

Summary minutes of a meeting of the Board of British International Investment plc (BII)

Held at 123 Victoria Street, London SW1E 6DE on Friday 25 November 2022 at 10.30 hrs

Present:	Diana Layfield (Chair) Andrew Alli Dolika Banda Kathryn Matthews Krishnakumar Natarajan Nick O'Donohoe Carolyn Sims Laurie Spengler Chris Woodruff
Apologies:	Simon Rowlands
In attendance:	Jane Earl (Company Secretary) Colin Buckley* (Items 7-9) Liz Lloyd* (Item 5)) Tony Morgan* (Items 3, 10) Srini Nagarajan* Holger Rothenbusch* (Item 5)) Vipul Prakash* (Observer - online) <i>*Executive committee members (ExCo) attending for item 2 and other items where marked</i>

1. Introduction and conflicts of interest

The Chair explained that Simon Rowlands had indicated prior to his appointment that he would be unable to attend the November Board meeting.

There were no conflicts of interest to note other than those contained within the Company Secretary's report.

2. CEO and Management report

The Board members offered reflections on the strategy session held the previous day.

Nick O'Donohoe, Chief Executive Officer (CEO), introduced the CEO and management report commenting on the recent COP (Climate Conference) 27 and World Bank meetings, liquidity, the macro geo-political environment, external scrutiny and employee related matters. The portfolio was discussed and there were no immediate concerns about pipeline and performance, notwithstanding the economic outlook. In

addition, an update was provided on investment activity in each of the business areas and the overseas offices.

The corporate objectives for 2023 were discussed and agreed in principle.

3. Liquidity and funding update

An update was provided on liquidity and funding and it was noted that additional analysis was being undertaken on asset allocation and the pipeline.

The Board approved the renewal of the revolving credit facility and authority was granted to the CEO and Chief Financial Officer to execute the documentation.

4. Operating expense budget 2023 and forecast 2022

The operating expense budget 2023 and the forecast 2022 were presented and discussed.

5. BII's Net Zero Transition Strategy (Carbon Budget)

The Board endorsed the Carbon Budget as the basis for making progress towards the portfolio net zero goal; and agreed to use the carbon budget as an internal tool by using absolute emissions and financial intensity metrics, to steer the investment strategy. It was agreed that the Board should annually review the Carbon Budget at the November Board meeting.

6. Employee related updates

(i) 2022 Culture & Diversity review

The 2022 Culture and Diversity review was presented and discussed. The key findings, particularly with regard to diversity and inclusion, grievances and long-term sickness were explored. A number of focus groups were also being held to explore in more detail some of the issues raised by the Employee Engagement Survey. The output of these groups would be reported to the People Development and Remuneration committee.

The Board agreed that it had sufficient information to assess performance against the 2022 Corporate Objective: "Improve people and cultural health".

(ii) *Annual inflationary salary review 2022*

The Board discussed the annual inflationary salary review. The Board recognised the financial impact of the recent Consumer Price Index (CPI) increase on UK employees, but also recognised the need to be balanced in response, particularly given the current economic environment. The recommended salary increase was approved in this context.

(iii) *Employee Forum*

Laurie Spengler, Chair of the Employee Forum, provided an update on the recent meeting of the Employee Forum which members of the Board had attended.

7. Transparency Review report 2022

The Board approved the proposed updates to BII's Transparency and Disclosures Policy (the Policy). A further review of the Policy would take place in 2024.

8. External Annual Reporting 2022-26

The approach to the timing and content of the Annual Review and the Annual Financial Statements was discussed and noted.

9. Policy on Responsible Investing Assurance Report

BII had committed to developing an annual assurance report to show how the organisation was implementing the Policy on Responsible Investing. In this context, the Board approved the contents of the assurance letter to the Shareholder and authorised the Chair to sign for an on behalf of the Board.

10. Updating Investment Committee (IC) membership

Following the appointment of Vipul Prakash as the Head of the SMART (Services, Manufacturing, Agriculture, Real Estate and Technology) Industries Group, changes to IC membership were presented and approved.

11. Company Secretary's report

The Company Secretary presented her report which was noted.

The Board approved the addition of Axis Securities, Investec, Citi and HSBC to the India Broker panel; the addition of Société Générale to the Company's Custody and Broker panel for Morocco; and approved the opening of a new GBP bank account with

Standard Chartered Bank to resolve the legacy set up issues of the Company's existing accounts.

The Board further authorised one director and the Company Secretary to approve and issue the annual General Power of Attorney.

12. Reports from the Board committees

Audit and compliance committee

Andrew Alli reported on the recent meeting of the Audit and Compliance committee.

Development Impact committee

Chris Woodruff, Chair, reported on the recent Development Impact committee meeting and the informal meeting held to discuss the Carbon Budget.

People Development and Remuneration committee

Dolika Banda reported on the recent meeting of the People Development and Remuneration committee.

Risk committee

Kathryn Matthews reported on the recent meeting of the Risk committee.

Nominations committee

It was reported that the Nominations committee had agreed changes to the Board committee membership and appointed Andrew Alli as whistleblowing champion, in succession to Kathryn Matthews.

13. Minutes

The minutes of the meeting held on 20 September 2022 were approved. The summary minutes of the meeting held on 20 September 2022 were approved for publication.

The matters arising from the minutes were noted.

14. Termination

There being no further business the meeting closed at 17.15 hrs and was followed by a private meeting of the non-executive directors.

Approved by the Board on [10 February 2023]