

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

Held at 123 Victoria Street, London SW1E 6DE and by videoconference on Friday 3 December 2021 at 09.45 hrs

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

In attendance: Jane Earl (Company Secretary)
Colin Buckley
Tenbite Ermias*
Liz Lloyd
Tony Morgan
Stephen Priestley*

**Executive Committee ("ExCo") members joined by video conference*

1. Chair introduction and transition

Sir Graham Wrigley welcomed Diana Layfield to her first meeting as the Chair-Designate for CDC Group plc and explained the transition process.

2. Conflicts of interest

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

3. Strategy feedback and reflections

The Board members shared their feedback and reflections on the strategy meeting held the previous day.

4. CEO and Management report

Nick O'Donohoe introduced the CEO and management report with additional contributions from each of the sector Heads. Key topics discussed included the

financial outturn forecast, the change of name, attrition and the morale, managing commitments through the Covid pandemic and the impact of geopolitics in region. Climate had also been an important focus with COP26 having been a stand-out event for CDC.

5. Proposed 2022 Corporate Objectives and contribution towards LTIPP

The proposed 2022 corporate objectives were presented and approved.

6. Operating costs, budget and 2021 forecast

The operating costs budget was presented and approved, and the 2021 forecast was noted. The new agreed operating cost framework was discussed, and it was recognised that CDC had a commitment to manage costs within the agreed framework.

7. Legally privileged – lessons learned review – Fund portfolio matter

Colin Buckley, General Counsel, presented that findings of the lessons learned exercise relating to a fund portfolio issue which had been circulated to the Board separately under legal privilege. The Chairman thanked all those who had participated in the review for their diligence.

8. Employee related matters

(i) CDC's Culture Dashboard 2021

The culture dashboard for 2021 was presented and noted.

(ii) Diversity and inclusion update

The Diversity and inclusion update was received and noted.

(iii) Employee Forum

Laurie Spengler, the Chair, reported on the recent meeting of the Employee Forum. The Board praised the pioneering working group led by Laurie Spengler as Chair.

9. Policy on responsible investing

The revised Policy on Responsible Investing (the 'Policy') was presented and approved subject to any minor amendments that FCDO might request and authorised a committee to approve such minor amendments.

10. Performance benchmarking

A performance update of the 2012 investments since 30 June 2021 was reviewed.

11. Relationship with the Foreign, Commonwealth and Development Office (FCDO and shareholder)

(i) Sir Philip Barton KCMG OBE

The Chairman welcomed Sir Philip Barton to the meeting, thanking him for his continued support of CDC. Sir Philip provided an overview of changes being proposed to CDC for oversight at FCDO. Sir Philip also thanked Sir Graham Wrigley for all that he had contributed towards CDC's success. The Chairman thanked Sir Philip and his team for their continued support.

(ii) Relations with the shareholder and Her Majesty's Government (HMG)

An update was received on the plans for the ongoing dialogue with the shareholder and HMG.

(iii) Branding update

An update was provided on the branding and it was confirmed that steps had been put in place to protect the company name, trademarks, and web addresses (URLs).

12. Governance

(i) Update to CDC's Risk Appetite statement

The Board approved the updated Risk Appetite statement.

(ii) Change to CDC's Investment Committee governance

The Board approved the proposed changes to the Investment Committee (IC) Terms of Reference and the IC Composition including the appointment of three external members. The Chairman asked that the Board's thanks be conveyed to all the IC members for their hard work during 2021 and particularly asked that thanks be conveyed to the two departing IC members.

(iii) Board delegation of financial crime oversight to the Audit committee

The Board discussed the Board's current arrangements for oversight and assurance of financial crime and received confirmation from the Head of Compliance that the existing arrangements were appropriate.

(iv) Transparency review

The process for reviewing Transparency at CDC was discussed and it was agreed to have a further discussion at the April Board meeting.

(v) *Company Secretary's report*

The Board noted and endorsed the appointment of Diana Layfield as Chair Designate and the extension of Sir Graham Wrigley's appointment as a Non-executive Director.

The Board ratified the issuance of a power of attorney; and noted the passing of resolutions at the General Meeting to approve the change of name of CDC Group plc to British International Investment plc, the adoption of the new Investment Policy and the signing of the Remuneration Framework. The Board further approved the establishment of a broker/trading and settlement account.

13. Board committee reports

(i) *Audit and Compliance committee (ACC)*

Andrew Alli, Chair reported on the key points discussed at the ACC which included a review of the external audit plan, a discussion on audit fees, the external quality assessment of the internal audit function and a Compliance update.

(ii) *Development Impact committee*

Chris Woodruff reported on the key items discussed by the Development Impact committee including an update on the Impact Scoring process, and updates on Climate, Gender and the revisions to the Policy on Responsible Investing. The proposed 2022 template for risk assurance had also been approved.

(iii) *People development and remuneration committee (PremCo)*

PremCo recommended that the Remuneration Framework and Long-Term Incentive Performance Plan (LTIPP) documentation (manual and rules) be adopted by the Board to be effective as of 3 December 2021. In addition, PremCo had discussed the proposed annual salary increase for staff (to be effective as of 1 January 2022) based on the UK's October Consumer Price Index (CPI). Local salaries would be increased in line with local CPI.

(iv) *Risk committee*

The Risk committee had approved CDC's Risk Appetite statement (as approved by the Board earlier in the meeting) together with the Financial Risk Limit Framework and Single Obligor Risk Limits. The Risk committee had also discussed financial, non-financial, operational and strategic risks and had received a briefing on climate risk litigation.

(v) *Nominations committee*

The Chairman reported that the Nominations committee had discussed Board appointments, succession, and committee membership.

14. Minutes

The minutes of the meeting held on 22 September 2021 were approved. The summary minutes of the meeting held on 22 September 2021 were approved for publication.

The matters arising from the minutes were noted.

15. Termination

There being no further business the meeting closed at 17.10 hrs and was followed by a private NED meeting.

Approved by the Board on 2 February 2022