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Call for appointment of Independent Experts to the Public Investment Corporation's Information Communications Technology and Governance Committee.

Soft copies of a framework with detailed specifications, minimum requirements and the envisaged role of the Independent Expert can be accessed and downloaded from the PIC's website, www.pic.gov.za.

The submissions must be emailed to the following email address: ICTGCINDEPENDENTEXPERT@pic.gov.za or posted to the PIC offices and marked for the attention of:

**Company Secretariat
Public Investment Corporation SOC Ltd
Private Bag X187
PRETORIA, 0001**

Closing date for submission of CVs: 03 May 2022

Written enquiries can be sent via email to ICTGCINDEPENDENTEXPERT@pic.gov.za.



FRAMEWORK AND GUIDELINES FOR THE APPOINTMENT OF ICTGC INDEPENDENT EXPERT

March 2022

Document review and approval

Document compiled by

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1	Company Secretary	23 February 2022	Inception
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This document has been reviewed and recommended by

Version	Reviewer	Date	Revision
1	ICTGC Chairperson	February	Inception

This document has been approved by

Version	Approver	Date Approved
1	Board	March 2022

This document has been approved by

Approver	Signature	Date
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1 PURPOSE

- 1.1. The purpose of this document is to provide guidelines for the appointment of an Independent Expert to the Information Communication Technology and Governance Committee (the ICTGC). The Independent Experts will assist the ICTGC in discharging its duties and oversight responsibilities with respect to Information Technology and digital activities of the PIC, by providing independent, technical and financial expert opinion on matters under consideration by the ICTGC. The Independent Expert will provide input and advice given the market trends in the financial services sector that lean heavily on digital capabilities that play almost centre stage in augmenting complex decision making for example.

2 BACKGROUND AND DISCUSSION

- 2.1. The Public Investment Corporation SOC Limited (PIC) was established in terms of the Public Investment Corporation Act, 2004 (Act No 23 of 2004) (the PIC Act), as amended, and is wholly owned by the South African Government. The Minister of Finance is the sole shareholder representative on behalf of the South African Government.
- 2.2. The PIC is a registered Financial Service Provider (FSP), licensed Category II FSP, in terms of the Financial Advisory and Intermediary Services Act, 2002 (Act No 37 of 2002) as amended (the FAIS Act). The primary purpose of the PIC is to invest certain monies received or held by, for or on behalf of the Government of the Republic of South Africa and certain bodies, councils, funds, and accounts. As custodian of substantial assets generated by the labour of generations of South Africa's public sector employees, the PIC has a responsibility to conduct its affairs with integrity, transparency and in an exemplary manner. The PIC work contributes to the well-being of present and future generations of pensioners, member beneficiaries, and South Africans at large.

- 2.3. The PIC manages a diversified portfolio to generate good financial returns for clients over a long-term period whilst supporting positive and long-term socio-economic development.
- 2.4. The clients of the PIC are mainly pension, provident, social security and guardian funds. PIC's mandate is to invest funds on behalf of these clients, based on investment mandates agreed with each client, and approved and regulated by the Financial Sector Conduct Authority (FSCA). The PIC invests funds on both a segregated and a unitised basis. Among the PIC's clients are the Government Employees Pension Fund (GEPF), the Unemployment Insurance Fund (UIF), the Compensation Fund (CF).
- 2.5. The PIC has a Board of Directors that governs and enjoined with overall accountability for the well- functioning of the PIC. The Board has established the ICTGC in line with Section 72 of the Companies Act, 2008 (Act No 73 of 2008), as amended; Section 7 of the PIC Act, and Principle 8 of the King IV Report on Corporate Governance for South Africa, 2016 (King Report). The ICTGC was established to assist the Board to discharge its statutory duties and responsibilities in relation to Information and Technology governance; and make such recommendations as it considers appropriate to the Board in line with the applicable Delegation of Authority Framework (the DoA). The ICTGC is also responsible for overseeing the implementation of its decisions, monitoring the performance of IT, and reporting on IT related activities which fall under its Terms of Reference.
- 2.6. In line with the ICTGC's Terms of Reference, the Board approved the appointment of an Independent Expert to enrich the skills of the ICTGC. The Independent Expert shall serve on the ICTGC respectively to assist the members of the ICTGC to perform their duties and responsibilities as assigned to the IC by the Board and outlined in its Terms of Reference. In support of the appointment of these Experts, the Board appreciates the complex environment within which the PIC, the complex developmental projects considered in the Unlisted Investment Portfolio and the

new age digital technologies that get leveraged by peers for competitive advantage and speed.

3 STATUS OF THE INDEPENDENT EXPERT

- 3.1. The Independent Expert is expected to bring independent judgment and advice on matters to be considered by the ICTGC, whilst being mindful of the size of the asset manager, and the need to build a more inclusive and sustainable economy in South Africa and the geographies where the PIC invests. The Independent Expert is not a member of the ICTGC. They shall attend the meetings of the ICTGC on an advisory capacity or occupy an advisory status.
- 3.2. The Independent Expert shall not participate in decision making process of the ICTGC nor shall they exert any influence on members of the ICTGC to sway a decision to a particular direction. They will, however, make recommendations for consideration by the ICTGC with substantiations on issues of concern.

4 APPOINTMENT OF THE INDEPENDENT EXPERT

- 4.1. The PIC shall appoint, in line with section 7(3) of the PIC Act, an Independent Expert with expertise within the IT sectors/industries. The appointment of the Independent Expert is delegated to the ICTGC and follows an open and transparent process in line with this Framework.
- 4.2. The ICTGC shall be entitled to appoint one (1) Independent Expert based on the skills matrix for the ICTGC.
- 4.3. The ICTGC with its digital focus, will be focusing on the core business of PIC through data, analytics and digital technologies.
- 4.4. The broad categories of the investment asset classes where the PIC invests are shown in the diagram below:



5 ROLES AND RESPONSIBILITIES OF THE INDEPENDENT EXPERT

5.1. The Independent Expert shall have the following as their main roles and responsibilities:

5.1.1. Role

The role of the Independent Expert on the ICTGC is to:

- Provide independent, technical, digital, and financial input to the members of the ICTGC to enable decision making regarding the ICTGC's duties while adhering to the highest standards of ethics, integrity, objectivity, and the PIC's values.

5.1.2. Responsibilities

The responsibilities of the Independent Expert on the ICTGC are to:

- Provide independent input on the IT and digital strategies undertaken by PIC;

- Provide advice on all risk mitigating plans given the rise in Ransomware, new risks emanating from the shift brought about by digital capabilities including cloud, data, analytics and platform driven business;
- Participate in ICTGC discussions in meetings as reasonably requested;
- Provide updates to the Chairperson of the ICTGC regarding the effectiveness of the ICTGC, its processes, and their role as adviser to the ICTGC;
- Attend internal training to deepen their expertise, and enhance their understanding of the PIC's IT strategies;
- Comply with all PIC policies and procedures; and
- Adhere to a commitment to confidentiality and professionalism.

6 OPERATIONS OF THE INDEPENDENT EXPERTS

- 6.1. The Independent Expert shall be appointed for a fixed term contract of thirty six (36) months.
- 6.2. Once appointed, PIC and the Independent Expert shall conclude a service level agreement and non-disclosure, which shall be signed, on behalf of PIC, by the Chairperson of the ICTGC or his/her delegate.
- 6.3. The appointed Independent Expert shall have access to meeting documents. This is to ensure that the Independent Expert is provided with the necessary information available at hand for them to provide proper and adequate advisory services and independent opinion to members of the ICTGC.

7 REMUNERATION OF THE INDEPENDENT EXPERTS

- 7.1. The Independent Expert shall be classified as an independent contractor for Income Tax purposes and shall be remunerated a fixed fee determined by the Board. In any event, the fixed fee payable to Independent Experts shall not exceed the fee payable to Board members for Board Committee meetings attended.

8 CONFLICT OF INTEREST

- 8.1. An Independent Expert attending ICTGC meetings shall be required to disclose and declare conflict of interest, if any, which shall be managed in line with PIC's approved policies and procedures.

9 MINIMUM REQUIREMENTS FOR APPOINTMENT AS INDEPENDENT EXPERT

Title	Key Competency	Qualifications
Information Communication Technology and Governance Committee (ICTGC) Independent Experts	<ul style="list-style-type: none"> • Minimum of 15 years' experience in Information Technology operations, strategies, and IT risk with at least 5 years held at senior level • Experience in engaging with complex solutions, platforms and systems • Experience in engaging with Original Equipment Manufacturers (OEM), software manufacturers and their operating model • Appreciation of what is possible with the new emerging Digital and technological developments e.g. Machine learning (ML), Artificial intelligence (AI), Analytics etc • Progressive and Value adding attitude • Honesty and willingness to express views robustly but constructively • Commitment to the PIC's mission 	<ul style="list-style-type: none"> • Degree in Information Technology • Honours, MBA or any relevant and recognized professional qualification will be an added advantage