

Whatever the challenge, The Innovation Hub will strive to make a difference by making its vision of a better tomorrow come alive

The Innovation Hub commenced as a project under the management of a joint Gauteng Provincial Government, CSIR and University of Pretoria Interim Governance Committee in April 2000. Fundamental to the establishment of The Innovation Hub has been the creation of an appropriate governance structure acceptable to the shareholders and appropriate to the vision and objectives of The Innovation Hub and the appointment of a Board of Directors to guide the strategic direction of the project. The Innovation Hub Management Company [Pty] Limited was agreed upon as the most appropriate vehicle and the first Board meeting took place in November 2000. The Chief Executive Officer of the Company was appointed in April 2001 and the Company registered in September 2001 as the key management vehicle for the implementation of The Innovation Hub project. The Company has a long-term strategic role and provides the framework for the overall development of The Innovation Hub, while taking responsibility for the implementation of the core infrastructure and business activities.

The Shareholders' Agreement was signed on 1 March 2002, providing a firm basis for the continuing operations.

This Agreement requires the Company to be listed according to the Public Finance Management Act, Act No 1 of 1999, and full cognisance has been taken of this in instituting the necessary Company policies.

The Innovation Hub has been conceived as a sustainable business entity. To this effect, the Board of Directors has agreed on a set of prioritised goals, outcomes and objectives for The Innovation Hub Management Company (Pty) Ltd and, where appropriate, has set similar parameters for financially supported activities. In compliance with Section 66 of the Public Finance Management Act, the Board will decide the funding requirements of the Company.

DIRECTORS

According to the Shareholders Agreement, the Board shall consist of 10 non-executive Directors with each Principal entitled to appoint five (5) Directors to the Board. Directors hold office for two years. The Board appoints four (4) Directors (two (2) by each Principal) to act as the Executive Committee members of The Innovation Hub Management Company [Pty] Ltd.

The Innovation Hub shareholders

- *Gauteng Provincial Government's Blue IQ initiative*
- *SERA, the Southern Education and Research Alliance, a partnership between the CSIR and the University of Pretoria, through SERA (Pty) Ltd.*

The members of The Innovation Hub Board and their terms of office for the year under review are tabulated below:

The Innovation Hub Board members: Names, appointment dates and terms of office

Name	Appointed	Term of Office
Prof Jan Malherbe	22/07/00	Resigned 31/07/02
Prof Chabani Manganyi	09/11/00	2-year term terminates in November 2002
Mr Neo Moikangoa (Chairman)	09/11/00	2-year term terminates in November 2002
Mr Pradeep Maharaj	09/11/00	2-year term terminates in November 2002
Mr Mallele Petje	09/11/00	2-year term terminates in November 2002
Mr Mogopodi Mokoena	09/11/00	2-year term terminates in November 2002
Mr Oren Fuchs	09/11/00	2-year term terminates in November 2002
Mr Albert Jordaan	22/07/00	Resigned 31/07/01. Re-appointed 24/04/02 (2-year term terminates April '04)
Ms Maritza Malan	22/06/00	Resigned 22/07/00
Dr Adi Paterson	14/07/01	Resigned 24/04/02

The Innovation Hub Board, on behalf of the respective constituencies of The Innovation Hub (the Gauteng Provincial Government, Blue IQ, the CSIR and the University of Pretoria), monitors compliance policies and achievements against objectives by holding Company management accountable for its activity through the measurement and control of operations through mandated report-back to the Board on a quarterly basis, including performance reporting and forecasting against plan. During the period under review, The Innovation Hub Board met on 28 May 2001, 5 October 2001, 14 November 2001 and 21 February 2002.

An Executive Committee comprising of four Board members, has executive responsibility for The Innovation Hub, while the Chief Executive Officer of the Management Company is responsible for strategy implementation and managing the day-to-day affairs of the Company in accordance with policies and objectives approved by the Board. During the year under review, these Executive Committee members were Prof Jan Malherbe, Mr Johan Hattingh, Mr Pradeep Maharaj and Mr Oren Fuchs. The Executive Committee meets on a monthly basis and the Management Company submits a progress report for review and feedback at these meetings.

POLICIES AND PROCEDURES

In compliance with Treasury Regulations requirements, a Shareholders' Compact and a number of internal policies and procedures are being developed. These include:

- a) Conditions of Service and associated Human Resource Policies
- b) Performance Management Framework
- c) Financial Approval Framework
- d) Procurement Procedures (principally for infrastructure development)

These policies and procedures will be finalised for full implementation and measurement against performance in the next reporting period.

The Innovation Hub fully subscribes to the principles of integrity, accountability and transparency and complies with generally accepted business practices. It is committed to an open governance process, through which clients and stakeholders may derive assurance that activities are managed ethically, according to sound and effective risk management parameters in compliance with the best international practices.

The Board of The Innovation Hub believes that the Company has applied and complied with the principles incorporated in the Code of Corporate Practices and Conduct as set out in the King Report on Corporate Governance.