

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

Held at 123 Victoria Street, London SW1E 6DE on Friday 22 November from 09.30 am.

Present: Graham Wrigley (Chair)
Andrew Alli
Dolika Banda
Wim Borgdorff
Sam Fankhauser
Michele Giddens
Keki Mistry
Nick O'Donohoe
Laurie Spengler

In attendance: Jane Earl (Company Secretary)
Colin Buckley*
Chris Coles*
Tenbite Ermias*
Liz Lloyd*
Srini Nagarajan* (CDC India Advisers Pte Ltd)
Stephen Priestley*
Holger Rothenbusch*
Mike Corcoran*

**Non-Board members joined the meeting from the start and left at item 15*

1. Conflicts of interest

There were no conflicts of interest to register other than those previously reported.

2. Minutes

The draft minutes of the meeting held on 1 October 2019 were approved.

The summary minutes of the meeting held on 1 October 2019 were also reviewed and approved for publication.

3. Matters arising

The outstanding actions were noted.

4. CEO introduction

By way of introduction, Nick O'Donohoe commented on investment performance portfolio returns.

5.. Pipeline and portfolio review

The pipeline was reviewed together with the outstanding commitments which were due to close at the end of the year.

The performance of the portfolio was also discussed with a focus on performing and non-performing assets.

6 Strategy follow up

Following on from the Board strategy day earlier in the week the Board discussed the plan and timetable for further discussions on the five-year strategy.

7. 2019 and 2020 objectives

2019 performance against objectives

Performance against the 2019 objectives was reviewed in detail. The Chairman thanked the management team for all that had been achieved in 2019.

2020 strawman objectives

The 2020 strawman objectives were discussed, and the Board approved the direction of travel. A further iteration of the objectives would be circulated to the Board for approval.

8. 2020 budget

The CEO introduced the budget discussion with specific detail being provided by the interim CFO. The Board appreciated the detailed work on the budget led by the interim CFO.

The 2020 budget was approved.

The Board discussed value for money and cost efficiency and further work would be undertaken during the year.

9. External speaker

The Chairman welcomed Caroline Thomson, Chair of Oxfam, to the meeting. Ms Thomson shared with the Board some of her experiences and the lessons she learned from dealing with the safeguarding issues which had arisen in Oxfam.

The Board was appreciative of Ms Thomson's candour and her honesty.

10. Measuring culture

Laurie Spengler, Chair of the People Development and Remuneration committee, introduced the session on measuring culture. A paper had been circulated which set out various metrics for measuring culture during the year.

Following a discussion, the Board endorsed the proposed metrics and an analysis of culture would be presented in one year's time.

In addition, it was agreed to ensure that the CDC values were integral to any Board or IC recruitment.

11. FCP and mobilisation

Stephen Priestley, MD Funds and Capital Partnerships, introduced papers on Capital Partnerships and Mobilisation, explaining the work which had been undertaken to date.

Recognising the importance of mobilisation to the strategy, the Board asked that this be reflected in the 2020 objectives. Once a plan for delivery had been identified it should be circulated to the Board for approval.

12. Africa Funds Strategy

The proposed new strategy to deliver intermediated equity capital to Africa via the Growth portfolio was presented.

The Board was supportive of the proposed strategy.

13. Climate strategy

Liz Lloyd, Chief Impact Officer, explained the key principles of the climate strategy which had been circulated to the Board.

The Board confirmed that climate was a priority, given that CDC had signed up to TCFD (The Taskforce on Climate-related Financial Disclosures), and that the strategy would be reviewed annually.

In this context, the Board approved the climate change strategy and the Paris Alignment commitment. Various governance changes to the Board committees were also approved to ensure the Board had appropriate oversight and accountability.

The Chairman thanked ExCo for delivering a clear strategy which was supported by the Board.

14. IC related matters

Chris Coles, Chief Investment Officer, introduced the IC related matters requiring Board approval.

(i) IC composition

The Board approved the changes to CDC's IC composition which included the implementation of the new IC model for Direct Equity, the appointment of the Deputy CIO to the Direct Equity IC and an increase in the number of Catalyst focussed external IC members for Catalyst transactions.

(ii) Ultra vires trigger

The Board approved replacing the current wording on the ultra vires trigger to include wording related to "out of strategy" transactions.

(iii) Changes to the IC terms of reference

The Board approved the revised IC terms of reference which reflected the appointment of the Deputy CIO.

(iv) New investment Process Manual

It was reported that a new Investment Process Manual had been developed to act as a source document centralising the set of core policies relevant to the investment process.

Accordingly, the Board approved the replacement of the Investment Process overview document with the new Investment Process Manual.

15. Governance and policy

(i) Audit and compliance committee

A report was received from the Chair of the Audit and Compliance committee on the key issues discussed by the committee the previous day.

(ii) *Development Impact committee*

A report was received from the Chair of the Development Impact committee on the key issues discussed by the committee the previous day.

(iii) *Risk committee*

The Chair of the Risk Committee reported on the key issues discussed by the committee the previous day.

(iv) *People Development and Remuneration committee*

The Chair of People Development and Remuneration committee presented a report on the key items discussed by the committee the previous day.

(v) *Company Secretary's report*

The Company Secretary's report was presented and approved, those items requiring approval including the issuance of 955,000,000 ordinary shares to the Secretary of State for International Development following the issuance of the fifth Promissory Note.

16. Termination

The meeting closed at 16.15 hrs and was followed by a Nominations committee and a private meeting of the non-executive directors.

Approved by the Board on [4 February 2020]