

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

Held at 123 Victoria Street, London SW1E 6DE on Friday, 15 September 2023 at 11:15 BST.

Present: Diana Layfield (Chair)
Andrew Alli
Dolika Banda
Kathryn Matthews
Krishnakumar Natarajan
Nick O'Donohoe
Simon Rowlands
Carolyn Sims
Laurie Spengler
Chris Woodruff

In attendance:	Bethany Burrow (Company Secretary)	Srini Nagarajan*
	Colin Buckley*	Vipul Prakash*
	Chris Chijiutomi*	Stephen Priestley*
	Liz Lloyd* (Item 4)	Holger Rothenbusch*
	Louise Meikle*	<i>*For items 2 and 3, and other items where marked</i>
	Tony Morgan* (Item 4)	

1. Introduction and conflicts of interest

There were no conflicts of interest to note other than those contained within the Company Secretary's report. It was noted that on the evening prior to the Board meeting, reports had been received from the chairs of each of the Board committees.

2. CEO and Management report

The CEO and management report was presented. The presentation referred to BII's mid-year investment pace and year end commitment forecast, the launch of Growth Investment Partners (a new SME lending vehicle) in Ghana and approaches to mobilisation.

The recent publication of the International Development Committee's report on development finance was noted and discussed.

Each regional and business Head provided an overview of the opportunities and

challenges within their business.

Authorisation for share issuance to FCDO/UKCI

It was noted that the structure agreed for the consideration to be paid for the UK Climate Investments portfolio (the acquisition of which, by BII from HM Government, had been agreed) was proposed to be changed, necessitating an approval of the new structure. The Board approved a share issuance of up to £155 million to the Foreign Secretary in exchange for UKCI.

3. Budget 2024: Principles and Drivers

The budget principles and drivers for 2024 were presented, noting that headcount was a significant driver of budget considerations. After discussion, the Board approved the approach presented in relation to budget drivers and principles for 2024.

4. Catalyst Annual Review 2022

The Catalyst Annual Review 2022 was presented. It was noted that the returns for the Catalyst portfolio in its early years had been poor but recently it had started to outperform the Growth strategy. The Board asked questions around how more Catalyst transactions could be identified. The approach to risk in Catalyst transactions was discussed. It was noted that Catalyst focused on nascent markets and young companies.

It was noted that the Catalyst portfolio construction represented 10 to 15% of NAV in the strategy period to date.

5. Employee Forum update

An update on the recent meeting of the Employee Forum was received and an update to the Forum's terms of reference was approved by the Board.

6. BII Plus Update and Policy Changes

The BII Plus update and proposed changes to the BII Plus policy were presented. The Board noted that the Development Impact Committee had recommended retaining a numerical limit, to be set at five, on the number of country programmes included in the BII Plus framework, which would be subject to an annual review.

Based on the Development Impact Committee's recommendation, the Board approved the proposal for changes to the BII Plus policy.

7. Changes to IC Composition and Terms of Reference

The Board approved certain changes to the Investment Committee (IC) terms of reference, which included changes to the composition of ICs. The Board discussed initiatives underway to maintain and enhance the diversity of the external IC member pool.

The Board approved the appointment of a new external IC member for infrastructure investments in Asia.

8. Quarterly Global Affairs Report Q2 2023

The Quarterly Global Affairs Report relating to Q2 2023 was received by the Board. The ensuing discussion covered the International Development Committee's report, the announcement of BII's involvement in HM Government's plans for Ukraine and the Parliamentary questions that had been asked regarding the Oxfam report.

9. Company Secretary Report

The Company Secretary presented her report. The Board noted the approval of the revised Liquidity Risk Policy, an update relating to the Economic Crime and Corporate Transparency Bill and the Board Effectiveness Review action plan.

10. Minutes

The minutes of the meeting held on 7 July 2023 were approved. The summary minutes of the meeting held on 16 May 2023 were approved for publication. The matters arising from the minutes were noted.

11. Termination

There being no further business the meeting closed at 14:45 BST and was followed by a private NED meeting.

Approved by the Board on 1 December 2023.