

# **BOARD CHARTER**

## **SEYCHELLES PENSION FUND**

## **1. INTRODUCTION**

The Board of Trustees is collectively responsible for leading and directing SPF in its activities and to work closely with management to deliver the long-term success and sustainability of the Fund. In conducting its business, the Board of Trustees should reassure itself that it has sought assurance of the operations of the organization, focusing particularly on those activities which create, sustain and protect value.

## **2. PURPOSE**

2.1 The primary purpose of this Board Charter is to provide a framework of good corporate governance principles that will guide the activities of SPF, strengthening the performance and advocating sound stewardship of its assets.

2.2 This charter sets out the key values and principles of the Board of Trustees of Seychelles Pension Fund, and its management. It provides a concise overview of the role and responsibilities of the Board of Trustees, powers of the board committees, role and responsibility of management, separation of powers between the Board and management and overall good corporate governance practices.

## **3. BOARD OF TRUSTEES**

### **3.1 COMPOSITION OF THE BOARD**

- a. As per SPF Act 2005 paragraph 6 (2), the President appoints the Board of Trustees for a term of 3 years or shorter as the President may determine.
- b. The Board shall comprise of a diverse mix of skills and expertise critical for effective oversight on the management of SPF. This shall be underscored by ensuring that each member has the requisite know-how and experience, with access to the necessary tools required for their effective performance.
- c. To ensure the Board has the independence, diversity and display the appropriate behavior to address the challenges facing SPF, the SPF Act, section 6 (1) stipulates that the Board shall consist of –
  - a Chairman
  - a representative of the Ministry of Finance and
  - not more than 10 persons of whom at least
    - 2 persons shall represent the public sector,
    - 2 persons shall represent employers in the private sector and
    - 2 persons shall represent workers.
- d. The current Board of Trustees appointed are detailed in Appendix 1.

### 3.2 ROLE OF THE BOARD

The role of the Board is as follows:

- a) Lead effectively and ethically as the strategic decision making body of SPF.
- b) Set appropriate objectives, goals, targets and indicators in conjunction with the CEO and management, against which performance can be clearly identified.
- c) Ensure that the risks faced by SPF are properly identified, managed and averted, that may arise in different forms including strategic, operational, political, economic, regulatory and demographic risks.
- d) Responsible for the strategic plans and policies for effective operations and to promote the sustainability of SPF.
- e) Establish systems to effectively monitor and control compliance with all applicable laws, regulations, governance codes, guidelines and regulations.
- f) Monitor SPF's internal controls.
- g) Responsible for overseeing the corporate governance framework.
- h) Ensure that management actively cultivates a culture of ethical conduct and sets the values to which SPF will adhere.
- i) Set clear roles and responsibilities in discharging its fiduciary and leadership functions.
- j) Act with integrity, confidentiality and lead by example, avoiding conflict of interest.
- k) Promote SPF's core purpose, identify opportunities, review business model and performance, for sustainable development.
- l) Ensure that its arrangements for delegation, promote independent judgment and assist with balance of power between Board and management for the effective execution of SPF's role.
- m) Ensure that SPF remunerates fairly, responsibly and transparently, to promote the achievement of strategic objectives and positive outcomes.
- n) Ensure responsible investment is practiced.

### 3.3 OTHER RESPONSIBILITIES OF THE BOARD

- a) The Board is responsible for the submission of annual reports on the activities of SPF to the Minister responsible for Finance and to the national authority supervising SPF.
- b) The Board is required to carry out independent actuarial review every three years as per SPF Act and ensure that SPF implements the actuarial recommended measures for the sustainability of SPF.

### 3.4 DUTIES OF THE BOARD OF TRUSTEES

#### a. Fiduciary Duty

Each Board of Trustee shall have the fiduciary duty to:

- Exercise a reasonable degree of care, skill and diligence;
- Act in good faith and in the best interest of SPF and not for any other purpose;
- Act with loyalty and confidentiality, and to be lawfully compliant
- Act honestly at all times and must not place themselves in a situation where personal interest conflict with those of SPF;
- Exercise independent judgment at all times for the interest of SPF;
- Devote sufficient time to carry out their responsibilities and enhance their skills;



- Promote and protect the image of SPF;
- Have a clear understanding of their role in corporate governance and be able to exercise sound and objective judgment on the affairs of SPF.
- Owe SPF a duty to hold in confidence all information available to them by virtue of their position as a Board of Trustee.
- Work collectively and professionally with the other Trustees, Chairman and CEO, through proper communication and interaction in a constructive manner.
- Trustees are required to devote sufficient time to enable them to discharge their responsibilities by committing around 5 hours for monthly Board meetings, 2-3 hours for Board Committee meetings every quarter or as required, and 2 hours in the preparation and reading for Board meetings.

#### **b. Statutory Duty**

Each Board of Trustee shall have the statutory duty to:

- Ensure compliance with SPF Act
- Make certain that all laws and regulations of the country are complied with
- Follow all requirements of the monitoring authority of SPF, as well as the Ministry responsible for Finance.
- Comply with any other relevant regulations, guidelines and legislative provisions applicable to SPF
- Ensure that there is a balanced, true and fair view of SPF's financial performance and financial position when annual reports and financial statements are prepared.
- Understand that this Charter must be read in conjunction with the above existing legislative provisions applicable to SPF and for the avoidance of doubt, in the event of any conflict or inconsistency, the legislative provisions prevail.

#### **c. Auditing, reporting and disclosure duty**

- The Board is required to inform all the stakeholders and SPF on the financial status of its operation. This shall be through annual reports containing sufficient details and disclosure of all of SPF's activities which shall be tabled in the National Assembly and published on the Seychelles Pension Fund website.
- The Board shall cause to be kept proper accounts and other books and records. The Accounts of SPF shall be audited by the Auditor General or an outsourced licensed firm of auditors approved by the Auditor General. The accounts are to be prepared under the International Financial Reporting Standards (IFRS).

#### **d. Other Duties**

Each Board member shall also have the additional duty to ensure compliance with other Board policies as follows:

- Conflict of Interest Policy
- Confidentiality Policy

### 3.5 CONFLICT OF INTEREST POLICY

- a) A conflict of interest arises when there is a relationship which exists which could result in the Board or Committee member being perceived as being biased either for or against the topic of discussion.
- b) In the event of a conflict of interest, the interested Trustee of the Board shall:
  - Declare any interests at the beginning of the Board meeting, that may give rise to potential or perceived conflict that could interfere with exercise of objective judgment of any item on the agenda
  - During deliberations, prior to any vote on the issue, declare if any, the conflict of interest to the Chair or Board as a whole.
  - Refrain from voting in relation to the matter.
  - Withdraw from the meeting when the matter is discussed if requested to do so by a simple majority of the members present and voting at the meeting.
- c) A "Register of Declared Conflict of Interest" shall be maintained by the Board Secretary
- d) The personal interests of a Trustee of the Board, or of people closely associated with that Trustee, should not take precedence over the interests of SPF.
- e) Any Trustee who is appointed to the board as the representative of an organization, should understand that the duty to act in the best interests of SPF remains paramount rather than that of the organization.
- f) Conflicts (whether real or perceived) should be disclosed in good time and in full detail to the board and then appropriately managed.

### 3.6 CONFIDENTIALITY POLICY

- a) All proceedings of the Board shall be confidential.
- b) Section 12 of the Seychelles Pension Fund Act stipulates that a Trustee of the Board or an employee of SPF shall not disclose to any person or organization, information relating to the deliberations of the Board or affairs of SPF, which is acquired in the performance of his/her duties, except for the purpose of the performance of his/her duties or when ordered by the Court. This may include information from presentations, opinions expressed by attendees at the Board meetings and those expressed by fellow Board Trustees.
- c) All Trustees have to sign the "Confidentiality and Conflict of Interest Agreement" of SPF.
- d) In the case of a breach by a Trustee, the Board will determine what steps may be necessary or desirable to give effect to the terms and provisions of this agreement. This may include the return and/or distraction of documents, information, files, emails and the like that came to be in his/her possession during his/her tenure as a Board- and/or Committee member, upon resignation or removal from such a position.



### **3.7 DELEGATION OF AUTHORITY**

- a) Effective governance of SPF requires management to be involved in all significant decisions and to be accountable to the Board with all delegated authorities emanating from the Board.
- b) The CEO must raise with the Board any matter of significance affecting SPF which requires the Board's attention, including any matters which exceed the delegated authority of management.

### **3.8 ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

- a) The Board may from time to time, require independent legal, financial, governance or other expert advice. To facilitate this, the Board may obtain external advice, as required and shall invite senior management to provide technical advice as needed.
- b) The Board shall establish procedures for access to relevant, accurate and complete information and professional advice in order to discharge its duties effectively.

### **3.9 BOARD TRAINING**

- a) Each Board Trustee shall participate in an induction program that is tailored to effectively orient them to SPF's business, strategy, objectives, policies, procedures, and the senior management. The induction shall also include all the necessary information required by the Trustees for effective performance on the Board.
- b) New Board Trustees shall be introduced to their fiduciary duties and responsibilities as well as any other aspects that are unique to SPF.
- c) The Board shall ensure adequate Board development through continuous training to update and refresh skills/knowledge so as to keep the Board well informed on critical information pertinent to SPF and corporate governance environment when required.
- d) The Board may identify training needs required specifically for understanding the activities of SPF.
- e) The Board shall conduct an annual review and self-evaluation assessment to evaluate its performance, as well as its committees and individual Trustees, including Chairman.

### **3.10 CODE OF CONDUCT**

- a) The Board shall adopt the Board Charter as its Code of Conduct.
- b) SPF shall adopt effective whistle blowing mechanisms that encourage staff and other stakeholders to bring out information helpful in enforcing good corporate governance practices.

### **3.11 PROCEEDINGS OF THE BOARD**

- a) The Board of Trustees is required to have at least 12 meetings in a year as per SPF Act paragraph 10 (1). SPF Board shall have one meeting a month, being the last Thursday of each month. All members of the Board are required to attend all meetings.
- b) Members absent from three consecutive meetings without good cause and reasonable justification will cease to be a Trustee of the Board as per SPF Act 8 (b).
- c) Members who no longer are representative of the sector as appointed by the President, in line with Section 6 (3) of the SPF Act, will also cease to be a Trustee of the Board
- d) Any Trustee convicted or incapable of discharging the functions of a Trustee will immediately cease to be a Board Trustee of SPF.

### **3.12 BOARD DECISIONS**

The decisions of the Board shall be taken by the vote of a simple majority of members present at the meeting and in the event of an equality of votes on a matter before the Board, the Chairman shall have a casting vote.

### **3.13 QUORUM**

Seven members present for the meeting will be deemed a quorum.

### **3.14 INDEPENDENCE OF THE BOARD**

- a) The Board of Trustees shall scrutinize their own performance and the performance of the Management to ensure that the plans and targets are met and hence monitor the performance of SPF.
- b) The Trustees shall be independent from SPF and any decisions taken should be fair, un-biased and not in the personal interest of the members.

## **4 BOARD COMMITTEES**

- a) The Board may discharge any of its responsibilities through Board Committees they may set up from amongst the Trustees.
- b) The Board shall appoint the Chairpersons of these Committees and shall approve appropriate terms of reference for the individual Committees.
- c) The Committees through its Chairperson shall report to the Board on matters referred to it by the Board and on the proceedings following each meeting of the committee. The report shall include findings, minutes, matters identified for specific recommendation to the Board, action points and any other issues as deemed appropriate.
- d) The committees shall liaise with each other in so far as it is expedient to effectively perform their different roles.



- e) The Board remains collectively responsible for the decision of any committee and shall review the effectiveness and performance of committees annually.
- f) Each Board Committee is to have its own individual Terms of Reference or Charter.
- g) The Board may establish the following committees:

#### **4.1 FINANCE AND INVESTMENT COMMITTEE**

- a) The finance and investment management functions are vested in the Board of Trustees, through its Finance and Investment Committee. The Finance and Investment Committee is to review the financial management and investment practices of the organisation to oversee all the investments of SPF as per the Investment Policy.

##### **b) Responsibilities:**

- To review and recommend for Board approval SPF's annual budget.
- To review all information on finance and investment matters that are presented to the Committee.
- To review the quarterly financial and investment performance against budget and make regular reporting to the Board on significant variances.
- Review and advice on the financial impact of any proposed change to any rule, policy or benefit associated with the operation of SPF.
- Consider all investments and disinvestment proposals and submit its recommendations to the Board.
- Develop and maintain appropriate practices for maintaining the organizations financial records
- Provide appropriate reports to the Board and helping the Board understand the financials of the organisation which may include providing a regular narrative summary which condenses in plain English the financial condition of the organisation
- Provide direction, oversight and advice with respect to matters involving the investment management of any funds at the disposal of the organisation, including the formulating of investment policies and implementation strategies with respect to the organisations investments.
- Review annually Investment Policy and strategy and monitor the implementation of the Investment Strategy, including asset mix, assessment of risks in respect of investment management, performance against appropriate, aggregate benchmarks, and specific instruments outside of the delegated limits
- Review and evaluate Management's procedures for monitoring compliance with the Investment Policy and Investment Strategy
- Where appropriate recommend to the Board the engagement of any independent, external investment advisors, as well as other professional portfolio managers to invest the funds against agreed to performance objectives
- Retain, as required, independent counsel, accountants or other specialists to advise the Finance and Investment Committee
- Review and evaluate Management's procedures for monitoring compliance with the Investment Policy and Investment Strategy
- Review the investment policies and strategies as and when necessary
- Monitor the implementation of the Investment Strategy of SPF.
- On an annual basis, review the Finance and Investment Committee's mandate and terms of reference



c) The Finance and Investment Committee will be guided by the Investment Policy, Investment Strategy, Procurement Policy, Financial Regulations and SPF Act.

**c) Proceedings**

- The Committee shall hold a minimum of two regular meetings per year. Additional meetings may be held as the Committee or its Chairperson deem advisable and necessary.
- In advance of every meeting, the Chairperson of the Committee, with the assistance of Board Secretary, who will be the Committee Secretary, shall prepare and distribute to the Committee members and others deemed appropriate by the Chairperson, an agenda of matters to be addressed at the meeting.
- The Committee shall keep adequate minutes of all its proceedings, and will report through the Committee Chair to the Board following meetings of the Committee.

## **4.2 AUDIT & RISK COMMITTEE**

The audit committee plays an important role in providing oversight of the SPF's governance, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. The audit committee performs its role by providing independent oversight to the Seychelles Pension Fund (SPF) board of trustees.

### **Purpose**

The purpose of the audit committee is to provide a structured, systematic oversight of the SPF's governance, risk management, and internal control practices. The committee assists the board and management by providing advice and guidance on the adequacy of the SPF's initiatives for:

- Values and ethics.
- Governance structure.
- Risk management.
- Internal control framework.
- Oversight of the internal audit activity, external auditors, and other providers of assurance.
- Financial statements and public accountability reporting.
- Oversight of significant legal and litigation activity facing the SPF.
- Oversight of any complaints received.

In broad terms, the audit committee reviews each of the items noted above and provides the board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

### **Authority**

In discharging its responsibilities, the audit committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The committee also will have unrestricted access to records, data, and reports. If access

to requested documents is denied due to legal or confidentiality reasons, the audit committee and/or Head of Internal Audit (HIA)) will follow a prescribed, board approved mechanism for resolution of the matter.

The audit committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The SPF's management and staff should cooperate with audit committee requests.

The audit committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties.

The audit committee is empowered to:

- Appoint, compensate, and oversee all audit and non-audit services performed by auditors, including the work of any registered public accounting firm employed by the SPF. (Note: The auditor general appoints the external auditor for SPF for a period of 5 years. The Audit Committee will annually endorse or reject the appointment as they see fit).
- Resolve any disagreements between management and the auditor regarding financial reporting and other matters.
- Pre-approve all auditing and non-audit services performed by auditors.

### **Responsibilities**

#### *a. Values and ethics*

- Review and assess the policies, procedures, and practices established by the governing body to monitor conformance with its code of conduct and ethical policies by all managers and staff of the SPF.
- Provide oversight of the mechanisms established by management to establish and maintain high ethical standards for all of the managers and staff of the SPF.
- Review and provide advice on the systems and practices established by management to monitor compliance with laws, regulations, policies, and standards of ethical conduct and identify and deal with any legal or ethical violations.

#### *b. Organizational governance*

- To obtain reasonable assurance with respect to the SPF's governance process, the audit committee will review and provide advice on the governance process established and maintained within the SPF and the procedures in place to ensure that they are operating as intended.

#### *c. Risk management*

- Annually review the SPF's risk profile.
- Obtain from the HIA an annual report on management's implementation and maintenance of an appropriate enterprise wide risk management process.
- Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the board.
- Provide oversight of the adequacy of the combined assurance being provided.



- Review and provide advice on the risk management process established and maintained by management and the procedures in place to ensure that they are operating as intended.

*d. Fraud*

- Oversee management's arrangements for the prevention and deterrence of fraud.
- Ensure that appropriate action is taken against known perpetrators of fraud.
- Challenge management and internal and external auditors to ensure that the entity has appropriate anti-fraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.

*e. Control*

- Consider the effectiveness of the SPF's control framework, including information technology security and control.
- Review and provide advice on the control of the SPF as a whole and its individual units.
- Receive reports on all matters of significance arising from work performed by other providers of financial and internal control assurance to senior management and the board.

*f. Compliance*

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the observations and conclusions of internal and external auditors and the findings of any regulatory agencies.
- Review the process for communicating the code of conduct to the SPF's personnel and for monitoring compliance.
- Obtain regular updates from management and the SPF's legal counsel regarding compliance matters.

The Audit & Risk Committee is guided by its charter.

The Remuneration Committee will be guided by the Remuneration policy.

**Proceedings**

- The Committee shall hold a minimum of two regular meetings per year. Additional meetings may be held as the Committee or its Chairperson deem advisable and necessary.
- In advance of every meeting, the Chairperson of the Committee, with the assistance of Board Secretary, who will be the Committee Secretary, shall prepare and distribute to the Committee members and others deemed appropriate by the Chairperson, an agenda of matters to be addressed at the meeting.
- The Committee shall keep adequate minutes of all its proceedings, and will report through the Committee Chair to the Board following meetings of the Committee.

### 4.3 REMUNERATION COMMITTEE

- a) The Remuneration Committee is established to support the Board of the SPF in discharging its duty to oversee the establishment of appropriate human resource policies and strategies within the SPF, including issues of remuneration, performance management and staff retention and to ensure that they contribute effectively to the delivery of the Board's strategic goal.

**b) Responsibilities**

The Board authorizes the Remuneration Committee to:

- Review and propose human resource policies including those related to recruitment and selection, remuneration, training and development, motivation and staff retention, succession planning and welfare and safety, making necessary recommendations as deemed necessary;
- Ensure that the remuneration arrangements support the recruitment and retention of employees of the required caliber and with the required skill sets;
- Receive information on internal and external trends in remuneration and benefits, or exploring particular aspects of remuneration;
- Recommend to the Board the remuneration matters pertaining to the CEO and any foreign staff appointed by the SPF;
- Consider proposals submitted by the CEO and make appropriate recommendations to the Board;
- Monitor, evaluate and review governance processes as and when necessary
- Obtain reasonable assurance with respect to SPF's values and ethical practices.

- c) The Remuneration Committee will be guided by the Remuneration policy.

**d) Proceedings**

- The Committee shall hold a minimum of two regular meetings per year. Additional meetings may be held as the Committee or its Chairperson deem advisable and necessary.
- In advance of every meeting, the Chairperson of the Committee, with the assistance of Board Secretary, who will be the Committee Secretary, shall prepare and distribute to the Committee members and others deemed appropriate by the Chairperson, an agenda of matters to be addressed at the meeting.
- The Committee shall keep adequate minutes of all its proceedings, and will report through the Committee Chair to the Board following meetings of the Committee.



#### **4.4 NOMINATION COMMITTEE**

a) In order to ensure the right mix of skills and competencies on the Board, a Nomination Committee (subcommittee of the Board) should be established. The core responsibility of the Nomination Committee is to manage the nomination process for recommendation to President for the appointment of new Board of Trustees, as and when required. Its main duties include:

- Succession planning for the Board Trustees taking into consideration the current challenges and opportunities faced by the organization, and identifying the future skills and competencies needed by the Board.
- Developing and implementing a performance evaluation process for the Board of Trustees and the members of its committees
- Evaluating the performance of current Trustees and assess the possibility of re-appointment
- Induction, training and continuous development of Board Trustees and Secretary of the Board.

b) The Nomination Committee should have a formal selection and nomination process.

c) The Nomination Committee is a standing committee appointed by the Board of Trustees of Seychelles Pension Fund

#### **d) Authority of the Committee**

- The Committee shall have the authority to obtain advice and assistance from outside legal or other advisors in its sole discretion to assist in fulfilling its responsibilities.
- The Committee shall have the authority to retain or terminate any search firms used to identify trustee candidates.

#### **e) Responsibilities**

- The Committee shall make recommendations to the Board regarding minimum qualifications and experience of trustee candidates, and processes for identifying and nomination of trustees.
- The Committee shall evaluate the business experience, specialized skills or experience, independence, knowledge of the Board activities and prepare a description of the role and the requirement for a particular appointment of trustee candidates. Diversity of background and experience, international backgrounds, gender and age, are also important factors to be considered by the Committee when evaluating candidates for Board membership.
- The Committee shall determine each proposed nominee's qualifications for services on the Board and conduct appropriate inquiries into the backgrounds and qualifications of possible nominees. Each nominee should be a person of integrity and be committed to devoting the time and attention necessary to fulfil his/her duties to Seychelles Pension Fund.
- The Committee shall consider issues involving possible conflict of interest of trustees and potential trustees.

- The Committee shall oversee an orientation program to familiarize new trustees with Seychelles Pension Fund's business and operations.
- The Committee shall evaluate and recommend to the Board, when new trustees should be added to the Board, and recommend a replacement trustee to the Board when a vacancy occurs by reason of disqualification, resignation, retirement or death.
- The Committee shall evaluate the performance of each trustee before recommending to the Board his/her or her nomination for an additional term as trustee)

#### **f) Proceedings**

- The Committee shall hold a minimum of two regular meetings per year. Additional meetings may be held as the Committee or its Chairperson deem advisable and necessary.
- In advance of every meeting, the Chairperson of the Committee, with the assistance of Board Secretary, who will be the Committee Secretary, shall prepare and distribute to the Committee members and others deemed appropriate by the Chairperson, an agenda of matters to be addressed at the meeting.
- The Committee shall keep adequate minutes of all its proceedings, and will report through the Committee Chair to the Board following meetings of the Committee.

### **5 INDEPENDENT COMMITTEES TO ASSIST BOARD OF TRUSTEES**

SPF Board of Trustees have appointed 4 other independent Committees to assist with its Board functions as follows;

#### **5.1 Tender Evaluation Committee**

- This committee assesses all the tenders of SPF projects and is made up of an independent Chairperson from the private sector and 2 other members from both public and private sector.
- The Committee is responsible to evaluate the tender bids received based on a set of established criteria and make recommendations to the Board.
- It is a must that all persons participating in the process shall be independent and it is the responsibility of the members to declare any vested interest and make declaration and shall not participate in the proceedings.
- The Tender Evaluation Committee is not a decision making committee but will make recommendations to the Investment Committee and ultimately to the Board of Trustees. The decision to approve or reject the recommendation shall be made by the Board of Trustees.

#### **5.2 Tender Review Panel**

- The Tender Review Panel hears all the appeals from tenders done by SPF, chaired by an independent person from the private sector with 3 members from both private and public sector.



- The Tender Review Panel shall comprise of four persons, from both private and public Sector. The members on the Tender Review Panel shall be appointed by the Board and they shall be independent persons with significant experience in procurement, legal, administrative, economics, financial and construction.
- The main responsibility is to consider appeals received from aggrieved persons who have not been selected from the tender process.
- The Tender Review Panel shall have the right to recommend the acceptance or rejection of the appeal if found that the grounds of appeal is not significant.
- Recommendations will then be made to the Board if necessary

### **5.3 Medical Board**

- The Medical Board assists SPF in advising on cases on incapacity applications. It comprises of medical practitioners from both private and public sector.
- The purpose of the Medical Board is to recommend to management whether the applicants will be eligible for permanent incapacity pension for life or for a specific period of time.
- The Medical Board is responsible for evaluating each application individually based on the medical history and medical report and ultimately decide whether to approve the application or not.
- The Medical Board will determine the length of time for the applicant to receive the incapacity pension whether for life or for a specific period of time.

### **5.4 Appeals Committee of the Medical Board**

- The Appeals Committee of the Medical Board was established from 2019, to hear all appeal cases for applications dealt with by the Medical Board.
- It comprises of medical practitioners from the medical field, both private and public sector.
- The Appeals Committee of the Medical Board shall comprise of four persons, from both private and public Sector.
- The members on the Appeals Committee shall be appointed by the Board and they shall be independent persons with significant experience health related matters.
- The main responsibility is to review decisions made by the Medical Board, should there be any appeal.
- The Appeals Committee shall have the right to recommend the acceptance or rejection of the appeal if found that the grounds of appeal is not significant.
- Recommendations will then be made to the management for all appeal cases.

## **6 ACCOUNTABILITY OF BOARD OF TRUSTEES**

- 6.1** The Board of Trustees are accountable to the members of SPF and its beneficiaries.
- 6.2** As Trustees, the Board should be responsible and accountable for achieving SPF's mandate.



## **7. RESIGNATION OF A TRUSTEE**

**7.1** A Trustee of the Board may resign by giving a signed letter of resignation to the President, copied to the Chairman and the Secretary, by giving one month prior notice. In the case of the resignation of the Chairman, a copy must be sent to the Secretary and Chief Executive Officer. The Secretary will then inform the Board.

**7.2** The notice period for resignation of Board of Trustees is one month.

**7.2** Section 8(c) of the SPF Act stipulates that the President can remove a member if he/she is convicted of an offence or is found to have committed an act of misconduct in the office which substantially prejudices the interest of SPF.

## **8. BOARD FEES**

**8.1** Each Board of Trustee gets a board fee based on agreed fees approved by the Board.

## **9 CHAIRPERSON**

### **9.1 Role of the Chairperson**

As per SPF Act 2005 paragraph 6 (2) the President appoints the Board of Trustees including the Chairperson for a term of 3 years or shorter as the President may determine.

The role of the Chairperson shall be to:

- a) Set the ethical tone for the Board
- b) Provide leadership to the Board and ensure its effectiveness in all aspects of its role in directing, and controlling, the activities of SPF.
- c) Create appropriate environment for meaningful discussions at Board meetings.
- d) Set the Board agenda with the assistance of the CEO and the Board Secretary.
- e) Guide the Board in setting and implementing strategic policies
- f) Facilitate effective contribution and encourage constructive relations among Trustees
- g) Monitor attendance at Board meetings, with Secretary.
- h) Develop the strategy of SPF, together with CEO, and ensure the Board is fully appraised and has the opportunity to debate the strategic direction of SPF.
- i) Put in place and maintain an effective delegation of authority structure to provide effective management and control over SPF's business with the assistance of the CEO.
- j) Communicate effectively with SPF's stakeholders that may include, where applicable, regulators, government, members, staff and communities within which SPF operates.
- k) Ensure together with the CEO, that SPF communicates effectively with international institutions, stakeholders, government, financial institutions, the media, the public and any other relevant special interest groups who have a legitimate concern or involvement with the business of SPF;
- l) Make certain, together with the CEO and the Board Secretary, that SPF operates to the highest standards of corporate governance;
- m) Ensure the Board undertakes continuous development in order to enhance governance practices within the Board itself and in the interest of the Company.
- n) Appoint a Vice-Chairman, who will chair the Board of Trustees meeting during the absence of the Chairperson.
- o) Appraise the performance of the Chief Executive Officer and the performance of SPF to ensure that the decisions taken by the Board are being implemented.



## **10 CHIEF EXECUTIVE OFFICER (CEO)**

### **10.1 The role of the CEO**

As per SPF Act 2005 paragraph 15, the President appoints a CEO, who shall, subject to the Act and decisions of the Board, be responsible for the day to day administration of the Fund, including the collection of contributions, the payment of pensions and other benefits, the investment of surplus money of the Fund, and the accounting for all moneys collected, paid or invested as per the SPF Act.

The role of the CEO is to:

- a) Develop the strategy set by the Board
- b) Manage and run the day to day operations of SPF.
- c) Responsible for the general administration of SPF.
- d) Implement all the policies approved by the Board in SPF's overall corporate strategy.
- e) Ensure that SPF's human resource policy is adhered to;
- f) Co-ordinate the operations of the various sections within SPF;
- g) Establish and maintain efficient and adequate internal control system with the Board.
- h) Design and implement the necessary management information systems in order to facilitate efficient and effective communication within SPF and to all stakeholders.
- i) Appraise the Board frequently and adequately about the operations of SPF through presentation of relevant board papers, which must cover, but are not limited to:
  - Actual performance compared to past performance and the budget, together with explanation of all the variances
  - External and internal audit reports
  - Any other areas relevant to SPF's operations
  - Any other duties as may be assigned by the Board from time to time.

### **10.2 Duties of the CEO**

The CEO is responsible for the day to day administration of the Fund, including:

- a) The collection of contributions;
- b) The payment of pensions and other benefits;
- c) The investment of surplus moneys of the Fund;
- d) The accounting for all moneys collected, paid or invested under the SPF Act; and
- e) The implementation of the decisions of the Board of Trustees.
- f) The management of all the staff of SPF

### **10.3 Fiduciary Duty of the CEO**

The CEO shall have the fiduciary duty to:

- Exercise a reasonable degree of care, skill and diligence;

- Act in good faith and in the best interest of SPF and not for any other purpose;
- Act with loyalty and confidentiality, and to be lawfully compliant
- Act honestly at all times and must not place self in a situation where personal interest conflict with those of SPF;
- Exercise independent judgment at all times for the interest of SPF;
- Promote and protect the image of SPF;
- Have a clear understanding of role in corporate governance and be able to exercise sound and objective judgment on the affairs of SPF.
- Work collectively and professionally with the Chairman and other Trustees, through proper communication and interaction in a constructive manner.

## **11 THE BOARD SECRETARY**

The Board should be supported by a suitably qualified and competent board secretary who will, through the Chair, promote good governance. The Board will appoint a Board Secretary to assist and advise the Board and all Board Members.

The Board Secretary has the following responsibilities:

- a) Ensure that the proceedings of Board and Committee meetings are properly recorded and that agenda and minutes of meetings are circulated to the Trustees in a timely manner, after having been reviewed by the Chairman of the Board and relevant Committees. Provide guidance to the Board on its duties and responsibilities and on other matters of governance;
- b) To ensure that the Board complies with its obligations as per SPF's Act
- c) To assist the Chairperson of the Board in organizing the Board activities
- d) To maintain and update the register of conflict of interest
- e) To carry out any other duties as may be assigned by the Board from time to time
- f) To support the Chairman and sub-committees of the Board to function effectively
- g) Assist the Board with the performance evaluation of the Board and its Committees
- h) Have unfettered access to the Board, but maintain an arms-length relationship
- i) keep abreast of and inform the Board of current governance thinking and practices
- j) Facilitate Board meetings with Chairman and providing all the documentation required by the Trustees, as and when necessary.

## **12 DIVISION OF ROLES AND RESPONSIBILITIES BETWEEN BOARD AND MANAGEMENT**

- a) There should be clear division of responsibilities between the Chief Executive Officer and the Chairman. The roles of the Chief Executive Officer and that of Chairman should not be by same individual. The Chairman is responsible for heading and leading the Board whereas the Chief Executive Officer is responsible for the administration and executive management of SPF by heading and leading the staff and the organization.
- b) The Board shall delegate some of its functions to the committees of the Board, or to management through the CEO.



- c) The Committees shall comprise of officers at management level, external service providers and /or members of the Board which may also be appointed to monitor certain functions and decisions. Such functions should be well documented through policies and by following established guidelines designed specifically for such function.

### 13 CODE OF ETHICS

**Goal:** To establish a set of principles and practices for SPF's Board of Trustees that will set parameters and provide guidance and direction for board conduct and decision-making.

**Code:** Members of the Board of Trustees must be committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities on the board. Board members must pledge to accept this code as a minimum guideline for ethical conduct and shall:

#### Accountability

- Faithfully abide by the SPF Act and strategy/policies
- Exercise reasonable care, good faith and due diligence in SPF's affairs.
- Fully disclose, at the earliest opportunity, information that may result in a perceived or actual corruption practices which include the offering and acceptance of gifts and other form of benefits, abuse of power, and improper use of SPF's assets
- Fully disclose, at the earliest opportunity, information of fact that would have significance in board decision-making.

#### Professional Excellence

- Maintain a professional level of courtesy, respect, and objectivity in all of SPF's activities
- Strive to uphold those practices and assist other Trustees of the board in upholding the highest standards of conduct

#### Personal Gain

- Exercise the powers invested for the good of all members of the organization rather than for individual self


#### Collaboration and Cooperation

- Respect the diversity of opinions as expressed or acted upon by SPF board, committees and management
- Promote collaboration, cooperation, and partnership among all those attending Board meetings
- Make decisions for SPF and not for his or her personal benefit, or that of the organization they represent.

- a) SPF Board has an obligation to behave ethically that is to treat all its stakeholder's i.e strategic business partners, management and staff of SPF, and fellow Board of Trustees

fairly, and to meet the legitimate expectations of those stakeholders in terms of SPF's behavior and the resulting outcome.

- b) The responsibility for setting the tone and culture of SPF, and for driving ethical behavior, lies with the Board working closely with the CEO.
- c) In articulating acceptable practices, a separate Code of Conduct and Ethics for all staff of SPF, has been formulated.
- d) A Board Trustee shall not solicit or receive a gift or favor from any person, company, or organization, or from any intermediary interest, that may compromise or appear to compromise the independent judgment of the Trustee regarding his or her obligations to the Board. All gifts should be reported accordingly and shall immediately be returned to its source.
- e) In encouraging the reporting of unlawful or unethical behavior, the Code also ensures that whistleblowing policies provide for legitimate concerns to be objectively investigated and addressed by the management or Board, and for individuals to be able to raise concerns in confidence, and without the risk of reprisal.
- f) The existence of a Code of Ethics does not, in itself, declare that SPF is ethical in its behavior, as it is equally important for the commitment of the Board of Trustees and CEO with SPF's full wider management team to 'walk the talk'.

Signed:  Date: 29/8/2019



## Appendix 1

No	Name Appointment Date Term	Current Occupation and Address	Chairman Section 6 (1) (a)	Representatives from MoFTEP Section 6 (1) (b)	2 representatives from Public Sector Section 6 (1) (c) (i)	2 representatives Employers/ Private Sector Section 6 (1) (c) (ii)	2 representatives Workers Section 6 (1) (c) (iii) s
1	Mr Jacquelin Dugasse 18 September 2018	Self Employed, Glacis P O Box 1544 Ma Constance	√			√	
2	Mr Antoine Robinson 1 February 2015	Secretary General, Seychelles Federation of Workers Union					√
3	Miss Cilia Mangroo, 1 January 2013	Principal Secretary, Trade Division, Ministry of Finance, Trade & Economic Planning		√			
4	Mr Bernard Adonis, 1 February 2015	Attorney at Law, O J Mall, Market Street				√	
5	Ms Marie Claire Marie, 25 July 2017	P O Box 8043, Victoria					√
6	Ms Malika Jivan, 1 February 2015	Chartered Accountant, c/o Abacus Seychelles Pty Ltd				√	
7	Mr Patrick Payet, 1 July 2013	Principal Secretary, Ministry of Finance, Trade & Economic Planning		√			
8	Mr Ravi Valmont 1 March 2018, 3 year term	Principal Secretary, Ministry of Land Use & Habitat, P O Box 199			√		
9	Ms Cindy Vidot, 1 March 2018, 3 year term	Chief Executive Officer, Seychelles Investment Bureau, P O Box 1167			√		
10	Ms Elsie Morel, 1 March 2018, 3 year term	Procurement Oversight Unit, P O Box 313, Maison de Mahe			√		
11	Ms Brenda Morin, 1 March 2018, 3 year term,	Auditor, 209-210 Micro Enterprise Complex				√	
12	Mr Peter Sinon, 1 March 2018, 3 year term	Consultant, P O Box 1703				√	√