

Summary Minutes of a meeting of the Board of CDC Group plc

Held at 123 Victoria Street, London SW1E 6DE and by videoconference on Wednesday 22 September 2021 at 13.00 hrs

Present: Sir Graham Wrigley (Chair)
Andrew Alli*
Dolika Banda*
Michele Giddens
Krishnakumar Natarajan*
Nick O'Donohoe
Carolyn Sims
Laurie Spengler*
Chris Woodruff
*by videoconference

Apologies: Kathryn Matthews

In attendance: Jane Earl (Company Secretary)
Colin Buckley*
Tenbite Ermias*
Liz Lloyd*
Tony Morgan
Srini Nagarajan (CDC India Advisers Pte Ltd)*
Stephen Priestley*
Jonathan Hughes*
**Executive Committee ("ExCo") members joined by video conference*

1. Conflicts of interest

There were no potential conflicts of interest to record other than those referred to within the Company Secretary's report.

2. Abridged CEO and Management report

Nick O'Donohoe introduced the abridged CEO report with the ensuing discussion focussing on attrition, investment pace, development impact, the pipeline for 2022, employee wellbeing and market dynamics.

3. Budget principles and drivers

The 2022 budget principles and drivers were presented and agreed. In addition, it was agreed to seek clarity from the shareholder on the new initiatives being proposed and how they would impact the budget.

4. Remuneration Framework update

An oral update was provided on discussions with the shareholder on the Remuneration Framework. The Chairman thanked Laurie Spengler, Chair of the People Development and Remuneration committee, for all her hard work and diligence in leading the negotiations with the shareholder.

5. Proposed 2020 objectives

It was noted that one of the key components of the new long-term incentive plan was the discretionary element linked to corporate objectives. In this context, five objectives would be presented to the December Board for approval.

6. 2022-2026 Strategy update

An update was presented on the discussions with the shareholder on the new strategy including the Investment Policy and other major strategic parameters. The discussion also centred on the potential new capabilities being explored with the shareholder.

Although CDC would always try to respond to requests from the shareholder constructively and positively, the Board was keen to be disciplined when considering new initiatives and suggested that any new initiative should be viewed through the lens of funding, governance, regulation, strategy, management bandwidth and organisational coherence which would also enable constructive discussion with the shareholder.

7. New funding facilities for CDC's 2022-2026 Strategy

The Board discussed the new funding facilities for the 2022-2026 strategy which included agreeing to 'beta-test' the capital grants concept from September 2021 by leveraging the existing CDC Plus infrastructure.

There was agreement that a sub-group of the Board should be authorised to make the CDC Plus policy amendments and to work on the issues which may arise, particularly around resourcing and accounting. It was agreed that a recommendation would be made to the Development Impact committee once further work had been completed.

8. Brand update

Options in terms of logo design and straplines as part of the new branding exercise were presented. It was agreed that the Board members should send any thoughts through to the Head of Communications.

9. Stakeholder update

An update was received on recent Ministerial changes at the Foreign, Commonwealth and Development Office and their potential implications for CDC.

10. Policy on Responsible Investing

The key steps and process for socialising the CDC Policy on Responsible Investing prior to seeking Board approval in December 2021 were presented. The Chairman thanked Mark Eckstein, who was leaving CDC, both for his work leading the project and his leadership on the environment and social (E&S) agenda at CDC.

11. Governance

(i) Regulatory update

The Chairman provided an oral update on the ongoing regulatory proceedings. It was noted that a fuller briefing would be provided at the December Board meeting along with an overview of the lessons learned.

(ii) Company Secretary's report

The Company Secretary presented her report. The appointment of Professor Chris Woodruff as the FCDO nominated non-executive director was approved with effect from 1 August 2021. In addition, the issuance of 446 million ordinary shares of £1 each to the Secretary of State for Foreign, Commonwealth and Development Affairs in satisfaction of the lodgement of the 8th Promissory Note with the Bank of England were ratified.

(iii) Amendments to IC Composition and delegated authorities

The Board approved changes to the IC Composition and delegated authorities as presented to them.

12. Minutes

The minutes of the meeting held on 23 July 2021 were approved as a correct record of the proceedings. In addition, the summary minutes of the meeting held on 23 July 2021 were approved for publication.

The matters arising from the minutes were noted.

13. Termination

There being no further business the meeting closed at 15.00 hrs

Approved by the Board on 3 December 2021