

**EXPORT GUARANTEES ADVISORY COUNCIL**

**MINUTES OF MEETING HELD ON 25 March 2024**

**Present:** Ms Vanessa Havard-Williams (Chair)  
Dr Ben Caldecott, EGAC  
Mr Harold Freeman, EGAC  
Ms Belinda Howell, EGAC  
Mr Stephen Prior, EGAC  
Mr John Morrison, EGAC  
Ms Sarah Steele, EGAC  
Ms Roseline Wanjiru, EGAC  
Mr Tim Reid, UKEF CEO  
Ms Julia Beck, UKEF Director  
Mr Adam Harris, UKEF Director  
Ms Jayne Whymark, UKEF Director  
Ms Charlotte Morgan, UKEF Board member

**Presenters:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Observers:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Apologies:** [REDACTED]  
**Secretariat:** [REDACTED], [REDACTED], [REDACTED]

**1. Introduction**

- 1.1. The minutes of the 22 January 2024 meeting were approved with no comment.
- 1.2. Members welcomed Ms Belinda Howell to the committee in her first meeting as a new member of EGAC.
- 1.3. Ms Steele declared a conflict of interest in the discussion on approaches to

security.

**2. CEO and EC update**

2.1. The Chief Executive gave members an overview of recent transactions, noting an increase in the complexity of major transactions compared to recent years. He informed members of recent international engagement including a cross-government session on the Western Balkans where the Foreign Secretary had highlighted UKEF's work in the region, banking roundtables with Ministers, and the SME Connect event hosted by the Prime Minister, who praised UKEF's work with small and medium-size enterprise (SME) exporters.

2.2. Turning internally, he announced the completion of the new business plan, sustainability strategy and people strategy. The CEO confirmed that all EGAC members would be invited to the launch events for the business plan and sustainability strategy. The committee also heard updates on resourcing and staff events.

**3. Discussion on approach to security**

3.1. Ms Steele recused herself due to a conflict of interest.

3.2. [REDACTED] led a discussion on how UKEF approaches projects in challenging security environments. He detailed the variety of security risks and showcased how security assessments had been undertaken for transactions of particular complexity.

3.3. Members asked questions about the case studies, discussions with other Export Credit Agencies involved in joint projects, and about stakeholder engagement mechanisms especially for local communities. The Director for Legal and Compliance, Ms Jayne Whymark, detailed the legal process that the department follows in situations with complex security issues.

3.4. The committee shared their experiences and offered advice on considerations in the decision-making process.

**4. Financial Crime Risk Assessment (FCRA) 2022-23**

4.1. [REDACTED] reminded members of the function of the Financial Crime Risk Assessment and outlined the recommendations arising from the 2022-23

assessment to reduce residual risk.

- 4.2. Members noted the recommendations and focused on those that were high priority, half of which had already been completed.
- 4.3. Members asked about efforts to monitor the recommendations and heard how the Compliance Division prioritised implementing the most impactful recommendations. Members asked about the application of sanctions rules.
- 4.4. [REDACTED] informed the committee that the amended Financial Crime Risk Appetite Statement would be shared with them at the next meeting.
- 4.5. Members endorsed the assessment and recommendations.

## **5. Climate Updates**

- 5.1. [REDACTED] updated the committee on the work of the team.
- 5.2. They outlined climate-related scenario analysis work, leading members through various scenarios, their method of construction, and the implications of scenarios for UKEF's Risk Appetite Limit. They outlined the opportunities and constraints that the work had highlighted and detailed the next steps of modelling and stress testing procedures.
- 5.3. Members asked about the use of scenarios elsewhere in UKEF and whether teams had a consistent scenario suite. They heard about their use in all stress testing and that quantitative analysis was particularly important on the policy side.
- 5.4. The committee discussed the usability of the climate models, hearing that the models had been co-developed by PwC and UKEF teams and were now fully owned by the Risk team.
- 5.5. Members discussion methods of mapping social impact, questions asked when considering new transactions in aerospace industry, and the Taskforce for Nature-Related Financial Disclosures.
- 5.6. The [REDACTED] led the discussion on the Taskforce for Climate-Related Financial Disclosures, noting that this year's would be the first disclosure managed fully in-house. The committee discussed streamlining the disclosure, the presentation of information, and social risk.

6. **Any Other Business**

6.1. The Chair advised the committee that a letter to the Minister had been drafted, providing an overview of the committee's work over the previous 12 months. The draft letter would be circulated to members for their review and comment.

**EGAC Secretariat**