

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 27th July 2021 @ 11.00 am

Present:	Len O'Hagan Peter McNaney Belinda Oldfield Paddy Larkin Maurice Bullick Marie-Therese McGivern, Sara Venning Ronan Larkin Paul Harper Des Nevin	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Finance & Regulation Director Director of Asset Delivery Director of Customer and Operations
In attendance:	Mark Ellesmere Rose Kelly Alistair Jinks Cathy Uprichard Damien O'Mullan Rob Duffin	General Counsel & Company Secretary Director of People & Learning Director of Business Services Head of Safety, Health & Environment (Item 2) Head of Energy (Item 5) Arup (Item 5)

Apologies: There were no apologies.

There were no conflicts of interest declared in advance of the meeting.

1. Minutes and Actions from Previous Meetings

- The minutes of the meetings on 23rd June 2021 were approved.
- There were no outstanding actions.
- The Board received an update presentation on the recent high demand event from the Director of Customer and Operations.
- The Chair asked that the Board's thanks be expressed to all colleagues involved in dealing with the incident during the holiday period.
- Members discussed the likelihood of future similar events in the context of climate change and demand for water resources from customers.
- The costs of the recent high demand event were material - the Company had no contingency for such costs - the matter would be raised with Dfl.
- It was agreed that the matter be reviewed again at the year-end in the context of what might be done in terms of investing in more infrastructure, influencing customer behaviour and preventing wastage.

2. Health and Safety Report/Attendance Quarterly Report

- There were no NIW KPI incidents and no Contractor RIDDORs in period, there was one RIDDOR reportable disease.
- The new dashboard reporting format was welcomed.

2.2 Quarterly Attendance Report

- A positive position on attendance was noted with a continued focus on health and wellbeing.

3. Main Board Report

Significant matters in month.

The CEO provided an update on the following matters:

- Budget 2021/22 - rising gas prices are having a significant impact on energy costs requiring additional funding.
- PC21 stakeholder engagement - further engagement with a number of key stakeholders since the last Board Meeting.
- “Power of Water” - launch being planned for the 3rd of November to coincide with COP 26 events.
- Covid surveillance project - this involves a managed service to be provided through DAERA and DoH the costs for which need to be covered by DAERA and DoH.
- Power contract - a verbal update was provided on the current position in relation to the power contract that had recently been tendered.

Colleagues

- Work continues on the development of the corporate values and behaviours.

Customer

- The impact of the high demand event on certain customer targets is currently being assessed and will be confirmed at the next meeting.

Compliance and Environment

- Water quality and waste water compliance are on track for delivery.
- The outcome of the Meigh prosecution case was noted.
- Further progress in relation to the Power of Water event was noted.

Finance

- Performance targets on track for delivery notwithstanding a fall in billed income.
- It was noted that a short meeting may be required at the end of August / beginning of September in relation to the October monitoring round submission.

4. PPP Quarterly update

- The update presentation was noted including a number of key capital projects at Ballykelly, Warrenpoint, Belfast and Ballybogey.

- The launch of IF106 which would deliver the Living With Water Programme was noted.
5. **Theme - Hydrogen Oxygen Process Update**
 - The Chair welcomed the video presentation circulated in advance of the meeting and a detailed discussion ensued in relation to the nature and scope of the project, key dependencies (including Translink) and the potential for accelerating delivery of the project.
 6. **Approvals**
 - 6.1 **Payment of Dividend**
 - Members considered the proposal for a dividend in line with their fiduciary duties to include the current funding position of the Company and agreed to recommend payment of a dividend as outlined within the paper based upon the information provided in the sum of £31,169k.
 - The General Counsel & Company Secretary tabled a Written Resolution from DfI confirming payment of the dividend upon the recommendation of the Board.
 7. **Pension Update**
 - It was noted that detailed proposals including costings would be brought to the next meeting in relation to changes to the Company's pension scheme as a result of the Court of Appeal decisions in the Sergeant and McCloud cases.
 8. **Risk Committee Update**
 - The Chair of the Risk Committee provided an update on items covered at the meeting earlier that morning including the impact of Covid 19 and Brexit, key threats and opportunities and an assurance update from Accenture on the cyber risk project
 - A detailed discussion ensued in relation to assurance in relation to cyber risk and it was agreed that management would revert with further proposals in this regard.
 9. **Forward Look**
 - Forward look was noted including Board and Committee effectiveness review surveys to take place during August.
 10. **Any Other Business**
 - No items.