

27 February 2024

PAPER CLASSIFICATION: OPEN

**Minutes of the Meeting of the
BOARD OF TRUSTEES
held on Thursday, 22 February 2024 at 10.00 am
via Virtual Meeting**

Present: Dr Gopichand Katragadda (President)
Ms Yewande Akinola
Professor Bob Cryan
Mrs Katy Deacon
Mr Warren East
Ms Anni Feng
Ms Samantha Hubbard
Miss Abbie Huty
Dr Carol Marsh
Professor Sarah Spurgeon

In attendance: Mr Ed Almond (Chief Executive and Secretary)
Mr Zaheed Hussein (General Counsel)
Mr Christopher Knibb (Director of Governance and External Engagement)
Mr Simon White (Chief Finance Officer)
Mr Andrew F Wilson (Head of Governance)

1. Apologies for Absence

Apologies for absence were received from Professor Timothy Dafforn, Dr Simon Hart, Professor Ronjon Nag, Ms Dawn Ohlson, Colonel Andy Rogers and Ms Mamta Singhal.

2. Conflicts of Interest

It was noted that Ms Singhal would not attend the meeting, in view of a possible conflict of interest.

3. Minutes

The Minutes of the meeting held on 5 February 2024 (T(24)M1) were approved and signed as a correct record.

4. Project Morgan

- 4.1. Mr Almond introduced and the Board noted the proposal for Project Morgan (T(24)18).
- 4.2. It was noted that the Working Party established by the Board of Trustees on 5 February 2024 had confirmed that the completion of the due diligence phase and had recommended to the Board the acquisition of WISE Campaign CIC.

- 4.3. During discussion the Board noted the reassurances regarding due diligence, the plans to operate WISE as a subsidiary company with its existing brand identity, and the close fit between WISE and the IET's charitable objectives.
- 4.4. Following discussion, the Board approved:
 - 4.4.1 the acquisition of WISE Campaign CIC;
 - 4.4.2 the appointment of Ms Sara Killingworth, Mr Christopher Knibb and Mr Simon White as directors of the company.

5. Financial Support to WISE Campaign CIC

- 5.1. It was noted that as part of its ongoing charitable activities, and as one of its areas of focus and activities, the IET promoted engineering and technology careers to young girls and women. WISE Campaign CIC was a not-for-profit organisation, the community purpose of which was to advance gender equality and diversity within science, engineering and technology. To enhance its gender diversity offering, the IET had resolved to acquire WISE as a subsidiary with a view to vertical integration in the future.
- 5.2. WISE required ongoing financial support for working capital and development purposes to support its ongoing operational activities and it was proposed that the IET would make a loan facility available to WISE from the date of acquisition for this purpose. It was proposed that the IET formalised this financial support as a social investment in the form of a loan on the basis that the motivation of the Board in providing the loan is to further the IET's own charitable activities. The terms of the proposed facility were attached as an Appendix to paper T(24)18.
- 5.3. The Charities (Protection and Social Investment) Act 2016 implied a new power into all charity constitutions which permitted the making of social investments, provided that the Board of Trustees had regard to the following specific duties in relation to the exercise of the power.
- 5.4. Before exercising the power, the Board of Trustees must:
 - 5.4.1 consider whether any advice about the proposed investment ought to be obtained;
 - 5.4.2 obtain and consider such advice as it deemed necessary;
 - 5.4.3 satisfy itself that it was in the interests of the charity to make the social investment, having regard to the benefit it expected it to achieve for the charity (by furthering the charity's purposes and achieving a financial return).
- 5.5. The Board noted that it could make the Loan as a programme-related investment, on the basis that the purpose of the Loan was an appropriate means by which the charity might advance its own charitable initiative to improve gender balance in engineering and technology careers. As a community interest company, WISE Campaign CIC was an "asset locked body" which rendered it particularly eligible to receive this type of social investment on the basis that it must apply its resources to advance its community purpose.
- 5.6. It was noted that the key terms of the Loan Agreement were that:
 - 5.7.1 The Loan was made exclusively to advance the Social Purpose in line with the strategic aims of the charity.

- 5.7.2 The total amount to be made available to WISE as a facility to draw down upon from the date of acquisition would be £150,000.
- 5.7.3 The Loan would be repaid by 31 December 2025.
- 5.7.4 The Loan would be unsecured and interest free.
- 5.7. The Board agreed that the Loan would fall within the definition of a “social investment” for the purposes of the Charities Act 2011 which required the Board to act with prudence and care in relation to all charity assets and before making a social investment to obtain professional advice where considered necessary and satisfy itself that it was in the interests of the IET to make the social investment, in particular having regard to the benefit the IET could expect to achieve (by directly furthering its purposes).
- 5.8. The Board resolved:
 - 5.9.1 that it was in the IET’s best interests to make the Loan to WISE Campaign CIC;
 - 5.9.2 to authorise the General Counsel to finalise the Loan Agreement for signature;
 - 5.9.3 that the Chief Executive and Secretary be authorised to sign the Loan Agreement for and on behalf of the IET.

6. Next Steps

Mr Almond reported on the timetable for signing agreements, contacting stakeholders and making a public announcement about the acquisition.

7. Feedback on Board Meeting

The President invited Trustees to give feedback on the Board of Trustees meeting.

8. Classification of Board Papers

- 8.1. The Board noted that one of the papers that had been considered at the meeting was Private and Confidential. The Private and Confidential papers had been so-classified because they contained:
 - 8.1.1. information relating to negotiations, commercial or otherwise, where disclosure could prejudice the IET’s position, or could prejudice future negotiations of a similar nature;
 - 8.1.2. reference to minutes of or the proceedings or business of a committee or other group which has been marked Private and Confidential by that Board or Committee;
 - 8.1.3. information which if disclosed might result in premature publicity of courses of action that might not, in the end, be followed;
 - 8.1.4. legal advice or Counsel’s opinion, or were otherwise covered by legal professional privilege or concerned active legal proceedings;
 - 8.1.5. information considered confidential to a third-party relationship, or which could be used externally to create legal challenge, reputational risk or commercial advantage.

9. Date of Next Meeting

Thursday, 21 March 2024 at 5.00 pm (virtual meeting).