

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Thursday 26 May 2022 @ 1.00 pm

Present: Len O'Hagan Chairman
Peter McNaney Non Executive Director
Belinda Oldfield Non Executive Director
Paddy Larkin Non Executive Director
Maurice Bullick Non Executive Director
Marie-Therese McGivern Non Executive Director
Sara Venning Chief Executive
Ronan Larkin Finance & Regulation Director
Paul Harper Director of Asset Delivery
Des Nevin Director of Customer and Operations

In attendance: Mark Ellesmere General Counsel & Company Secretary
Rose Kelly Director of People & Learning
Alistair Jinks Director of Business Services
Ivan Jackson Head of OCM (**Item 2**)

Apologies: There were no apologies.

One potential conflict of interest was raised relating to item 5.1 on the Agenda. It was agreed that the Member was not required to leave the meeting during consideration of this item.

1. Minutes and Actions from Previous Meeting

- The minutes of the meeting on 27th April 2022 were approved, there were no actions arising.

2. Health and Safety Report/Attendance Quarterly Report

- The update report was noted including confirmation of the appointment of a new Head of Health and Safety as well as a new level 4 Manager in the Health and Safety team.
- Good progress across the priority projects identified as part of the Health and Safety action plan.
- For 21/22 there were three KPI reportable incidents against a target of no more than seven and three contractor RIDDOR incidents against a target of no more than seven.

3. Main Board Report

Significant matters in month.

The CEO provided an update on the following matters:

- Budget 22/23 - the external audit partner from KPMG provided an outline of his initial considerations in terms of “going concern” and material uncertainty at the recent joint Audit and Risk Committee meeting.
- Since that meeting Dfl has indicated a CDEL allocation in the sum of £250M for 22/23, the RDEL allocation has yet to be clarified and an appropriate letter of comfort from Dfl continues to be sought to enable the Board to assure itself of going concern status.
- Drought management/high demand - reservoir levels continue to be monitored in anticipation of the potential for a drought or high demand incident over the summer period.
- Meeting with the Minister - the CEO is to meet with the new Dfl Minister on the 7th of June.
- EC Cyber session - EC members attended a cyber workshop facilitated by PWC with a focus on a ransomware attack.
- Balmoral Show - the Company took a stand at the recent Balmoral Show which was well received by visitors.

Colleagues

- All pay remits as well as the RPDM have now been approved by Dfl / DoF.

Customer

- All targets currently on track for achievement.

Quality and Compliance

- All targets currently on track for achievement

Finance

- The Group financial position at the beginning of the financial year was noted.

4. Capital Programme Quarterly Update

- The quarterly update presentation was noted including the video circulated in advance.

5. Approvals

5.i IF106 - Major Projects

Approved based upon the information provided within the paper.

5.ii Subsidy Assurance Statement

Approved based upon the information provided within the paper.

5.iii Corporate Threats and Opportunities

Proposed corporate threats and opportunities for 22/23, recommended by the Risk Committee, were discussed with a focus on TR9 (Climate Emergency) and whether or not this should be deemed to be an opportunity. It was noted that opportunities related to climate change were included within TR9 by way of mitigation and, on that basis, the proposed threats and opportunities for 22/23 were approved by the Board.

6. Risk Committee Minutes

- The Chair of the Risk Committee provided a verbal update on the business of the Committee at its last meeting on the 27th of April 2022 including progress in relation to the top five compliance projects within the Health and Safety action

plan, the current position in terms of the Company's climate strategy and related reporting requirements as well as a general discussion on the Company's approach to corporate threats and opportunities and how these are described.

7. Forward Look

- Forward look was noted with the meeting in July to commence earlier at 8.30am.

8. Any Other Business

- No items under Any Other Business.

Approved