



ROLES AND RESPONSIBILITIES OF THE BOARD OF TRUSTEES

- 1.1. *The Board has absolute responsibility for the performance of the NEF and is fully accountable to the shareholder for such performance. As a result, the Board should give strategic direction to the NEF, and in concurrence with the Executive Authority appoint the CEO and ensure that an effective succession plan for all directors and key executives is in place and adhered to.*
- 1.2. *The Board must retain full and effective control over the NEF and monitor management closely in implementing Board plans and strategies.*
- 1.3. *The Board should ensure that the NEF is fully aware of and complies with applicable laws, regulations, Government policies and codes of business practice and communicates with its shareholder and relevant stakeholders openly and promptly with substance prevailing over form.*
- 1.4. *The Board must closely monitor the process of disclosure and communication and exercise objective judgement on the affairs of the NEF, independent of management. In so doing, each individual Trustee must keep confidential all matters of the organisation.*
- 1.5. *The Board should formulate, monitor and review corporate strategy, major plans of action, risk policy, annual budgets and business plans of the NEF and regularly identify key risk areas and key performance indicators, based on both financial and non-financial aspects.*
- 1.6. *Without derogating from its fiduciary duties, the Board should ensure that the shareholder's performance objectives are achieved and that they can be measured in terms of the performance of the NEF. In addition, the Board should ensure that the organisation prepares annual budgets against which, inter alia, its performance can be monitored.*
- 1.7. *The Board should monitor and manage potential conflicts of interest of management, Trustees and the shareholder. The Board as a whole and each individual Trustee may not accept any payment of commission, any form of bribery, gift or profit for himself or herself from any person.*
- 1.8. *The Board should develop a clear definition of the levels of materiality or sensitivity in order to determine the scope of delegation of authority and ensure that it reserves specific powers and authority to itself. Delegated authority must be in writing and evaluated on a regular basis.*
- 1.9. *The Board should ensure that financial statements are prepared for each financial year, which fairly present the affairs of the NEF and apply relevant accounting standards. In addition, the Board must ensure the maintenance of adequate accounting records and ensure that suitable accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates, have been used in the preparation of the financial statements.*
- 1.10. *The Board should appraise the performance of the Chairman as frequently as the Board may decide. The Board should also, annually review and evaluate its required mix of skills and experience and other qualities in order to assess the effectiveness of the entire Board, its committees and the contribution of each individual Trustee. The Board should ensure that a confidential Board and Trustee appraisal is conducted annually and establish an appropriate mechanism for reporting the results of the Board assessment to the shareholder.*
- 1.11. *The Board should ensure that there are appropriate and effective induction, education and training programmes offered to new and existing Trustees.*
- 1.12. *The Board is responsible for setting policy and standards of ethical business conduct. The board should always maintain the highest standard of integrity, responsibility and accountability and ensure that it finds a fair balance between conforming to corporate governance principles and the performance of the organisation.*
- 1.13. *To enable the Board to properly discharge its responsibilities and duties, certain responsibilities of the Board may be delegated to Board committees. The creation of committees does not reduce the Trustees' overall responsibility. *