24 of the NSIA (Establishment) Act 2011. The Committee shall exercise such powers and functions relating to:

- i. Finance,
- ii. Procurement
- iii. Information Technology and Digital Transformation
- iv. General Resource Management and Administration
- v. Direct Investments
- vi. Externally Managed Investments
- vii. Such other matters as the Board may deem fit to designate to the Committee.

B. AUTHORITY AND PURPOSE

1. This Charter sets out the delegated authority of the Committee to carry out the responsibilities established for it by the Board and on behalf of the Board as articulated in this Charter
2. The Finance and Investments Committee is a standing committee of the Board, established to assist the Board in fulfilling its responsibility to:
 - a. Oversight NSIA's material and strategic financial matters, including those related to the funding of the Authority and subsidiary operations, as well as general operational structure.
 - b. Oversee the Authority's IT, procurement, digital transformation and financial strategy, as well as its operations and administration activities.
 - c. Provide oversight relating to the NSIA's accounting and financial reporting policies and practices.
 - d. Provide oversight the investment assets of the NSIA, including the investment process, strategies and policies that are employed in relation thereto.

- e. Oversee the infrastructure investments by the NSIA, including the delineation of sectors, investment process, strategies and policies that are employed in relation thereto.
- f. Advise and, as appropriate, authorize Management with respect to the above matters; and
- g. Direct Management, and, as appropriate, make recommendations to the Board with respect to the above matters.

C. FUNCTIONS AND RESPONSIBILITIES

1.0 FINANCE

A. General Functions

The Committee shall:

1. Oversee NSIA's financial strategy from the perspective of strategic financial planning, and implementation.
2. Oversee and/or advise the activities of NSIA's related entities, joint ventures, and subsidiaries.
3. Oversee all the Authority's fund-raising strategies and policies.
4. Review and recommend for the Board's approval, the Authority and Group's annual budgets.
5. Review the Authority and Group's financial performance against approved budgets and benchmarks.
6. Assess NSIA's distribution policy and the declaration of distributions or other forms of distributions of NSIA's profits
7. Oversee IT strategy and the progress of major IT projects.
8. Oversee Digital Transformation strategy and the progress of major digitalisation projects.
9. Approve IT, Digital Transformation, Administration, Operations, and related policies and procedures.

10. Oversee the Procurement function, including approval of advisors and other significant items.
11. Act as the Tenders Committee of the Authority whose responsibilities in line with the Procurement Policy are detailed below:
 - i. Consider and approve procurement policies
 - ii. Review and approve the annual procurement plan
 - iii. Provide “prior review” approvals for items falling within the prior-review threshold (contract values in accordance with the limits stated in NSIA’s Manual of Authority).
 - iv. For activities that fall within this threshold -
 - a) Approve shortlist of bidders
 - b) Review and approve the bid evaluation report; and
 - c) Review and approve the contract award.

B. Matters Considered for Recommendation to the Board

The Committee will periodically review and consider the following matters to provide updates and, from time to time, recommendations to the Board:

- (i) the management of NSIA's finances; and
- (ii) appraisal of financial implications of any proposed activities.

C. Matters Reviewed Upon Request of Management

The Committee will review any other matters submitted to it by Management and, if requested, consider such matters for recommendation to the Board, or for approval by the Committee if such matters are within the authority delegated to it by the Board, including:

- i. capital expenditure, divestments, acquisitions, joint ventures and other investments, and other capital transactions.
- ii. leases, short- and long-term borrowings, and other financing transactions.
- iii. interest rate swaps and similar arrangements for managing the NSIA's exposure on outstanding debt; and
- iv. registration and issuance of the NSIA's debt or equity securities.

2.0 INVESTMENTS

A. The Committee is to oversee the NSIA's investment management practices and will assist the Board to:

- i. Recommend the investment policy and guidelines for the Future Generations Fund (FGF), Stabilisation Fund (SF) and Nigeria Infrastructure Fund (NIF) to be approved by the Board. These policies and guidelines should be articulated in writing in the Investment Policy Statements (included as an annex to this Charter) and reviewed annually
- ii. Oversee investment and reinvestment of funds into the FGF, SF and NIF portfolios. The Committee may delegate investment functions to the executive officers and staff of the NSIA as the Committee deems appropriate
- iii. Monitor the three portfolios, taking into consideration the performance and positioning of each portfolio to ensure alignment with the agreed investment policies. The Committee should report its findings to the Board
- iv. Provide guidance to Executive Management
- v. Ensure the development of management expertise for local and international financial investments and infrastructure investments
- vi. Consider recommendations from Executive Management before passing them to the Board of Directors for approval
- vii. Review third party fund manager selection policies and criteria for approval by the Board
- viii. Review selection policies and criteria for solicited and unsolicited infrastructure-related proposals for approval by the Board.
- ix. Evaluate investment management aspects of new fund and infrastructure-related proposals.
- x. With specific regard to the NSIA's direct and externally managed investment portfolios as well as NIF and specific infrastructure investment portfolios, consider various measures of risk including, inter alia, volatility, liquidity, currency risk, commercial viability, operational, market, liquidity, regulatory and governance-related risks and advise the Board accordingly.

- xi. Advise the Board on setting risk thresholds that appropriately reflect the Authority's risk appetite.
- xii. Attend to such other matters as the Board may from time to time determine appropriate.
- xiii. Delegate investment functions to the executive officers and staff of the NSIA as the Committee deems appropriate.
- xiv. Consider, and where it deems appropriate, approve urgent recommendations by the Executive Management within such limits of authority as are set within NSIA's Manual of Authority or as may be set by the Board for the Committee.
- xv. Review and reassess the adequacy of this Charter as it deems appropriate; however, changes will only be made following the approval of the Board.
- xvi. Provide input to the Board's Finance and General-Purpose Committee, as necessary
- xvii. Have such other authority, duties and responsibilities as may be delegated to the Committee by the Board.
- xviii. Review and confirm that all responsibilities outlined in the Charter have been carried out.
- xix. Make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.

D. MEMBERSHIP, TENURE AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board who are non-executive directors, appointed by the Board on the recommendation of the Chairman of the Board. Membership of the Committee shall include one member who understands investment management and has expertise commensurate with the NSIA's size, complexity, and capital structure
2. One of the Committee members shall also be the Committee's Chair, appointed by the Board.
3. Committee members should aim to serve for a term of at least two years. The Board may, on recommendation of the Chairman, appoint members to fill vacancies.

4. The Committee members shall serve until their successors are appointed or their earlier resignation or removal.
5. Any member of the Committee may be removed or replaced, for any reason at any time, by a majority vote of the Board.
6. Vacancies on the Committee shall be filled by a majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy.
7. The Committee shall have the authority to invite members of the Management team and other individuals to attend its meetings and provide pertinent information as required.
8. Each member must be a member of the current Board of the Authority
9. The Committee shall review and reassess the adequacy of this Charter as it deems appropriate, however, changes will only be made following approval of the Board.
10. The Chair of the Audit, Risk and ESG Committee may attend the Committee meetings in a non-voting capacity. Where, however, a member of the Committee is Chair of the Audit, Risk and ESG Committee, this provision shall not apply.

E. THE COMMITTEE CHAIR

1. The Board shall appoint a Chair for the Committee. Where the Chair will be absent from a meeting, , the members of the Committee shall choose any one of themselves to act as Chair for that particular meeting.
2. The roles and responsibilities of the Chair shall include:
 - a. Presiding over meetings of the Committee.
 - b. Providing leadership to the Committee and ensuring efficient organisation and conduct of the Committee's meetings.
 - c. Facilitating the Committee's discussion to ensure that the Committee achieves its goals and objectives.
 - d. Scheduling all meetings of the Committee developing meeting agenda in coordination with the Secretary of the Committee and providing the Committee with a written agenda for each meeting.
 - e. Guiding the Committee in accomplishing the mission and objectives detailed in the Charter and in accordance with established NSIA policies.
 - f. Ensuring that all committee members are fully oriented on the Committee objectives, deliverables, and roles/responsibilities at the committee's first meeting.

- g. Ensuring that all committee members are aware of and adhere to the processes and timing established by the Board for placing items on the Board agenda for discussion and deliberation
- h. Working towards building a sense of trust, productivity, and camaraderie among members of the Committee.

F. SECRETARY AND SECRETARIAL SERVICES

The General Counsel/Secretary to the Board will be Secretary to the Committee and will facilitate and coordinate meetings as well as provide ancillary support to the committee, as time and resources permit.

G. MEETINGS AND PROCEDURES

a. Notice of Meetings

- i. The Secretary may, by order of the Committee or the Chair, serve notices by mail (electronic or otherwise), personal delivery or facsimile transmission to the usual place of business of each member of the Committee. The Agenda and Papers scheduled for discussion shall be circulated at least 7 days before the meeting.
- ii. The Chair shall liaise with Executive Management to prepare an appropriate agenda and accompanying materials in advance of the meeting. The Chair shall also liaise with the Chairman of the Board as may be deemed appropriate.

b. Frequency and Mode of Meetings

- i. The Committee shall, as much as is practicable, hold regular meetings at such dates, times and places as it may determine from time to time but shall hold at least four (4) meetings a year, one in each quarter. Members of the Committee are expected to prepare adequately, attend, and participate in the meetings
- ii. The Committee may meet via circularisation and make decisions on any proposal or issues by circulating the proposals or papers to members of the Committee without meeting physically to deliberate on the proposals or issues.
- iii. Committee meetings may be held or continued through electronic and other alternative means of communication, including video or tele conferencing or other audio-visual means which enable all members or invited participants to communicate concurrently with each other.
- iv. Where a member of the Committee is unable to be physically present at a meeting, he/she may participate via a phone call or teleconferencing.

- v. The Chair of the Committee or a majority of the members of the Committee may also call a special meeting of the Committee upon notice to other members at least 48 hours prior to the meeting.

- c. **Quorum**

A majority of members of the Committee present shall constitute a quorum and decide any questions brought before the Committee.

- d. **Minutes**

- i. The Secretary shall draft and circulate draft minutes to all members of the meeting. The Secretary shall present the minutes for adoption at the next meeting of the Committee.
- ii. The Committee shall keep written minutes of its meetings, which shall be maintained along with all other corporate books and records of the NSIA.
- iii. The Committee may pass a resolution without a meeting being held if all its members are entitled to vote on the resolution, sign and date on one or more copies, a document containing a statement that they are in favour of the resolution in the document and any such resolution shall be deemed passed on the date of the last signature to be applied.
- iv. The Secretary shall follow up on action plans decided at the meeting and present a report on progress achieved at the next meeting of the Committee.

H. DECISION-MAKING AND REPORTING

1. The Committee will report to the Board at every regular board meeting, summarising the Committee's activities and recommendations.
2. The report should include:
 - a. A summary of the work the Committee performed to fully discharge its responsibilities.
 - b. A summary of Management's progress in addressing issues in areas of responsibility of the Committee.
 - c. Details of meetings, including the number of meetings held during the relevant period and the number of meetings each member attended.
 - d. Any information required by new or emerging legal, regulatory and corporate governance developments.
3. Committee decisions will, as much as possible, be reached by consensus; however, any minority views/opinions on significant matters shall be reflected in the

minutes of the meeting, where requested, and presented in the report to the full Board.

4. The Committee shall be accountable to the Board for the authority delegated to it and for the execution of mandates on behalf of the Board

I. WORK PLAN

The Chair of the Committee will collaborate with senior Management to establish a work plan to ensure that the responsibilities of the Committee are scheduled and will be carried out.

J. ACCESS TO INFORMATION AND DOCUMENTS

1. In discharging its responsibilities, the Committee will have unrestricted access to members of Management, employees, and relevant information it considers necessary to discharge its duties.
2. The committee will also have unrestricted access to records, data, and reports. If access to requested documents is denied for legal or confidentiality reasons, the Committee will follow prescribed, Board-approved mechanisms to resolve the matter.
3. The Committee will establish and communicate its information requirements, including the nature, extent, and timing of information. Information will be provided to the Committee at least one week prior to each Committee meeting.

K. RELYING ON INFORMATION AND OTHER DETAILS

1. In carrying out the Committee's responsibilities, members of the Committee shall be entitled to rely, in good faith, on information, opinions, reports or statements, including financial statements and other financial data that are prepared and presented by persons who the Committee members reasonably believe to be reliable and competent in the matters presented, which persons may include, as applicable:
 - a. one or more executive staff of the NSIA or other members of Management.
 - b. legal counsel, public accountants or other persons as to matters within the person's professional or expert competence; or
 - c. another Committee of the Board.

L. EXECUTIVE SESSIONS

The Committee will schedule and hold, if necessary, a private session with the CEO, Executive Directors, Head of Internal Audit, the Chief Financial Officer (CFO), the External Auditor, and any other officials that the Committee may deem appropriate at each meeting.

M. REQUIRED ATTENDANCE

The CEO, Executive Directors, Head of Internal Audit, the Head of Risk and Compliance, the Chief Finance Officer, the External Auditor and the Head, ESG are required to attend Committee meetings when invited by the Committee.

N. ADVISORS

1. The Committee shall have authority to retain at NSIA's expense such independent advisors including accountants, lawyers, consultants, or other professionals whose expertise is relevant to discharging the Committee's responsibilities, provided that the Board shall approve the engagement of such advisors.
2. The Committee may request that any directors, officers, or employees of NSIA, or other persons whose advice and counsel are sought by the Committee, attend any Committee meetings to provide such relevant information as the Committee requests.

O. RESPONSIBILITY OF MANAGEMENT

1. Management will ensure that all information relevant to the discharge of the Committee's responsibilities is provided to the Committee (as requested by the Committee). Management will also ensure that matters of material concern that are relevant to the Committee's responsibilities are brought to the Committee's attention promptly.
2. Managers and executives who are responsible for matters falling within the purview of the Committee may be invited to attend the Committee meetings to provide information or answer questions that may be raised on matters relating to their schedules.

P. CONFLICT OF INTERESTS

1. Committee members shall adhere to the NSIA's Code of Conduct and Ethics, the Conflict of Interests policy, and any values and ethics established by the Authority.

2. It is the responsibility of Committee members to disclose any conflict of interest (whether actual, potential or perceived) to the Committee.
3. If there is any question as to whether a conflict exists, the Committee member(s) shall recuse themselves from attending and voting at the meeting or part of the meeting during which the matter is discussed.

Q. ORIENTATION AND TRAINING

1. Committee members will receive formal orientation and training on the purpose and mandate of the Committee and the Authority's objectives, as may be required to enhance competencies in areas of relevance to the Committee's mandate.
2. A process of continuing education will be established, and trainings will be in line with the annual training programme/plan as may be approved by the Board.

R. PAYMENT OF ALLOWANCES AND REIMBURSEMENT OF EXPENSES

Members of the Committee shall be entitled to sitting allowances, reimbursable travel and hotel expenses as may be approved by the Board.

S. EVALUATION

1. The Committee shall, on an annual basis, evaluate its performance relative to the Committee's purpose, duties, and responsibilities under this Charter and in line with any other targets or performance metrics set by the Board. In conducting this review, the Committee shall assess the adequacy of this Charter as may be required and recommend any proposed changes to the Board for approval.
2. The Committee shall address all matters that the Committee considers relevant to its performance, including the following:
 - a. the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board,
 - b. the way they were discussed or debated, and
 - c. whether the number and length of the meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.
3. The Committee shall deliver to the Board a report setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to any policies or procedures of the Board or the Authority.

4. The Committee shall set goals for itself, which shall be the basis for the self-evaluation.
5. External evaluation of the Committee and shall be undertaken by such external professional(s) that may be appointed by the Board to conduct the Board evaluation at least biennially or as may be directed by the Board.

T. MISCELLANEOUS

1. The Committee may, subject to the provisions of the NSIA Act and the Board Charter, adopt such other rules and regulations for the transaction of business at meetings as is necessary or desirable
2. Nothing in this Charter shall be deemed to amend the provisions of any applicable law, regulations, or Code with respect to this Committee or other committees of the Board

U. REVIEW OF THIS CHARTER

1. In line with the Authority's Policy Governance Framework, this Charter shall be reviewed biennially or as may be required to align with business exigencies.
2. The Board shall have the responsibility to review and/or approve any amendments to this Charter as circumstances shall demand.