

NI Water Ltd  
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")  
on Tuesday 22<sup>nd</sup> September 2020 @ 11.00 am

<b>Present:</b>	Len O'Hagan	Chairman
	Peter McNaney	Non Executive Director
	Belinda Oldfield	Non Executive Director
	Maurice Bullick	Non Executive Director
	Marie-Therese McGivern	Non Executive Director
	Paddy Larkin	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
<b>In attendance:</b>	Mark Ellesmere	General Counsel & Company Secretary
	Rose Kelly	Director of People & Learning
	Alistair Jinks	Director of Business Services
	Cathy Uprichard	Head of Safety, Health and Environment ( <b>Item 2</b> )
	Ciaran Crozier	Head of PPP ( <b>Item 4</b> )
	Mark Turner	EY ( <b>Item 5</b> )
	Damian O'Mullan	Head of Energy ( <b>Item 5</b> )
	Paula Graham	Head of Learning and Engagement ( <b>Item 6</b> )

The Chair reminded Members of their duties in relation to conflicts of interest (perceived or actual) as well as the duty of confidentiality in relation to Board papers.

Paddy Larkin noted a potential conflict of interest in relation to agenda item 5 as a result of his position with Mutual Energy.

### **Appointment of Director of Customer and Operations**

The Company Secretary confirmed he had received a Written Resolution from the Shareholder approving the appointment under the Articles of Association. The Chairman welcomed Des Nevin formally to the Board of Directors of the Company and wished him every success in his new role.

### **1. Minutes and Actions from Previous Meeting**

- The minutes of the meetings on 28<sup>th</sup> July 2020 were approved.
- All Actions were closed or updated as appropriate.

## 2. Health and Safety Report

- The update report was noted including progress of the implementation of the Health and Safety Strategy Action Plan in line with key priorities.
- It was noted that the Risk Committee could seek further information in relation to non RIDDOR accidents.

## 3. Main Board Report

### Significant matters in month.

The CEO paid tribute to the Company's response to an incident over the weekend at Killyhevlin WTW and in particular those colleagues and contractors involved in recovering the works.

The CEO provided an update on the following matters:

- All targets on track for delivery except leakage.
- Updates were noted in relation to the Omega facilitation process, IF105 litigation and recent Stakeholder engagement.
- Proposals in relation to safely returning to the workplace were subject to the impact of the second wave of Covid-19.

### Colleagues

- Updates were noted in relation to Health and Wellbeing and recent pay remit guidance 20/21 issued by DoF.

### Customer

- Leakage will be a theme at next month's meeting.
- Drinking water quality and wastewater compliance on track for delivery against targets at this stage.

### Finance

- The financial performance in period was noted and clarification provided in relation to the latest position on engagement with the Pension Trustees in relation to the interim funding test.

## 4. PPP Exception Report

- The update report was welcomed particularly with reference to the fact that documentation agreed as part of the Omega Facilitation had been submitted for approval to the Lenders.

## 5. Hydrogen/Oxygen Business Case

- A video and slide presentation had been shared with Members prior to the meeting.
- Members welcomed confirmation that SIB would fund the cost of the demonstrator plant as well as the first 2 years' running costs.
- All Members welcomed progress made in this project acknowledging the lead role being taken by the Company in innovation in this field.
- The approach to stakeholder and media engagement was discussed and agreed.
- The Business Case was approved based upon the information provided.

6. **Theme - Employee Engagement**
  - The video presentation circulated prior to the meeting was welcomed.
  - The development of the Company's engagement strategy over time was noted resulting in the current approach to take shorter regular "pulse" surveys.
  - The CEO acknowledged that the response to the recent incident at Killyhevin WTW was testament to the level of engagement currently within the Company.
7. **ACE Update**
  - The update video and presentation were noted including progress across the organisation in relation to analytics, digital and the IOC.
8. **Approvals**
- 8.i. **Proposal to Pay Dividend**
  - Members considered the proposal for a dividend in line with their fiduciary duties to include the current funding position of the Company as a result of the most recent monitoring round and agreed to recommend payment of a dividend as outlined within the paper on the understanding that progress in relation to outstanding loan note facilities would be expedited by Dfl.
  - A general discussion ensued in relation to the medium to long term funding of the Company and the options available. It was agreed that a tactical paper be produced in this regard.
- 8.ii. **Proposed Changes to Financial and Procurement Delegations**
  - The revised financial delegations were approved based upon the information provided within the report.
9. **Pension Update**
  - The update on the pension scheme was noted with specific reference to the interim funding test, 20/20 triennial valuation of the scheme as well as the assessment of the employer covenant as "strong".
10. **Forward Look**
  - Forward Look was noted.
11. **Any Other Business**
  - No items under Any Other Business.