

Governance



 CBE Board Member, Dr. Sikhomba Gumbi, making a point during the 2023-2028 Strategy Reset Session.

The Board reviews the strategic priorities of the Bank, determines the investment policies, and delegates to management the detailed planning and implementation of the objectives and policies in accordance with acceptable risk parameters

Overview

In terms of Section 11(3) (b) of the CBS Order of 1974 (as amended), the CBE is led by the Board, with the Governor serving as both Chairman and Chief Executive Officer responsible for the execution of the strategy and policy as well as management of the Bank. The CBE is wholly owned by the Government of Eswatini but operates as an autonomous institution as provided for in Section 206 (5) of the National Constitution, 2005. The Bank's operations are not profit driven but serve the best interests of all sectors and people of Eswatini.

The Board maintains full and effective control over the CBE and is accountable and responsible for its performance and compliance. The Board reviews the strategic priorities of the Bank, determines the investment policies, and delegates to management the detailed planning and implementation of the objectives and policies in accordance with acceptable risk parameters. The Board monitors compliance with

policies and achievement against set objectives by holding management accountable for its activities through performance reporting and budget updates.

The CBS Order and Board Charter codify the composition of the Board, appointment, responsibilities and processes. They also set out the fiduciary duties of the Board and provide it with a mandate to exercise leadership, determine the CBE's vision, mission, and strategy, as well monitor operational performance.

The Board governs through clearly mandated Board Committees. Each Committee has a specific written Charter approved by the Board and adopted by the Committee. All Board chairpersons prepare an executive report on the proceedings of their Committee meetings and present the same at the Board meetings. The Board retains accountability and is satisfied that it has fulfilled its responsibilities in accordance with the Board Charter and the CBS Order during the year.

In the year under review, the Board met eight (8) times. Six (6) of those meetings were held within the statutorily prescribed periods of at least one meeting in two months and 2 meetings were special meetings of the Board. The Governor and Deputy Governor attend Board meetings in their capacity as Executive members. The Assistant Governor, GM Economic Policy and

Research Statistics, GM Financial Regulation, GM Operations, GM Finance, Head Strategy and Communication as well as GM Human Resource and Administration attended Board meetings, enabling the Board to explore specific issues and developments in greater detail. The Bank operated with a full Board for most of the period under review with three (3) members (in the

name of Mr. Stephen Potts, Professor Mike Matsebula and Ms. Sonile Dlamini) terms ending on 30th June 2022. Three (3) new members (being Dr. Neville Curle, Ms. Nomusa Dlamini and Ms. Odete Sons) were appointed on 1st September 2022, 1st October 2022 and 1st February 2023, respectively.

Our Board

Individual Members' Attendance at The Board and Board Sub-Committees' Meetings for the Financial Year 2022/23

Member	Date Appointed	Board	Audit Committee	Board Risk and IT Committee	Remuneration Committee
Dr. P. Mnisi - Governor	1 st July 2022	7/7	n/a	3/3	4/5
Ms. F. Dlamini-Kunene - Deputy Governor	26 th November 2019	7/8	4/4	3/4	4/5
HRH Prince Sicalo*	2 nd June 2022	6/8	n/a	n/a	4/5
Dr. P. Mashwama*	1 st July 2022	8/8	n/a	4/4	4/5
Dr. S. Gumbi*	1 st June 2021	8/8	4/4	n/a	5/5
Ms. S. Dlamini	1 st December 2019	5/8	n/a	2/4	n/a
Dr. N. Curle	1 st September 2022	4/4	2/2	n/a	3/3
Ms. N. Dlamini	1 st October 2022	3/3	1/1	2/2	n/a
Ms. O. Sons	1 st February 2023	1/1	n/a	1/1	n/a

*re-appointed

n/a – not applicable

The Board reviews the strategic priorities of the Bank, determines the investment policies, and delegates to management the detailed planning and implementation of the objectives and policies in accordance with acceptable risk parameters

Board Composition

The Bank subscribes to the Unitary Board regime whose structure and functions are governed by the CBS Order. On this basis, the Board is the ultimate and final authority of the institution. The Board comprises nine members which include two executive members (the Governor and Deputy Governor) as well as seven other members one of whom shall be a public officer of the Ministry responsible for Public Finance.

The Governor is the Chairman of the Board as well as the Chief Executive Officer appointed by the Head of State for a period of five (5) years and

is eligible for re-appointment. The 7th Governor of the CBE (Dr. Phil Mnisi) was appointed with effect from 1st July 2022. The ultimate governing authority of the Bank is the Board appointed by the Minister for Finance for a period not exceeding three (3) years.

The Board is satisfied that it has the appropriate knowledge, skills, experience, diversity, and independence.

The role of the Chairman and the Governor are separate with the clear roles spelled out in the CBS Order and the Board Charter. The Chairman is responsible for providing overall leadership of the Board and ensuring

The qualifications of Board members range from Leadership & Management, Economics, Accounting, Financial Markets as well as Information Technology.

that the Board performs effectively. The Governor is responsible for the execution of the strategic direction, which is approved by the Board through the delegation of authority.

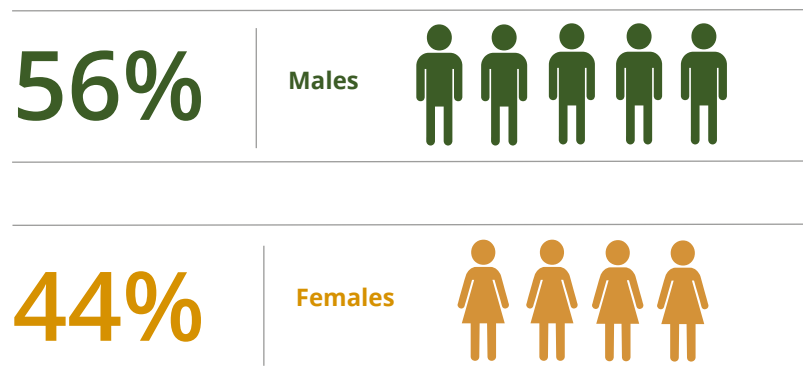
Board Composition Summary

The qualifications of Board members



Four of the Board members are female (44 per cent of the Board composition), one of them being an Executive member in the person of the Deputy Governor. Three of the non-executive members have served more than one term giving the Committee much needed experience in central banking.

Gender Distribution



R-L: CBE Governor, Dr. Phil Mnisi with CBE Board members; HRH Prince Sicalo and Dr. Gumbi during a Strategy Reset Session.



Dr. Phil Mnisi
Governor and Chairman
of the Board

Phil Mnisi (PhD) is the 7th Governor of the Central Bank of Eswatini appointed by His Majesty King Mswati III on 1st July 2022. Prior to his appointment, he served as the Chief Executive Officer of Eswatini Sugar Association for 6 years and as Chief Executive Officer of Standard Bank Eswatini for almost 4 years between 2012 and 2016. He was previously the Assistant Governor of the Central Bank of Eswatini, a position he held for 4 years.

A Chartered Marketer in Southern Africa (CMSA) and member of the Institute of Directors in Southern Africa (IoD), Phil holds a PhD in Leadership and Management from Logos University, USA; a Master's Degree in Business Leadership (MBL) from the University of South Africa, a B.Com Accounting Degree from the University of Eswatini. He has completed an Executive Leadership Development Programme from the Gordon Institute of Business Science (GIBS), South Africa, and a Programme on Investment Appraisal Management from Harvard University, USA.

His corporate leadership experience spans more than 30 years in Eswatini and abroad. In South Africa, he worked for ABSA as Head of Group Talent Management and was a member of the Senior Leadership Group.

Prior to joining ABSA, he was the Chief Executive Officer of the Institute of Bankers (IOB). In Eswatini he has held senior positions at Nedbank, Eswatini Industrial Development Company (EIDC), and the Commonwealth Development Corporation (CDC). Dr. Mnisi is experienced in corporate governance, strategy, and leadership after having served in various companies and organisations locally and internationally as a Board member and/or Chairman. These include the International Sugar Organisation (ISO), Eswatini Electricity Company, Eswatini Revenue Service, Liberty Life Eswatini, Stanlib Eswatini, Eswatini Bank and Swaziland Building Society.

Dr. Mnisi has also served in various national commissions as Chairman, including the national COVID-19 Resource Mobilisation Committee and the Royal Commission for Reviewing the Terms and Conditions of the 11th and 12th Parliament of the Kingdom of Eswatini.

Dr. Mnisi is the Founder and Senior Pastor at His Harvest Fellowship Church, a businessman, farmer, and an avid golfer who has a hole-in-one under his belt.



Ms. Felicia P.N. Dlamini-Kunene
Deputy Governor
Executive Member

Ms. Felicia P.N. Dlamini is the Deputy Governor of the Central Bank of Eswatini, a position she has held since July 2019. Prior to her appointment, she held the positions of Senior Advisor to the Executive Director at the African Development Bank and Senior Advisor to the Executive Director at the IMF, Africa Group 1 Constituency.

As part of her work experience, she served as an Advisor to the Ministry of Finance (Eswatini) and worked at the Central Bank of Eswatini as a Senior Economist.

Felicia holds a Master of Arts in Development Economics obtained from Williams College, USA, in June 2003, and a Bachelor of Arts in Economics and Demography from the then University of Swaziland, in September 1996.

Ms. Dlamini has chaired the Swaziland Tourism Satellite Account Committee (October 2009-2010), co-chaired the IMF Staff Monitored Programme Technical Committee (2010), was Secretary for the Central Bank Staff Association (2009-April 2011), and a member of the SADC Macroeconomic Sub-Committee (2005-2007).



**His Royal Highness (HRH)
Prince Sicalo**

Non-Executive Board Member

HRH Prince Sicalo currently holds the position of Principal Secretary in the Ministry of Defence and is the first-born son of His Majesty King Mswati III of the Kingdom of Eswatini.

Before that, HRH was the Assistant Director in the Logistics Department of the Ministry of Defence. Previously, he held the positions of Platoon Commander and Motor and transport officer for the Border Guards under Logistics Department.

He trained at the Military College of the Armed people in February 2007 for a 2-year cadet course, completing with a Bachelor's Degree in Military Science in Libya as well as at Misrata Air Force Base as a fixed wing pilot and completed in 2011. In 2012, HRH Prince Sicalo took up the Rotary Wing majoring in Helicopters. He is a certified helicopter commercial pilot (Licence 47439 CPLH) with instrument Rating (IR) in the United Arab Emirates at the Horizon International Flight Academy (HIFA).

His achievements include formation of "Sicalo Foundation", a charitable organisation and Certificate of excellence in technology and rural empowerment Award from the Pan Africa Humanitarian Summit, which took place in November 2018 in Morocco.

HRH has two medals, the 40th Ann and 50th Ann.



**Ms. Sizakele Dlamini
Ex-Officio Member**

Principal Secretary Ministry for Finance and Non-Executive Board Member

Ms. Sizakele Dlamini has been the Principal Secretary in the Ministry of Finance since 2019. Prior to her appointment as the Principal Secretary, she held the position of Head of Policy and Planning within the Ministry of Finance wherein she was spearheading financial sector issues and public finance management reforms. Prior to joining the Ministry of Finance, she was Assistant Controller of Government Stores at the Central Transport Administration.

She holds a Master of Science (MSC) in International Logistics from the University of Plymouth in the United Kingdom and a Bachelor of Commerce Degree majoring in Accounting and Auditing from the University of Eswatini (formerly University of Swaziland). She also holds a Graduate Diploma in Purchasing and Supply from the Chartered Institute of Supply.

She has served on various Boards as a non-executive Director within the country such as the Eswatini Bank, Eswatini Revenue Authority, Eswatini Housing Board, First Finance, Eswatini Diary Board, and Eswatini Development Finance Corporation. She has professional membership to the Chartered Institute of Purchasing and Supply and is a member of the Southern African Development Community Private, Public Partnership (PPP) Network.



Ms. Odete J. Sons

Non-Executive Board Member

Ms. Odete J. Sons is a former Standard Bank Eswatini employee and began her banking career in 1979 with Barclays Bank Eswatini which was subsequently taken over by Standard Bank South Africa. She has vast banking experience and in the last 15 years, she held specialised roles in Treasury Management and Global Markets managing the bank's local and foreign currency positions.

She later joined the Finance unit where her responsibility included the proactive management of the bank's balance sheet and inherent market, liquidity, and interest rate risks, ensuring its financial soundness to survive economic downturns. The role further ensured that the risk management framework was accurately and effectively rolled out and best practices were adopted throughout the bank. Following Standard Bank of South Africa's guidelines, Ms. Sons was responsible to develop an Integrated Recovery Plan which outlines the bank's ability to remain operational following a market crisis.

Ms. Sons holds a diploma in Financial Markets through the ACI Financial Markets Association and completed a Management Development Programme through the University of Stellenbosch as well as a Senior Leadership Programme through the Standard Bank Global Leadership Centre in South Africa.



Dr. Petros M. Mashwama
Non-Executive Board Member

Petros M. Mashwama (PhD)

obtained his undergraduate degree in mathematics and physics from the University of Eswatini (formerly the University of Swaziland) in 1986. He proceeded to obtain a Master's Degree in Computer Science, specialising in Mathematical Graphics, at the University of Dundee in Scotland (UK) in 1988. He later returned to the United Kingdom in 1991 to study towards his PhD in Computer Science which he completed at the University of Leeds in 1995.

Dr. Mashwama is a lecturer at the University of Eswatini. He has taught computer science at the university since 1989 between his masters and doctoral degrees. He served as chair of the department between 2001 and 2012.

Dr. Mashwama has served on various committees at the University of Eswatini. He has also served as a member of the Eswatini National Science Panel and that of Eswatini National ICT panel. Outside the world of academia, he serves as an associate pastor of one of the local prominent churches.



Dr. Sikhomba C. Gumbi
Non-Executive Board Member

Sikhomba Gumbi (PhD) is the Chief Executive of Regional Excellence and Development Initiative, a leading management consulting services company based in Eswatini that also has a regional footprint. He specialises in Leadership, Strategy, and Governance. He is a Certified Project Manager and Accredited Corporate Governance Facilitator. He has served as Project Director for long-term assignments for the African Development Bank, Common Market of East and Southern Africa as well as the US African Development Foundation. In addition to several Diploma certificates mainly in management and human resources, he holds a Bachelor of Science in Agriculture Education, a Master of Science from the University of Eswatini (formerly University of Swaziland), and a Doctor of Philosophy in Education Management from Walden University (Minnesota, USA).

Dr. Gumbi is the current Chairman of the Eswatini National Trust Commission. His previous Boards' appointments include Eswatini Post and Telecommunications Corporation, the Conciliation Mediation and Arbitration Commission, the University of Eswatini, Eswatini Standards Authority, the Scholarship Selection Board as well as Boards of Non-Governmental Organisations: Schools Health and Population Education, Citizen Empowerment Centre and Gone Rural BoMake. He is a Rotarian and past President of the Mbuluzi-Mbabane Rotary Club where he is a Paul Harris Fellow.



Dr. Neville I. Curle
Non-Executive Board Member

Neville Curle (PhD) worked in the forestry industry as a Chief Financial Officer for 19 years before his retirement in 2022. Because of his vast experience in that industry, he still consults with that Group. Prior to his appointment as the Chief Financial Officer, he worked in a Building Supply Group for some 5 years and before that was in Road Freight.

Dr. Curle is a Chartered Accountant by profession with extensive experience in Forestry, Cross Border Customs issues and Transport.

As a direct result of the AIDS pandemic in South Africa and particularly in Eswatini, he did significant part time research into the sociological reasons that underpinned the extensive spread of the HIV virus and qualified firstly with a Master's Degree and Doctorate in Practical Theology through the South African Theological Seminary.



Ms. Nomusa T. Dlamini

Non-Executive Board Member

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Ms. Nomusa Dlamini is the former Chief Economist for the Ministry of Economic Planning & Development. She has an extensive experience in economic development planning with particular emphasis on policy reforms, macroeconomic analysis and budgeting, policy and strategy development, poverty reduction, aid coordination, human capital development, disaster risk and capacity building. She has the experience of developing and leading high performing teams whilst gaining commitment and driving organisational change. She has served Government in different positions, worked for MEFMI a regional training institution as Director for the Macroeconomic Department and the African Development Bank as Senior Advisor representing Lesotho, Swaziland and South Africa in the Board for seven and half years.

She holds a MSc degree in Agricultural Economics from the University of East Anglia, UK and a BA Social Science degree from the University of Botswana and Swaziland; as well as several specialised courses in macroeconomic analysis attained from the IMF and the World Bank. Ms Dlamini has served in a number of Statutory Boards including CANGO, FINCORP, Minerals Management and ESEPARC. She has led teams that produced the National Development Plans, Poverty Reduction Strategy and Action Plan as well as the National Adaptation Strategy for the EU sugar reforms.



Ms. Refiloe Mamogobo

Board Secretary

Ms. Refiloe Mamogobo is the Head Legal and Secretary to the Board of the Central Bank of Eswatini. She holds a Bachelor of Laws Degree (LLB) and a Bachelor of Arts Degree (B.A. Law) from UNESWA. Ms. Mamogobo also holds a Chartered Banker Master's Degree in Business Administration obtained from Bangor University (United Kingdom). She is an admitted attorney of the High Court of Eswatini, also admitted and enrolled as a Conveyancer, and further admitted and enrolled as a Notary Public.

She has served in several Boards and including being President of the Malkerns Town Board Evaluation Court, Matsapha Town Board Evaluation Court and Ngwenya Town Board Evaluation Court. She has also served as a Board member of the Eswatini Railways, Royal Eswatini National Airways Corporation and the Lihle Lemaswati - Prince Lindani Foundation. She currently sits on the Ezulwini Town Board as a Councillor appointed by the Minister for Housing and Urban Development.

Board Committees

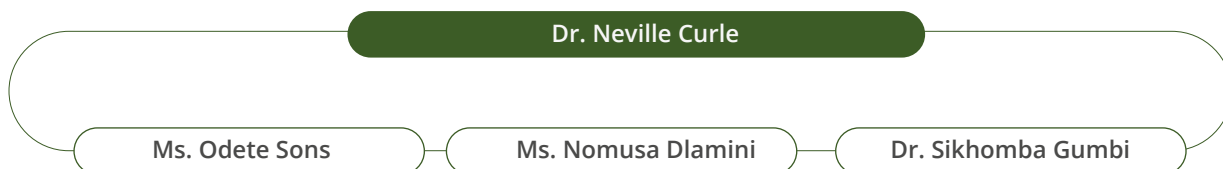
The Board has three Committees; the Audit Committee, Remuneration Committee, and the Risk and IT Committee, whose functions are set-out in specific Committee Charters. These Committees were reviewed in August 2022 from four to three which resulted in a merger of the Board Audit Committee and the Capital Projects and Investments Committee into one

Committee, namely, the Board Audit Committee.

The structure and composition of the Committees is in line with international corporate governance best practice in central banks. The ratio of less Executive to Non-Executive members of the Board is generally considered a balancing factor to the Board Chairmanship by the Governor who is also the Chief Executive Officer.

In addition to the aforementioned control, is the chairing of all the Board Committees by independent Non-Executive members and the Governor only being an ordinary member in all the Committees except for the Audit Committee. These Committees had several meetings during the 2022/23 financial year.

Board Audit Committee



The Committee met four (4) times during the year. The Deputy Governor, Assistant Governor, the Head Internal Audit, GM Finance, GM Financial Markets and the Head Internal Affairs and Security attend the meetings along with other members of management as required. The Governor as Chairman of the Board does not attend the Board Audit Committee meeting as part of good corporate governance.

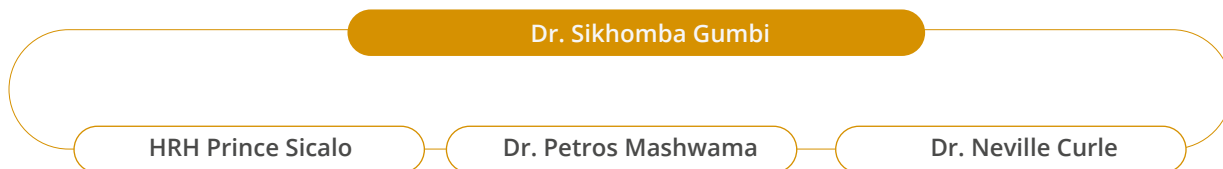
The Audit Committee's role is to:

- review significant accounting and reporting issues;
- review with management and the external auditors the results of the

- audit;
- review other sections of the Integrated Report and related regulatory filings before release and consider the accuracy and completeness of the information;
- review interim financial reports with management and the external auditors and consider whether they are complete and consistent with the information known to Committee members;
- consider the effectiveness of the Bank's internal control system, including information technology security and control;
- understand the scope of internal and external auditors' review of

- internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- oversee all strategic & capital projects of the Bank;
- recommend identified strategic projects of the Bank to the Board for approval; oversee reserves management operations of the Bank;
- review and recommend to the Board for approval, the Investment Strategy and Strategic Asset Allocation.

Remuneration Committee



The Committee met five (5) times during the year. Four (4) meetings were scheduled and 1 meeting was a special meeting. The Governor, Deputy Governor, Assistant Governor and the GM HR and Administration attend the meetings along with other members of management as required.

The role of the Remuneration Committee is to:

- oversee the setting and administering of remuneration at all levels within the Bank;
- oversee the formation of a Remuneration Policy that will promote the achievement of strategic objectives and encourage individual performance;
- approve final performance reports annually;
- review the outcomes of

- the implementation of the Remuneration Policy to ascertain whether the set objectives are being achieved;
- ensure that the mix of fixed and variable pay, in cash, benefits and other elements, meets the Bank's needs and strategic objectives.

Risk and IT Committee

Dr. Petros Mashwama

Ms. Sizakele Dlamini

Ms. Odete Sons

Ms. Nomusa Dlamini

The Board remains accountable for all the matters where it has delegated responsibility to its Committees. The Board is satisfied that all the Committees fulfilled their responsibilities in line with each specific written Charter during the year.

The Committee met four (4) times during the year. The Governor, Deputy Governor, Assistant Governor, the Head Risk, and the Head IT attend the meetings along with other members of management as required.

The role of the Risk and IT Committee is to oversee the:

- alignment of IT and the business;
- delivery of value by IT to the business;
- management of IT-related risks;
- integrated holistic risk management approach to achieve optimal business decision-making;
- proactive risk management with equal attention to current risks and emerging risks.

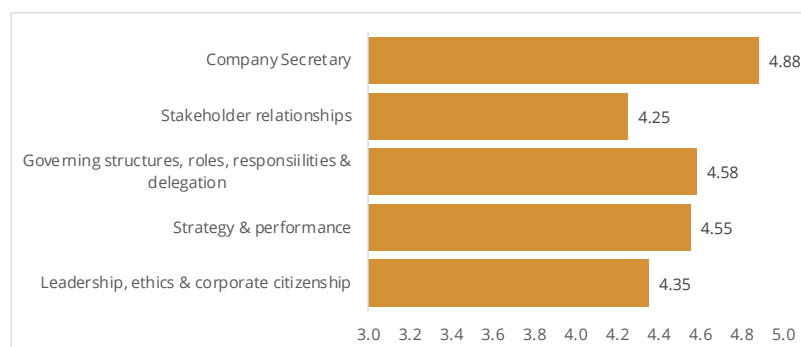
Concluding Statement

The Board remains accountable for all the matters where it has

delegated responsibility to its Committees. The Board is satisfied that all the Committees fulfilled their responsibilities in line with each specific written Charter during the year.

In the year under review, an evaluation on the effectiveness of the Board was conducted by the Chartered Governance Institute of Southern Africa. By conducting the evaluation, the Board recognised the crucial requirement by global best practice for governing bodies to be continuously assessed on how effective they are in performing their roles against the objectives, goals and mandate they have established for themselves. The focus areas of the evaluation sought to elicit a comprehensive understanding of the culture, interactions, functioning and performance of the Board and address challenges relating to the effectiveness of the Board.

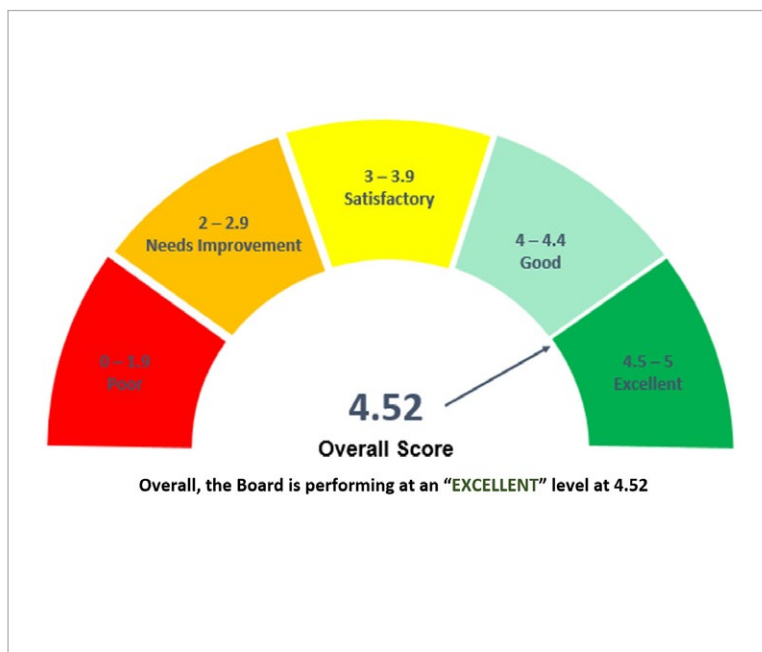
Board Evaluation Results on Key Performance Indicators



Board Evaluation Overall Score

The overall results indicate that the Board performed excellent - recording a score of 4.52 out of 5 as depicted by the charts above. The Board also attended a 1-day workshop on Central Bank Digital Currency by Giesecke + Devrient (G+D).

The CBE Bank assesses the governance framework against best practices annually. This includes, to a certain extent and where practical, the principles and recommendations set out in the "King IV Report on Corporate Governance, 2016" and the Bank Governing Statutes.



Board members' training held at the CBE Board Room.