



Candidate brief for the position of Trustee-Director and Chair of Audit Committee

The Nuclear Trust and Nuclear Liabilities Fund

January 2020



Contents

About the Nuclear Trust and Nuclear Liabilities Fund	3
The Board	4
The Role	5
The Individual	6
Additional Information	7
How to Apply	9
Candidate Charter	10



About the Nuclear Trust and Nuclear Liabilities Fund

The Nuclear Liabilities Fund (NLF) holds approximately £9.5 billion and was established to help ensure that the industry can meet its security and environmental responsibilities regarding the waste management and decommissioning of nuclear power plants which are currently operational.

Background

The NLF was established in March 1996 to meet the costs of decommissioning the UK's second-generation nuclear power stations, which are currently operated by EDF Energy Nuclear Generation Group (EDFE). It is a Scottish registered company controlled by The Nuclear Trust, a public Trust established under Scottish Law. The Fund helps ensure the industry is able to meet its security and environmental responsibilities with regard to the waste management and decommissioning of EDFE's nuclear plants.

By convention, the Trustees of the Nuclear Trust appoint themselves as directors of the NLF, with the Trust Chair chairing the NLF Board. Three of the Trustee-Directors are appointed by the Secretary of State for Business, Energy and Industrial Strategy (BEIS) and two by EDFE. UK Government Investments (UKGI) is responsible for oversight of NLF governance and performance on behalf of BEIS.

The NLF currently holds assets of c.£9.5bn. Approximately c.£6.7bn of the assets are held in the National Loans Fund (NatLF), the Government's lending account. The remaining c.£2.8bn is actively managed in a higher returning mixed asset portfolio, including global and UK equities, real estate, credit, mortgages, private equity and infrastructure equity / debt. The investment and accounting functions are delegated to NLF's Fiduciary Manager Aon and BDO, respectively.

The NLF faces several important challenges. The current low interest rate environment brings challenges for the NLF's investment strategy. The NLF board has been working with stakeholders to reallocate assets from the NatLF to higher returning assets to address this challenge. In addition, the process of closing EDFE's nuclear plants is scheduled to begin in 2023, increasing the near-term liquidity requirements of the Fund.

The Government currently leads a programme of work to help ensure that the decommissioning of the plants is prepared for, and implemented in, the most cost-effective and efficient way. The NLF is an important stakeholder and contributor to this work and is represented on the two cross-stakeholder committees focused on optimising the discharge of the Fund's liabilities across the decommissioning programme.

Additional information on the NLF can be found on the website at <http://www.nlf.uk.net>.



The Board

The Board's formal role is defined in the Trust Deed as "to receive and hold monies, investments and other assets for the purposes of making payments towards discharging nuclear liabilities."

The primary objective of the NLF board and the Trustee-Directors is to safeguard the sufficiency of the Fund to meet certain costs of decommissioning EDFE's eight nuclear power stations currently operating in the UK. These long term liabilities are likely to extend for more than 100 years. The Fund also has an ancillary role in offering strategic challenge to EDFE's decommissioning plans. This latter responsibility is primarily discharged via the two multi-stakeholder committees. The new Trustee-Director will not be a member of these committees but will play an important role as part of the NLF in contributing to challenging EDFE's strategic plans for defueling and decommissioning and to understanding and influencing the various stakeholders' positions.

There is no executive of the NLF and consequently the Directors, supported by the Company Secretary, are the sole representatives of the organisation and represent the Board in its interactions with all relevant stakeholders, including Ministers and senior teams at BEIS, UKGI, EDFE and the Nuclear Decommissioning Authority (NDA).

The Board meets six times per year. Two of these meetings are held in Edinburgh, with the remainder at various sites in the UK. These meetings typically take a full day. In the event of unavoidable absence of one or more Trustee-Directors, the meeting is rescheduled to the next available date, to ensure full attendance. There are occasional unscheduled ad hoc meetings; these are conducted by conference call.

There are three subcommittees of the board:

Audit Committee

The Audit Committee meets four times per year and oversees the accounts, budgeting and payments processes. It typically meets the day before the board meeting and usually takes a half day. The new Trustee-Director will chair this committee.

Investment Committee

The Investment Committee (of which the new Trustee-Director will be a member) meets six times per year in the alternate months between board meetings. Meetings typically last a half day.

Remuneration and Nominations Committee

Comprises all five Trustee-Directors. It meets twice a year on the same day as the Board meeting.



The Role

The appointee will join a board that is making a major contribution to the UK economy, to the public good and to the financial and environmental wellbeing of future generations.

UK Government Investments (UKGI) on behalf of the BEIS Secretary of State is seeking to appoint a Trustee-Director with investment and finance experience to the boards of the Nuclear Trust and NLF to fill a vacancy which arises this spring with the retirement of one of the Trustee-Directors. The new Trustee-Director will also chair the NLF's Audit Committee. The anticipated time commitment for the role is c.33 days per year.

The NLF makes an important contribution to the UK economy and to the energy sector. The new Trustee-Director will be closely engaged with senior stakeholders in both Government and industry, including UKGI, BEIS, the NDA and EDFE

This role offers the opportunity for active participation in managing innovative investment strategies to meet the fund's future liabilities. In addition, the appointee will oversee the development of the Audit Committee, as payments out of the NLF are expected to significantly increase in coming years.

Key responsibilities of the Trustee-Directors:

- Determining appropriate investment strategies to implement the agreed investment policy, and evaluating options and providing advice to help the BEIS Secretary of State shape future investment policy.
- Monitoring the performance of the investment portfolio and providing appropriate oversight and challenge to NLF's fiduciary manager in relation to investment strategy, fund governance and risk management.
- Ongoing review of liquidity requirements, to anticipate possible changes to investment strategy necessary in the future and advice to BEIS on these.
- Monitor, evaluate and manage risks to (and opportunities for) the fund.
- The board is collectively responsible for fostering constructive relationships with key stakeholders to further the NLF's strategic objective. To this end, ensure the Fund's strategic objective is fully understood and has the support of stakeholders.
- Appreciation of the political context within which the NLF operates and its public sector responsibility. The board's governance and conduct must exhibit the highest standards of governance, propriety and transparency.



The Individual

The successful candidate will need a combination of skills and attributes. These include an appetite for intellectually challenging work and a keen sense of the importance of the NLF's mission.

Specifically, the appointee will need investment expertise and accounting and / or audit knowledge sufficient to enable them to chair the NLF's Audit Committee. These should be combined with first class inter-personal, communication and influencing skills. The appointee must exhibit at all times the highest levels of integrity, authority and independence.

Essential criteria

- A demonstrable record of leadership at senior management level in an investment/asset management/financial institution, or similar role.
- Senior level expertise and competence in accounting or auditing.
- Experience of operating at Board level, preferably including in a non-executive capacity.
- Excellent inter-personal skills and demonstrable capability to manage complex stakeholder relationships within a senior leadership context.
- Strong intellectual capability, with the capacity to understand technical financial issues and to think strategically.
- A commitment to the values of public service and the Principles of Public Life.

Desired criteria

- Previous involvement as a Non-Executive Director on a public or private sector Board and Audit committee is desirable.
- Involvement in working at senior levels within / alongside the public sector.
- Knowledge of ensuring financial dealings are prudently and systematically accounted for, audited, and publicly available.



Additional Information

Term

Trustee-Director term is typically for three years with scope for reappointment for a second term based on performance and subject to Ministerial approval.

Board and Committee schedule:

2020

	Board	Investment C'ttee	Audit Committee	Remuneration & Nom's C'ttee	Other meetings
January	Tue 21 st London 1100 – 1700		Tue 21 st London 0900 - 1030		
February		Mon 24 th London 0900 – 1300			
March	Tue 17 th Edinburgh 0945 – 1530				
April	Thurs 30 th London 1000 – 1600	Weds 22 nd London 0900 – 1200	Weds 22 nd London 1300 – 1500	Thurs 30 th London 0900 – 1000	
May					
June		Mon 8 th London 1300 – 1600			
July	Weds 1 st London 0900 – 1600				
August		Tues 11 th Conf call 0900 – 1200			
September	Tues 15 th near Dungeness 1000 – 1600		Thurs 3 rd (provisional)		* Dungeness site visit – Weds 16 th NLF Strategy Mtg – half day
October		Tues 13 th London 0900 – 1200			
November	Tues 17 th London 1000 – 1600		Tues 3 rd London 0900 – 1100	Tues 17 th London 0900 – 1000	
December	Tues 8 th London 1200 – 1300	Tues 8 th London 0900 - 1200			



2021

	Board	Investment C'ttee	Audit Committee	Remuneration & Nom's C'ttee	Other meetings
January	Thurs 21 st London 0900 – 1600		Thurs 14 th London 1300 -1500		
February		Tues 23 rd London 0900 – 1200			
March	Tue 16 th Edinburgh 0900 - 1600				Dinner Edinburgh Mon 15 th 1900-2200
April		Weds 21 st London 0900 – 1200	Weds 21 st London 1300 – 1500		
May	Tues 18 th London 1000 – 1600			Tues 18 th London 0900 – 1000	
June		Thurs 17 th London 0900 - 1200			
July	Thurs 1 st London 0900 – 1600				
August		Thurs 26 th conf call 0900 – 1200			
September	Thurs 14 th Edinburgh 1000 – 1700 followed by board dinner				Wed 15 th Edinburgh – Strategy day 0900 - 1500
October		Tues 14 th London 0900 – 1200			
November	Thurs 25 th London 1000 – 1600		Weds 24 th London 1500 - 1700	Thurs 25 th London 0900 – 1000	
December	Tues 7 th London 1300 – 1600	Tues 7 th London 0900 - 1200			

Time commitment

The estimated total commitment is approximately 33 days per year. This includes attendance at Board and Committee meetings, preparation time and other ad hoc engagements. The nature of the role will require flexibility.

Remuneration

The Trustee-Director fee is £28,500.

Inclusion & Diversity

We aim to ensure that each and every stage of the search process is as inclusive as possible, and we work to support BEIS and the NLF in their own commitment to inclusivity.

Disability confident scheme

BEIS and the NLF are particularly keen to consider disabled people who have the necessary skills. To encourage those applicants, we operate a scheme under which candidates who declare a disability and who have demonstrated the minimum criteria for the appointment will be assured of an offer of an interview with Odgers Berndtson. Please see page 9 for further information.



How to Apply

Key Dates

Following consultation with the Selection Panel, successful candidates will be invited to attend preliminary interviews with Odgers Berndtson during mid-late February.

Following the shortlist meeting with the nominations committee, panel interviews are expected to take place on 11th and 12th March. There will be the opportunity for shortlisted candidates to have an informal discussion with key stakeholders before the panel interview.

How to apply

In order to apply, please submit the following:

- 1 A cover letter – this should explain how you consider your personal skills, qualities and experience provide evidence of your suitability for this role, with particular reference to the points highlighted in the essential criteria. Please note that the cover letter is an important part of your application and is as much the means by which you will be assessed as your CV.
- 2 A CV
- 3 Diversity Monitoring Form – all candidates are requested to complete an online Diversity Monitoring Form for which you will receive an email prompt to complete at the end of the application process. Any information collated from the Diversity Monitoring Forms will not be used as part of the selection process.

Upon receipt of your application, we will send you an email requesting further information regarding political activity and conflicts of interest. Please note that your application will not be considered complete until receipt of this information.

The preferred method of application is online at: www.odgers.com/75359

If you are unable to apply online please email: kyra.fernandes@odgersberndtson.com

All applications will receive an automated response.

Any postal applications should be sent direct to Kyra Fernandes at Odgers Berndtson, 20 Cannon Street EC4M 6XD.

We are committed to ensuring everyone can access our website and application processes. This includes people with sight loss, hearing, mobility and cognitive impairments. Should you require access to these documents in alternative formats, please contact: kyra.fernandes@odgersberndtson.com

Disability Confident Scheme

As outlined on page 8, should you wish to apply under the Disability Confident Scheme, please contact: kyra.fernandes@odgersberndtson.com

Personal data

In line with GDPR, we ask that you do NOT send us any Sensitive Personal Data (racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, data concerning children, health, sex life/sexual orientation, genetic/biometric data) in your CV or application documentation that we have not specifically requested and you have not consented to provide to us. Following this notice, any inclusion of your Sensitive Personal Data in your CV/application documentation will be understood by us as your express consent to process this information going forward. Please also remember to not mention anyone's information or details (e.g. referees) who have not previously agreed to their inclusion.

Contact details

For a conversation in confidence, please contact:
Abby Kerins
abby.kerins@odgersberndtson.com

If you have any comments and/or suggestions about improving access to our application processes please



don't hesitate to contact us:
response.manager@odgersberndtson.com.

Candidate Charter

Talented people are our lifeblood

Whether we approach you about a specific opportunity, or you contact us to share your biography and career ambitions, we want you to have a constructive experience of engaging with Odgers Berndtson.

We recognise that we have a commitment to you as well as to our client, and we undertake that our dealings with you will be professional, courteous, rigorous and honest.

We will:

- Approach you after considered analysis and in relation to roles where we think there is a strong match. Your time is valuable; we don't want to waste it.
- Work to make your candidacy as strong as it can be.
- Represent you effectively and discreetly to our client, based on accurate information that you give us in confidence.
- Be inclusive, open and fair-minded.
- Keep you informed, communicating outcomes promptly, and giving fair and honest feedback where we can.
- Celebrate your success in the event of a successful outcome, and share any lessons in the event of disappointment.
- Take a long-term view, recognising that you have a multi-year view of your own career. Where possible, we will help you fulfil your ambitions.
- Embrace continuous improvement, for example by carrying out regular independent audits of those we shortlist for roles.

If ever you feel we have not lived up to the letter or spirit of this charter, please tell us. We want to know. Email KScrope.CEO@odgersberndtson.com.



