

From: [redacted](Communications)

Sent: 16 November 2020 17:19

To: First Minister ; Cabinet Secretary for Economy, Fair Work and Culture

Cc: Cabinet Secretary for Finance ; [redacted] (Comms) ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Feldinger K (Katrine) ; Quinlan K (Kevin) ; McCaig C (Callum) ; Lloyd E (Elizabeth)

Subject: Communications plan: SNIB launch

FMPO

PO Cab Sec Economy

Cc PO Cab Sec Finance for awareness

See attached a media handling plan for the launch of the Scottish National Investment Bank on Monday 23 November which has been agreed with policy colleagues, SpAds and our SNIB counterparts.

Please could the FM and the Cab Sec consider the plan and advise if they are content with this approach? Responses by close of play on Tuesday would be helpful if possible.

There are two points in particular that require responses to allow us to take forward preparations this week:

1) Is the FM available and content to take part in an embargoed media-call organised by SNIB at their HQ at Waverley Gate in Edinburgh this Friday? Timing can be flexible and I'm happy to discuss further if it may be a possibility.

2) Is the Cabinet Secretary available and content to undertake broadcast live interviews remotely on Monday morning? This would likely include Good Morning Scotland and others. TV clips may also be requested if the FM is unavailable to visit the Bank's HQ on Friday.

Many thanks

[redacted]

[redacted]

Senior Media Manager
Scottish Government | Economy and Finance

[redacted]

[redacted]@gov.scot



Communications Plan

Scottish National Investment Bank launch

Overview

This plan outlines proposed news and digital communications activities to promote the launch of the Scottish National Investment Bank and announce its first major investment, MSquared Lasers.

Key messages will stress the Bank's focus on long term, patient investment and its core missions as well as highlighting opportunities for potential co-investors and investees.

Ministerial leads

First Minister
Cabinet Secretary for Economy, Fair Work and Culture

Key messages

- The Scottish National Investment Bank will support innovation and build a high tech, inclusive economy.
- It will be capitalised by the Scottish Government with £2 billion over 10 years and there is significant interest from the investment community in co-investing.
- The Bank is hitting the ground running with a significant investment of £Xm in MSquared Lasers.
- The Bank will take a mission-based approach, focussing investments on opportunities which will help address the grand challenges faced by Scotland today.
- The Bank's primary mission is to invest in businesses and projects which help accelerate Scotland's transition to a net-zero economy.

Launch date

Monday 23 November – subject to final agreements being signed

Media handling

News release

- SG Communications to issue news release announcing launch of bank and its investment in MSquared Lasers

- Release will be issued under embargo for publication from 00.01 hours on Monday 23 November to mainstream news media, business titles and banking media
- Quotes to be included: FM, SNIB Chair Willie Watt, MSquared Lasers CEO Dr Graham Malcolm

TV opportunities

- SNIB propose an embargoed media-call at the bank's headquarters at Waverley Gate, Edinburgh with FM and the SNIB Chair and CEO undertaking interviews. One TV broadcaster and one photographer would be invited with footage and interviews pooled for other outlets to use. This would take place on Friday 20 November with footage embargoed until Monday 23 November.
- *Alternatively* – if FM is not available for media-call, comms propose that the Cabinet Secretary undertakes TV interviews remotely via Skype/Zoom, avoiding unnecessary travel into Edinburgh on a day when she would not be there for Parliament
- Restrictions permitting, SG comms will invite BBC and STV to film at MSquared Lasers in advance of launch to get visuals of their high-tech facilities, with footage embargoed to support broadcast package

Radio opportunities

- SG Communications will target interviews for the Cabinet Secretary and SNIB Chair with Good Morning Scotland, Radio 4 Today and commercial radio.

Specialist media

SNIB's PR agency will target coverage in specialist print and online media including further interviews with the Chair and CEO.

Social media/digital

SG Communications and SNIB to work together to create social media content to be published on 23 November on Twitter and LinkedIn.

The Scottish Government's stakeholder team will issue a digital newsletter to c. 400 key stakeholders.

Next steps

- FM to advise if she is content to take part in embargoed media-call at SNIB HQ in advance of launch
- Cab Sec Economy to advise if she is content to undertake radio and TV interviews on 23 November

From: [redacted] **On Behalf Of** First Minister

Sent: 16 November 2020 19:13

To: [redacted] (Communications) <[redacted]@gov.scot>; First Minister <firstminister@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: Cabinet Secretary for Finance <CabSecFinance@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Lloyd E (Elizabeth) Elizabeth.Lloyd@gov.scot

Subject: RE: Communications plan: SNIB launch

Hi [redacted],

During the meeting with Willie and Eilidh earlier, FM agreed to undertake the visit to Waverley Gate on Friday afternoon.

I have tentatively held 1430 in the diary for this but can you provide an expected programme for the visit? We will also need to arrange [redacted] and someone from FMPO will also accompany them to ensure that everything is Covid compliant.

Many thanks,

[redacted]

[redacted]

**Deputy Private Secretary - Diary
Office of the First Minister**

5th Floor | St Andrews House | Regent Road | Edinburgh | EH1 3DG | [redacted] |
[redacted]

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Please note Scottish Ministers, Special advisers and the Permanent Secretary to the Scottish Government are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot for information.

From: [redacted] <[redacted]@gov.scot> On Behalf Of Cabinet Secretary for Economy, Fair Work and Culture

Sent: 17 November 2020 12:22

To: [redacted] <[redacted]@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; [redacted] Communications) <[redacted]@gov.scot>

Cc: Cabinet Secretary for Economy, Fair Work and Culture

<CabSecEFWC@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; [redacted] <[redacted]@gov.scot>

Subject: FW: Communications plan: SNIB launch

Good Afternoon [redacted]/Kat,

On the back of this Cab Sec is keen to have a plan for internal Comms and parliamentary handling.

Can you please draft a timeline for Cab Sec including the following and any additional information you think necessary

- Scance
- Note to colleagues on the launch
- Handling for the statement

Apologies but I will need this by 2pm.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: [redacted] **On Behalf Of** First Minister

Sent: 17 November 2020 13:03

To: First Minister ; [redacted] (Communications) ; Cabinet Secretary for Economy, Fair Work and Culture

Cc: Cabinet Secretary for Finance ; [redacted] (Comms) ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Feldinger K (Katrine) ; Quinlan K (Kevin) ; McCaig C (Callum) ; Lloyd E (Elizabeth)

Subject: RE: Communications plan: SNIB launch

[redacted],

Could you scope out the possibility for this taking place at 1630hrs on Thursday instead please?

Let me know if this causes any issues and happy to discuss.

Many thanks,

[redacted]

[redacted]

Deputy Private Secretary - Diary

Office of the First Minister

5th Floor | St Andrews House | Regent Road | Edinburgh | EH1 3DG | [redacted] |

[redacted]

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Please note Scottish Ministers, Special advisers and the Permanent Secretary to the Scottish Government are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot for information.

From: [redacted] (Communications) <[redacted]@gov.scot>

Sent: 17 November 2020 13:43

To: First Minister <firstminister@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: Cabinet Secretary for Finance <CabSecFinance@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Lloyd E (Elizabeth) <Elizabeth.Lloyd@gov.scot>; DG Economy <DGEconomy@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>

Subject: RE: Communications plan: SNIB launch

Thanks [redacted], we will.

[redacted]

Senior Media Manager
Scottish Government | Economy and Finance

[redacted]

[redacted]@gov.scot

From: [redacted]
Sent: 17 November 2020 14:35
To: Cabinet Secretary for Economy, Fair Work and Culture
Cc: [redacted] (Comms) ; Quinlan K (Kevin) ; McCaig C (Callum) ; [redacted]; [redacted]; Ritchie D (David) Energy ; Feldinger K (Katrine) ; [redacted] (Communications) ; DG Economy ; [redacted]; [redacted]
Subject: RE: Communications plan: SNIB launch

Good afternoon, Ms Hyslop.

The following table sets out the various steps between now, the Bank launch, and the statement in Parliament on 2 December. [redacted – out of scope]

Arrangements for the **FM press call** and for Monday 23rd are still being firmed up with Comms leading, but you and she will have briefing and Q&As on these. You will also receive a **“go live” submission** as detailed below so you will be ready to notify other ministers and the parliament in good time, respond to further enquiries and handle the press engagement that Comms are working on.

There will be an embargoed **Press Notice** for clearance on Thur/Fri – keeping the timing of this open just now as need to liaise with the Bank and with other parties to source quotes etc.

Given the timing of the **Statement to Parliament** on 2 Dec we propose that this now focus on the missions (advice on this should be with you next week).

Launch checklist

	Date/event	Action/required input
18 Nov	Officials’ “Go-live” check-in meeting – joint Bank and Shareholder teams	Day planner, final issues grid
18 Nov	<ul style="list-style-type: none"> Scottish National Investments created Other company/group paperwork completed 	Legal sign off meeting Wednesday 3.30 with Bank team/officials
19/20 Nov	<i>notified to Companies House</i>	<i>Solicitors</i>
18 Nov	“Go live” submission: <ul style="list-style-type: none"> Note from Cab sec to Cabinet colleagues Note from Cab sec to Parly Committee Draft SCANCE note for Tue 23rd Reference Parly statement (see below) Q&A briefing to prep Ministers for media appearances	[redacted] leading [redacted] and [redacted] co-ordinating
	Bank to notify incoming Board of “go live”	Bank

19/20 Nov	FM pre-recording for broadcast (<i>may be 4.30 on Thur or 2.30 on Friday</i>)	Recce Comms call-out
21/22 Nov	<ul style="list-style-type: none"> Weekend queries, ministerial briefings for both FM and cab sec David, Kat (at least) on call 	[redacted] and [redacted] briefing and Q&As
23 Nov	<ul style="list-style-type: none"> Embargo lifted on broadcast and Press Notice 23 Nov Monday morning launch, GMS etc SCANCE note issued to cabinet colleagues 	<ul style="list-style-type: none"> Comms call-out Cabinet Secretariat
24 Nov	Cabinet update	SCANCE note
27 Nov	Parliamentary Statement for clearance	[redacted] / [redacted]
2 Dec	Parly statement	Focus on confirmed missions as Bank will be live by that point

Kind regards

[redacted]

Head of Finance and Resources, Scottish National Investment Bank Shareholder/Sponsor Team

WORKING FROM HOME – per Covid Guidelines – normal working pattern 9.00-5.30, Mon-Fri

E: [redacted]@gov.scot|M: [redacted]

From: [redacted] <[redacted]@gov.scot> On Behalf Of Cabinet Secretary for Economy, Fair Work and Culture

Sent: 18 November 2020 09:25

To: [redacted] <[redacted]@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: [redacted] (Comms) <[redacted]@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; Ritchie D (David) Energy <David.Ritchie@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; [redacted] (Communications) <[redacted]@gov.scot>; DG Economy <DGEconomy@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>

Subject: RE: Communications plan: SNIB launch

Good Morning [redacted],

Thanks for this.

Cab Sec has noted.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: [redacted] <[redacted]@gov.scot> **On Behalf Of** First Minister
Sent: 18 November 2020 12:17
To: [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>
Cc: Communications First Minister <CommunicationsFirstMinister@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>
Subject: Briefing Request - First Minister attending launch of SNIB - 10am Thursday 19th November
Importance: High

[redacted],

The First Minister will be attending the official launch of the Scottish National Investment Bank tomorrow afternoon, at Waverley Gate, 16:30-17:00. I would be grateful if a briefing document could please be prepared, in line with the First Minister's preferences, and sent to us by **10am Thursday 19th November**. Grateful also the briefing is copied to everyone shown on the cc list above.

Please note that the First Minister's preferences have been updated – the attached provides a clear step by step guide as to the requirements of the briefing.

[redacted] **will be the lead PS for FMPO and will be happy to discuss or clarify any issues.**

Many thanks,
[redacted]

[redacted]

Deputy Private Secretary to the First Minister
Office of the First Minister

5th Floor | St Andrews House | Regent Road | Edinburgh | EH1 3DG | [redacted]



Office of the First Minister of Scotland

FirstMinister.gov.scot

Prìomh Mhinistear na h-Alba

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

From: [redacted] <[redacted]@gov.scot>

Sent: 18 November 2020 16:59

To: First Minister <firstminister@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: Communications First Minister <CommunicationsFirstMinister@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) <[redacted]@gov.scot>; [redacted](Communications) <[redacted]@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@thebank.scot>; Ritchie D (David) (SNIB) Head of Partnerships & Engagement <David.Ritchie@thebank.scot>; [redacted]<[redacted]@gov.scot>

Subject: SNIB visit tomorrow

FMPO,

Please find attached an outline for the First Minister's visit to the Scottish National Investment Bank tomorrow.

The broadcast pool will be covered by BBC with [redacted] reporting and the photography pools will be covered by [redacted] from AFP and [redacted] from the Herald. All materials are under embargo until Monday 23 November 00.01.

[redacted] will support for comms.

If you need anything else please let me know.

Many thanks,

[redacted]

[redacted]

Senior Media Manager: First Minister Communications

Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG |

[redacted] | [redacted]

Attachment:

All attendees should wear face coverings and adhere to physical distancing requirements. The outdoor portion of the visit does not require a face covering.

Drop off: Front door of Waverley Gate

Pick up: Same as drop off.

Attendees: *Chair of SNIB* Willie Watt and CEO Eilidh Mactaggart.

16:30

First Minister arrives at Waverley Gate and is met at reception by [redacted] and David Ritchie.

They will accompany the First Minister up one flight of stairs to the first floor and the SNIB office area where she will be asked to sign the guest book, a symbolic gesture for the opening of the Bank.

Willie and Eilidh will chat briefly to the First Minister in the office space while the in-house photographer for the SNIB takes some pictures.

16:40

Willie will escort the First Minister to the rooftop terrace via the lift accompanied by [redacted]. Eilidh will follow separately due to COVID restrictions on lift capacity. Face covering will not be required for this portion of the visit. A short photocall will take place on the rooftop terrace with the First Minister, Willie and Eilidh. SNIB are checking to see whether they can source a placard of some sort with official branding for FM to hold in the pictures.

16:50

Pooled media interview.

17:00

First Minister departs. Face coverings are required for exiting the building. Eilidh will escort the First Minister via the lift directly to the ground floor where she can exit back through reception using the one way system in place.

From: [redacted]<[redacted]@gov.scot>

Sent: 19 November 2020 11:22

To: [redacted]<[redacted]@gov.scot>; First Minister <firstminister@gov.scot>

Cc: [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>;

Communications First Minister <CommunicationsFirstMinister@gov.scot>;

[redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>;

[redacted]<[redacted]@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>;

Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Quinlan K (Kevin)

<Kevin.Quinlan@gov.scot>; Ritchie D (David) Energy <David.Ritchie@gov.scot>;

[redacted]<[redacted]@gov.scot>

Subject: Briefing Request - First Minister attending launch of SNIB - 10am Thursday 19th November

First Minister

cc : As above

Please find attached briefing to support the First Minister at the launch event for the Scottish National Investment Bank this afternoon.

Thanks to [redacted] for help in pulling this together.

Regards

[redacted]

[redacted]

Directorate for International Trade & Investment

[redacted]

Attachment:

BRIEFING FOR THE FIRST MINISTER

Scottish National Investment Bank Launch 19 November 2020

Key message	<p>The Scottish National Investment Bank will be formally launched on Monday 23 November.</p> <p>This delivers on our commitment to establish a National Investment Bank to provide the patient and growth capital that the Scottish economy needs for the future. The Scottish Government has committed to capitalising the Bank with £2 billion over 10 years.</p> <p>The Bank's first investment will also be announced – a £12.5 million investment in M Squared lasers, an innovative, high technology company based in Glasgow.</p>
What	<p>The First Minister will meet with the Scottish National Investment Bank Chair, Willie Watt, and CEO, Eilidh Mactaggart.</p> <p>There will be media attendance with the Bank's in-house photographer taking photos of the meeting with Willie and Eilidh, before a short photocall and pooled media interview.</p> <p>The photocall and media interview will be embargoed until Monday 23 November</p>
Why	<p>The establishment of the Scottish National Investment Bank was a key 2017-18 and subsequent Programme for Government Commitment</p>
Who	<p>Willie Watt, Chair of the Scottish National Investment Bank. Eilidh Mactaggart, CEO of the Scottish National Investment Bank.</p> <p>Broadcast media – [redacted], BBC</p>
Where	<p><i>Diary Team will advise in covering email</i></p>
When	<p><i>Diary Team will advise in covering email</i></p>
Likely themes	<ul style="list-style-type: none">• What impact the Bank can have on the Scottish economy.• How the Bank's mission-led approach will work and how it will contribute to the transition to net zero.• The Bank's first investment in M Squared Lasers.

Media	The broadcast pool will be covered by BBC with [redacted] reporting, and the photography pools will be covered by [redacted] from AFP and [redacted] from the Herald.
Supporting	David Ritchie, Head of Partnerships and Engagement, Scottish National Investment Bank, [redacted] [redacted], Scottish National Investment Bank, [redacted]
Attached documents	Annex A : Summary/Agenda Annex B : Biographies Annex C : Company information Annex D : Top Lines/Q&A

ANNEX A

SUMMARY

This visit is taking place to mark the launch of the Scottish National Investment Bank, and the announcement of its first investment.

This will include a meeting with the Scottish National Investment Bank Chair, Willie Watt, and CEO, Eilidh Mactaggart. There will also be some media activity to publicise the Bank's launch. This will be conducted under embargo until Monday 23 November when the Bank's launch will be publicly announced.

Agenda

- 4.30 pm – Arrive at Waverley Gate
- 4.30 – 4.40 pm – Meeting with Willie Watt and Eilidh Mactaggart. The Bank's in-house photographer will take some photos for the Bank's use.
- 4.40 – 4.50 pm – Photo call with Willie Watt and Eilidh Mactaggart on the Waverley Gate roof terrace.
- 4.50 – 5.00 pm – Pooled media interview on the Waverley Gate roof terrace
- 5.00 pm – Departure.

Objectives

The visit will contribute to the publicising of the launch of the Scottish National Investment Bank. The media activity will be embargoed until Monday 23 November. A Scottish Government news release will also be issued under embargo until Monday.

Further comms activity is planned for Monday 23 November including further broadcast and print media engagement.

Your involvement underlines the support of the Scottish Government for the newly established Bank, and will raise awareness of its aims and objectives with the public and with key stakeholders.

BIOGRAPHIES

You previously met Willie Watt and Eilidh Mactaggart on Monday 16 November 2020. Prior to that you also met Willie Watt in December 2019

Willie Watt – Chair-designate of the Scottish National Investment Bank

- Willie Watt was appointed Chair-designate of the Scottish National Investment Bank in November 2019.
- Previously, he served as Chair and as CEO of Martin Currie, a specialist international public equities investment firm based in Edinburgh, between 2001 and 2019.
- Prior to that Willie spent 16 years with the 3i Group, latterly as Managing Director of its Scottish business. He ran specialist venture, buy out and energy investment teams.

**Eilidh Mactaggart – Chief Executive Officer, Scottish National Investment Bank**

- Eilidh Mactaggart was appointed as CEO of the Scottish National Investment Bank in April 2020.
- Eilidh has over 20 years of global experience in banking and investment management.
- She has previously held senior roles with MetLife Investment Management, Commonwealth Bank of Australia, and ABN AMRO. At MetLife Investments, she established the London-based European Infrastructure team, building a \$10bn investment book over a period of 5 years.
- Eilidh has extensive experience leading investments in renewable energy, utilities, social housing, education, transport and social infrastructure.

**SCOTTISH NATIONAL INVESTMENT BANK – INVESTMENT IN M SQUARED LASERS**Overview

- This is a £32.5 million new financing package for M-Squared.
- The Bank is investing £12.5 million. This is mixture of debt and equity that will allow M Squared to [redacted].
- The Bank's investment has been made on commercial terms.
- A £20 million debt facility has come from Santander which has allowed M Squared's founders and management team to [redacted].

Mission alignment

- This investment aligns with all 3 of the Bank's proposed missions.
- It is most strongly aligned with the proposed Demographic Mission:
 - M Squared uses the world's purest light to unlock solutions to help tackle humanity's most significant challenges, including those in climate change and healthcare;

- it is at the cutting edge of innovations that are addressing global scientific and technology challenges such as enabling virtual reality, nano-technologies, quantum computing and non-invasive health diagnostics.
- It also supports the Bank's primary Net-Zero Mission:
 - the Company's lasers enable a more accurate measurement of climate change impacts from emissions through its calibration of the most advanced atmospheric monitoring instruments in satellites ever launched;
 - it is playing a critical role within the global science programs designed to measure and understand the scale, nature and mitigation of climate change problems;
 - the laser sources deployed by M Squared are [redacted] more energy efficient than the technologies they replace - this reduces electrical energy use [redacted] for each system installed.
- The investment also contributes to the delivery of the proposed Place Mission:
 - through improving opportunities and outcomes for people and communities;
 - in particular through furthering the Photonics sector in Scotland and creating high value jobs in an industrial part of Glasgow where 85 people out of a total headcount of 105 are already based.

ANNEX D

Top Lines / Q&A

- The Scottish National Investment Bank will be operational from Monday 23 November 2020.
- Delivering on our commitment in the 2017-18 Programme for Government to establish a National Investment Bank to provide the patient and growth capital that the Scottish economy needs for the future.
- I am delighted that the Bank's first investment will be £12.5 million in M Squared which is at the cutting edge of innovation and is a recognised world-leader in its field.
- M Squared Lasers are an excellent example of the innovative, high technology companies that we have here in Scotland, and that we want to support to continue to grow and to add value in the Scottish economy.
- Working in tandem with the business community and public sector partners, the Bank will be at the forefront of shaping an economy with fair work, inclusive growth and net zero emissions at its heart.
- The Scottish Government has committed to capitalising the Bank with £2 billion over 10 years
- As a mission-based investor, the Bank is in a unique position to influence the direction of Scotland's economic recovery and growth.
- The Bank's primary mission is to support Scotland's climate change ambitions ensuring the highest possible economic, social and environmental return on its investments.
- This work will contribute to Scotland's 'Green New Deal' kick-starting investment and building the momentum needed to make a significant impact on reducing emissions and guaranteeing new, high quality jobs.
- The new Bank will align with, complement, and wherever appropriate, consolidate existing investment activities provided by the Scottish Government and its agencies.

Q&A

Now the Bank is operational will it provide the support struggling businesses need during the pandemic?

We are doing everything we can to support businesses in our immediate response to the pandemic but we also remain focused on our medium and long term vision for the country. In addition to our package of direct support for businesses, worth over £2.38 billion, additional financial support for businesses will also be available to areas moving into Tier 4, as outlined in the Strategic Framework.

The Bank will have a critical role to play in aiding economic recovery across Scotland in the medium and long term providing patient and growth capital needed to allow us to achieve our economic and inclusive growth ambitions.

Where will the Bank be located?

The team working on establishing the Bank is temporarily based at Waverley Gate in Edinburgh.

The Bank's location will be determined in due course. Wherever it is based, the Bank will invest in projects, businesses and communities across the whole of Scotland.

What missions will SG set for the Bank?

Three core missions for the new Scottish National Investment Bank were laid before the Scottish Parliament in August for a 40 day consultation period. We will provide an update to Parliament over the coming weeks on the final missions.

The proposed missions aim to support:

- The just transition to net zero carbon emissions by 2045.
- Creating opportunities and reducing inequalities through investing in places.
- Harnessing innovation in response to demographic challenges

A mission-oriented approach will give the Bank an opportunity to crowd-in investment, create and shape new markets, and work to address societal challenges. This is an innovative opportunity for investment drivers to be along different lines from those typically used by private investment institutions.

How will the Bank develop an investment pipeline?

The Bank has been proactively engaging with stakeholders across Scotland to identify projects with both immediate and future financing requirements. Ensuring the Bank is well positioned to make a positive impact on the economy as soon as it is formally established.

How can businesses find out more about the Bank?

Businesses and projects with commercial proposals that link to the Bank's missions can contact the Bank directly via their website www.thebank.scot (which is expected to go live by Monday 23 November)

Will the Bank further complicate the public sector investment landscape?

We are all working to a common goal to ensure that Scottish businesses get fast and efficient support, advice or finance options that are right for them. The Bank's focus on delivering mission-oriented patient finance will complement work across the Scottish Government, enterprise agencies, and other partners to increase sustainable and inclusive economic growth.

The Bank and Enterprise Agencies will align and strengthen advice, support and finance available to businesses across Scotland, and ensure business continuity for companies already working with our Enterprise Agencies.

Scotland's Enterprise Agencies will play an important role in helping to stimulate demand for the new opportunities that the Bank will provide and by supporting businesses to become investment ready.

Will the Bank bring together other public sector investment?

The Bank, Scottish Enterprise and other partners are collaborating closely to align and strengthen access to finance and investment, and ensure continuity for businesses at a time of unprecedented economic disruption associated with the COVID 19 pandemic and the UK's exit from the EU.

Over time, the Bank will also work with partners to build on and evolve the success of existing operations and initiatives, and develop opportunities to bring together relevant public sector investment and lending.

What kind of financing might the Bank bring together?

The Bank will build on and evolve the success of operations and initiatives currently underway, for example, the Building Scotland Fund. Public sector bodies will work together to examine the existing landscape and relationships, and how these will evolve following the creation of the Bank.

There has been criticism around the diversity of the Bank's Board?

We have appointed non-executive directors with a wealth of skills and experience. The board is gender balanced and has extensive knowledge of the issues facing businesses in Scotland, of working across the private, public and third sectors, of impact investment, and of our university sector.

The Advisory Group that Ministers will establish to provide advice on the Bank's conduct and performance will be reflective of Scotland's diversity with membership

drawn from a cross-section of external stakeholders and civic society and will include trade union representation.

Bank Capitalisation & Financial Transactions (FTs)

Planned capitalisation of the Bank remains £2 billion which is assumed to be in the form of FTs. With the Bank now active the future timing of its capitalisation can be established and will be part of future budget settlements that will be agreed with the Parliament. Previous budgets have allocated £490 million for pre-Bank investment over 2018-2021.

Do the SG have a dispensation for the Bank from HM Treasury to carry forward balances over financial year ends?

With the Bank's launch a specific year-end arrangement for the Bank is more important than ever to help it have the impact that's needed for Scotland. Having something similar to the British Business Bank arrangement will help support the Scottish economy. Existing Fiscal Framework arrangements alone are insufficient for the unprecedented economic context we are all working within let alone allowing the Bank to have the impact we want it to.

From: [redacted](Communications) <[redacted]@gov.scot>

Sent: 19 November 2020 14:43

To: First Minister <firstminister@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: Cabinet Secretary for Finance <CabSecFinance@gov.scot>; Minister for Business, Fair Work and Skills <MinisterBFWS@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; Communications First Minister <CommunicationsFirstMinister@gov.scot>; Nicolson S (Stuart) Special Adviser <Stuart.Nicolson@gov.scot>; DG Economy <DGEconomy@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Lloyd E (Elizabeth) <Elizabeth.Lloyd@gov.scot>; [redacted]<[redacted]@gov.scot>; First Minister Covid Briefing Unit <FMcovidbriefingunit@gov.scot>

Subject: NR for clearance - Scottish National Investment Bank news release

FMPO

Cab Sec Economy

Cc Cab Sec Finance, Minister for Business, Fair Work and Skills for awareness

Please see the draft news release on the Scottish National Investment Bank launch which has been agreed with our officials, SpAds, the bank, Benny Higgins and MSquared Lasers.

Can the FM and Ms Hyslop consider the release and advise if she they are content to clear? It may be useful for the FM to see the release before the media visit to the bank this afternoon.

Thanks

[redacted]

Embargoed until Monday 23 November 2020 at 00.01 hours

Attachment: Final version of News Release is available:

<https://www.gov.scot/news/investing-in-scotlands-future-3/>

From: [redacted] **On Behalf Of** First Minister

Sent: 19 November 2020 15:06

To: [redacted](Communications) ; First Minister ; Cabinet Secretary for Economy, Fair Work and Culture

Cc: Cabinet Secretary for Finance ; Minister for Business, Fair Work and Skills ; [redacted]; [redacted]; [redacted] (Comms) ; Feldinger K (Katrine) ; Communications Economy ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Communications First Minister ; Nicolson S (Stuart) Special Adviser ; DG Economy ; Quinlan K (Kevin) ; [redacted]; [redacted]; [redacted]; McCaig C (Callum) ; Lloyd E (Elizabeth) ; [redacted]; First Minister Covid Briefing Unit

Subject: RE: NR for clearance - Scottish National Investment Bank news release

[redacted]

The First Minister has noted and made a couple of amendments below in red.

Thanks

[redacted]

[redacted]

Deputy Private Secretary

Private Office to the First Minister

5th Floor| St Andrew's House | Regent Road | Edinburgh | EH1 3DG | T: [redacted] |

[redacted]



All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

From: [redacted] (Communications) <[redacted]@gov.scot>

Sent: 19 November 2020 15:34

To: First Minister <firstminister@gov.scot>; Cabinet Secretary for Economy, Fair Work and Culture <CabSecEFWC@gov.scot>

Cc: Cabinet Secretary for Finance <CabSecFinance@gov.scot>; Minister for Business, Fair Work and Skills <MinisterBFWS@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; Communications First Minister <CommunicationsFirstMinister@gov.scot>; Nicolson S (Stuart) Special Adviser <Stuart.Nicolson@gov.scot>; DG Economy <DGEconomy@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Lloyd E (Elizabeth) <Elizabeth.Lloyd@gov.scot>; [redacted]<[redacted]@gov.scot>; First Minister Covid Briefing Unit <FMcovidbriefingunit@gov.scot>

Subject: RE: NR for clearance - Scottish National Investment Bank news release

Many thanks [redacted].

[redacted], unless Ms Hyslop has any further comments we'll issue this version to media in the morning under embargo for Monday.

Thanks

[redacted]

[redacted]

Senior Media Manager
Scottish Government | Economy and Finance

[redacted]

[redacted]@gov.scot

From: [redacted]

Sent: 19 November 2020 17:02

To: Cabinet Secretary for Economy, Fair Work and Culture
<CabSecEFWC@gov.scot>

Cc: First Minister <firstminister@gov.scot>; Cabinet Secretary for Finance
<CabSecFinance@gov.scot>; Minister for Trade, Investment and Innovation
<MinisterTII@gov.scot>; Minister for Business, Fair Work and Skills
<MinisterBFWS@gov.scot>; DG Economy <DGEconomy@gov.scot>; DG Scottish
Exchequer Mailbox <DGScottishExchequer@gov.scot>; Patel DR (David)
<David.Patel@gov.scot>; Kerr S (Stephen) (Social Security Director)
<Stephen.Kerr@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Laing SG
(Shirley) <Shirley.Laing@gov.scot>; Chief Financial Officer <cfo@gov.scot>; Quinlan
K (Kevin) <Kevin.Quinlan@gov.scot>; Feldinger K (Katrine)
<Katrine.Feldinger@gov.scot>; Mactaggart E (Eilidh)
<Eilidh.Mactaggart@thebank.scot>; Ritchie D (David) Energy
<David.Ritchie@gov.scot>; [redacted]<[redacted]@gov.scot>;
[redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>;
[redacted]<[redacted]@gov.scot>; [redacted]<[redacted]@gov.scot>;
[redacted]<[redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>;
[redacted] (Communications) <[redacted]@gov.scot>; Lloyd E (Elizabeth)
<Elizabeth.Lloyd@gov.scot>; Bowman K (Katy) <Katy.Bowman@gov.scot>; McCaig
C (Callum) <Callum.Mccaig@gov.scot>; Communications Economy
<CommunicationsEconomy@gov.scot>

Subject: Scottish National Investment Bank - ready to launch, SCANCE note and
letter to the EEFW Committee

Ms Hyslop/[redacted],

With apologies in the delay getting this to you, I enclose advice confirming the
Bank's readiness to launch on Monday 23 November.

There is also a draft letter to the EEFW Committee which can be issued tomorrow so
that they have advance notice, and a draft SCANCE note which if cleared tomorrow
can be issued to Cabinet colleagues on Monday.

Kind regards

[redacted]

Head of Finance and Resources – Scottish National Investment Bank
Shareholder/Sponsor Team

WORKING FROM HOME per Covid guidelines – normal working pattern 9.00-
5.30, Mon-Fri

E: [redacted]@gov.scot or M: [redacted]

From: [redacted] **On Behalf Of** Cabinet Secretary for Economy, Fair Work and Culture

Sent: 20 November 2020 08:39

To: [redacted]; Cabinet Secretary for Economy, Fair Work and Culture

Cc: First Minister ; Cabinet Secretary for Finance ; Minister for Trade, Investment and Innovation ; Minister for Business, Fair Work and Skills ; DG Economy ; DG Scottish Exchequer Mailbox ; Patel DR (David) ; Kerr S (Stephen) (Social Security Director) ; McAllan M (Mary) ; Laing SG (Shirley) ; Chief Financial Officer ; Quinlan K (Kevin) ; Feldinger K (Katrine) ; Mactaggart E (Eilidh) ; Ritchie D (David) Energy ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) ; [redacted](Communications) ; Lloyd E (Elizabeth) ; Bowman K (Katy) ; McCaig C (Callum) ; Communications Economy

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

Good Morning [redacted],

Thanks for this.

Can you please separate all the documents out, so the letter is separate and so is the scance.

Once you send it back I will send it to Cab Sec for clearance.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: [redacted]

Sent: 20 November 2020 11:03

To: Cabinet Secretary for Economy, Fair Work and Culture
<CabSecEFWC@gov.scot>

Cc: First Minister <firstminister@gov.scot>; Cabinet Secretary for Finance <CabSecFinance@gov.scot>; Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Minister for Business, Fair Work and Skills <MinisterBFWS@gov.scot>; DG Economy <DGEconomy@gov.scot>; DG Scottish Exchequer Mailbox <DGScottishExchequer@gov.scot>; Patel DR (David) <David.Patel@gov.scot>; Kerr S (Stephen) (Social Security Director) <Stephen.Kerr@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Laing SG (Shirley) <Shirley.Laing@gov.scot>; Chief Financial Officer <cfo@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Mactaggart E (Eilidh) <Eilidh.Mactaggart@thebank.scot>; Ritchie D (David) Energy <David.Ritchie@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; [redacted](Communications) <[redacted]@gov.scot>; Lloyd E (Elizabeth) <Elizabeth.Lloyd@gov.scot>; Bowman K (Katy) <Katy.Bowman@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

[redacted], please find the separate documents as requested.

Regards

[redacted]

Head of Finance and Resources, Scottish National Investment Bank Shareholder/Sponsor Team

WORKING FROM HOME – per Covid Guidelines – normal working pattern 9.00-5.30, Mon-Fri
E: [redacted]@gov.scot/M: [redacted]

From: [redacted]
Shareholder/Sponsor Team: Scottish National Investment Bank
Date: 19 November 2020

Cabinet Secretary for Economy, Fair Work and Culture

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”) CONFIRMATION THAT READY FOR PUBLIC LAUNCH

Purpose

1. This is to confirm the Bank’s readiness to launch publicly on Monday 23rd November and to ask you to clear the enclosed draft letter to the Economy, Energy and Fair Work Committee and the enclosed SCANCE note for Cabinet on Tuesday 24 November.

Priority

2. URGENT. You will wish to clear the letter and the SCANCE note tomorrow so they can be issued in time for the public launch.

Readiness confirmed

3. Since 30 October the Shareholder team and the Bank team have jointly concluded all outstanding documentation and assurances, and enquiries have been made and satisfied about the readiness of internal systems and controls and governance. Ministers have received and noted four packages of information and assurances. An updated checklist for all assurances required by the SG is provided in **Annex A** which is green for all items.
4. The legal arrangements and steps for creating the group structure for companies that will comprise the Bank is in execution and will be complete on Monday 23rd.
5. Publicity and media arrangements for the launch are in train, along with a draft letter to advise the Economy, Energy and Fair Work Committee tomorrow (**Annex B**) and a SCANCE note for Cabinet next week (**Annex C**). Short briefing is provided in **Annex D** should media enquiries land over the weekend or Cabinet colleagues have questions about the Bank next Tuesday.

Shareholder observations

6. All steps have been taken by the Bank and the Shareholder teams over the past few weeks to ensure the Bank’s ambition for launch before the end of November can be achieved. We are satisfied that all the governance and control arrangements are in place.
7. The real test of its readiness will come from Monday onwards, as businesses begin to approach it seeking investment. The Bank will continue to evolve between now and 31 March 2021, once the strategic missions are formally confirmed and as its incoming Board settle in and start to further shape the Bank’s direction and priorities.
8. The Bank continues to recruit the permanent staff it needs and the SG continues to support the Bank between now and March 2021 with a number of civil servants

embedded within the Bank programme team. The Shareholder team also have a good understanding of the budget position this financial year and are engaged with the Bank in readiness for the 2021-22 draft budget.

Presentation

9. Arrangements for press and TV coverage are being finalised. The EEFW Committee will be pre-advised about the public launch and a SCANCE note has been prepared for Cabinet on Tuesday. Plans are in hand for a Statement to Parliament for 2 December about the missions and the Bank.
10. The Bank's website www.thebank.scot is expected to go live by Monday 23 November.

Recommendations

11. You are invited to note the Bank's status as ready for public launch, and to clear the draft letter to the Committee and SCANCE note.

[redacted]

Shareholder/Sponsor Team for the Scottish National Investment Bank

International Trade and Investment Directorate

19 November 2020

Tel: [redacted]

Copy List:	For Action	For Comments	For Information		
			Portfolio Interest	Constit Interest	General Awareness
Cabinet Secretary for Finance					X
First Minister					X
Minister for Trade, Investment and Innovation			X		
Minister for Business, Fair Work and Skills			X		
DG Economy					
DG Scottish Exchequer					
David Patel (programme board member)					
Stephen Kerr (programme board member)					
Mary McAllan (programme board member)					
Shirley Laing (programme board member)					
Chief Finance Officer					
Kevin Quinlan					
Kat Feldinger					
Eilidh Mactaggart					
David Ritchie					
[redacted]					
Liz Lloyd					
Katy Bowman					
Callum McCaig					

ANNEX A

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”) CONFIRMATION THAT READY FOR PUBLIC LAUNCH

[redacted]

ANNEX B

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”) CONFIRMATION THAT READY FOR PUBLIC LAUNCH

Text for proposed letter to the Economy, Energy and Fair Work Committee

See separate Annex

[Final version available here:

https://www.parliament.scot/S5_EconomyJobsFairWork/Inquiries/20201121-CabSecEFW-SNIB.pdf]

ANNEX C

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”) CONFIRMATION THAT READY FOR PUBLIC LAUNCH

Proposed SCANCE Contribution

See separate Annex

ANNEX D

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”) CONFIRMATION THAT READY FOR PUBLIC LAUNCH

BRIEFING

LAUNCH OF SCOTTISH NATIONAL INVESTMENT BANK MEDIA BRIEFING

Top Lines / Q&A

- The Scottish National Investment Bank is operational from Monday 23 Nov 2020.
- This delivers on our commitment in the 2017-18 Programme for Government to establish a National Investment Bank to provide the patient and growth capital that the Scottish economy needs for the future.
- The Scottish Government has committed to capitalising the Bank with £2 billion over 10 years
- As a mission-based investor, the Bank is in a unique position to influence the direction of Scotland’s economic recovery and growth.
- Working in tandem with the business community and public sector partners, the Bank will be at the forefront of shaping an economy with fair work, inclusive growth and net zero emissions at its heart.
- The Bank’s primary mission is to support Scotland’s climate change ambitions ensuring the highest possible economic, social and environmental return on its investments.
- the Bank’s first investment will be £12.5 million in M Squared which is at the cutting edge of innovation and is a recognised world-leader in its field.

- M Squared Lasers are an excellent example of the innovative, high technology companies that we have here in Scotland, and that we want to support to continue to grow and to add value in the Scottish economy
- The investment is also an excellent example of Scottish Enterprise and the Bank working together to grow, mature and scale companies

Scottish National Investment Bank – Investment in M Squared Lasers

- This is a £32.5 million new financing package for M-Squared.
- The Bank is investing £12.5 million. This is mixture of debt and equity that will allow M Squared to [redacted].
- The Bank’s investment has been made on commercial terms.
- A £20 million debt facility has come from Santander which has allowed M Squared’s founders and management team to [redacted].
- The company has previously been supported by Scottish Enterprise. This investment demonstrates how, with the addition of the Bank, we can now grow, nurture and scale companies in Scotland.

Mission alignment

- This investment aligns with all 3 of the Bank’s proposed missions.
- It is most strongly aligned with the proposed **People Mission**:
 - M Squared uses the world's purest light to unlock solutions to help tackle humanity's most significant challenges, including those in climate change and healthcare;
 - it is at the cutting edge of innovations that are addressing global scientific and technology challenges such as enabling virtual reality, nano-technologies, quantum computing and non-invasive health diagnostics.
- It also supports the Bank’s primary **Net-Zero Mission**:
 - the Company’s lasers enable a more accurate measurement of climate change impacts from emissions through its calibration of the most advanced atmospheric monitoring instruments in satellites ever launched;
 - it is playing a critical role within the global science programs designed to measure and understand the scale, nature and mitigation of climate change problems;
 - the laser sources deployed by M Squared are [redacted] more energy efficient than the technologies they replace - this reduces electrical energy use by [redacted] for each system installed.
- The investment also contributes to the delivery of the proposed **Place Mission**:
 - through improving opportunities and outcomes for people and communities;
 - in particular through furthering the Photonics sector in Scotland and creating high value jobs in an industrial part of Glasgow where 85 people out of a total headcount of 105 are already based.

Q&A

How many staff will the Scottish National Investment Bank have?

Recruitment for the Scottish National Investment Bank is ongoing led by the Bank’s CEO. It is anticipated that there will be approximately 60 members of staff in the

Bank by the end of its first year of operation. The Bank will then assess its future recruitment needs on an ongoing basis.

What funding is available to the Bank this year and in 2021/22?

We will capitalise the Bank to £2 billion. That includes [redacted], and £200 million next year

We are prepared to support the Bank flexibly in its first years of operation, ensuring it has the resources it needs to build the kind of economy we want to see in Scotland.

What rate of return will the Bank seek?

The Bank will operate commercially so it will seek a commercial return on its investments. How that is determined will obviously vary depending on the circumstances of the investment the Bank is considering.

As well as commercial, financial returns the Bank will also expect to see mission benefits returned in every investment that it makes.

We should remember that the Bank is being established to deliver long term, patient investment. Therefore its returns will also frequently be over the long-term and we will have to patient to see them. This is an institution that we want to see deliver returns to the people of Scotland for years and decades to come so we have to think of the long-term in our expectations.

Who will they seek co-investment with?

As the Chair and CEO of the Bank have said, the Bank will look to maximise the impacts of its capital wherever it can. One of the key means to do so will be through co-investment and crowding in investment from other sources.

We know that public sector investment alone will not be enough to address the challenges we face as a society, including the transition to net zero. The Bank can play an important role in bringing in other investors, particularly from the private sector.

The Bank has already shown that it will be able to do this and its investment in M Squared alongside Santander is a great example of positive collaboration between public and private sector investors.

Which other countries have National Investment Banks? Did you model this on existing institutions?

There are a number of examples of national investment banks across Europe and beyond and we have learned from their example. That includes KfW in Germany, the Nordic Investment Bank, newer institutions like Invest-NL in the Netherlands, and the British Business Bank and the Development Bank of Wales in the UK.

Many of these institutions have been active for many years and provide ample evidence of the benefits they can bring. The Scottish National Investment Bank has drawn on their experiences but is most importantly a bespoke institution that has been designed especially for the Scottish economy and to address the specific challenges that we face.

Now the Bank is operational will it provide the support struggling businesses need during the pandemic?

We are doing everything we can to support businesses in our immediate response to the pandemic but we also remain focused on our medium and long term vision for the country.

Our package of direct support for businesses, worth over £2.38 billion, additional financial support for businesses will also be available to areas moving into Tier 4, as outlined in the Strategic Framework.

The Bank will have a critical role to play in aiding economic recovery across Scotland in the medium and long term providing patient and growth capital needed to allow us to achieve our economic and inclusive growth ambitions.

Where will the Bank be located?

The team working on establishing the Bank is temporarily based at Waverley Gate in Edinburgh. The Bank's location will be determined in due course. Wherever it is based, the Bank will invest in projects, businesses and communities across the whole of Scotland.

What missions will SG set for the Bank?

Three core missions for the new Scottish National Investment Bank were laid before the Scottish Parliament in August for a 40 day consultation period. We will provide an update to Parliament over the coming weeks on the final missions.

The proposed missions aim to support:

- The just transition to net zero carbon emissions by 2045.
- Creating opportunities and reducing inequalities through investing in places.
- Harnessing innovation in response to demographic challenges

A mission-oriented approach will give the Bank an opportunity to crowd-in investment, create and shape new markets, and work to address societal challenges. This is an innovative opportunity for investment drivers to be along different lines from those typically used by private investment institutions.

How will the Bank develop an investment pipeline?

The Bank has been proactively engaging with stakeholders across Scotland to identify projects with both immediate and future financing requirements. Ensuring the Bank is well positioned to make a positive impact on the economy as soon as it is formally established.

How can businesses find out more about the Bank?

Businesses and projects with commercial proposals that link to the Bank's missions can contact the Bank directly via their website www.thebank.scot (which is expected to go live by Monday 23 November)

Will the Bank further complicate the public sector investment landscape?

We are all working to a common goal to ensure that Scottish businesses get fast and efficient support, advice or finance options that are right for them. The Bank's focus

on delivering mission-oriented patient finance will complement work across the Scottish Government, enterprise agencies, and other partners to increase sustainable and inclusive economic growth.

The Bank and Enterprise Agencies will align and strengthen advice, support and finance available to businesses across Scotland, and ensure business continuity for companies already working with our Enterprise Agencies.

Scotland's Enterprise Agencies will play an important role in helping to stimulate demand for the new opportunities that the Bank will provide and by supporting businesses to become investment ready.

Will the Bank bring together other public sector investment?

The Bank, Scottish Enterprise and other partners are collaborating closely to align and strengthen access to finance and investment, and ensure continuity for businesses at a time of unprecedented economic disruption associated with the COVID 19 pandemic and the UK's exit from the EU.

Over time, the Bank will also work with partners to build on and evolve the success of existing operations and initiatives, and develop opportunities to bring together relevant public sector investment and lending.

What kind of financing might the Bank bring together?

The Bank will build on and evolve the success of operations and initiatives currently underway, for example, the Building Scotland Fund. Public sector bodies will work together to examine the existing landscape and relationships, and how these will evolve following the creation of the Bank.

There has been criticism around the diversity of the Bank's Board?

We have appointed non-executive directors with a wealth of skills and experience. The board is gender balanced and has extensive knowledge of the issues facing businesses in Scotland, of working across the private, public and third sectors, of impact investment, and of our university sector.

The Advisory Group that Ministers will establish to provide advice on the Bank's conduct and performance will be reflective of Scotland's diversity with membership drawn from a cross-section of external stakeholders and civic society and will include trade union representation.

Bank Capitalisation & Financial Transactions (FTs)

Planned capitalisation of the Bank remains £2 billion which is assumed to be in the form of FTs. With the Bank now active the future timing of its capitalisation can be established and will be part of future budget settlements that will be agreed with the Parliament. Previous budgets have allocated £490 million for pre-Bank investment over 2018-2021.

Does the SG have a dispensation for the Bank from HM Treasury to carry forward balances over financial year ends?

With the Bank's launch a specific year-end arrangement for the Bank is more important than ever to help it have the impact that's needed for Scotland. Having

something similar to the British Business Bank arrangement will help support the Scottish economy. Existing Fiscal Framework arrangements alone are insufficient for the unprecedented economic context we are all working within let alone allowing the Bank to have the impact we want it to.

Why are you starting an investment Bank when you can't manage the existing SG investments in companies successfully?

There are many reasons for Government intervening in the economy and in businesses.

[redacted – out of scope]

The Bank is different, we are deliberately establishing it to create mission-led investment markets, on commercial terms. It is not directly aimed at safeguarding jobs, but, by taking a strategic approach to investment, can create good quality jobs, and help to develop a more resilient economy and business base in Scotland.

From: [redacted] **On Behalf Of** Cabinet Secretary for Economy, Fair Work and Culture

Sent: 20 November 2020 14:06

To: [redacted]; Cabinet Secretary for Economy, Fair Work and Culture

Cc: First Minister ; Cabinet Secretary for Finance ; Minister for Trade, Investment and Innovation ; Minister for Business, Fair Work and Skills ; DG Economy ; DG Scottish Exchequer Mailbox ; Patel DR (David) ; Kerr S (Stephen) (Social Security Director) ; McAllan M (Mary) ; Laing SG (Shirley) ; Chief Financial Officer ; Quinlan K (Kevin) ; Feldinger K (Katrine) ; Mactaggart E (Eilidh) ; Ritchie D (David) Energy ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) ; [redacted] (Communications) ; Lloyd E (Elizabeth) ; Bowman K (Katy) ; McCaig C (Callum) ; Communications Economy

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

Good Afternoon [redacted],

Thanks for this.

Cab Sec has noted about the launch.

Re SCANCE – [redacted]. [redacted]

[redacted].

[redacted]

Can we have briefing for the launch resent so Cab Sec can look over it over the weekend in prep for any media on Monday. [redacted].

Grateful if you can redraft letter, SCANCE and briefing and have it back by 5pm tonight.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: [redacted]

Sent: 20 November 2020 16:43

To: Cabinet Secretary for Economy, Fair Work and Culture
<CabSecEFWC@gov.scot>

Cc: First Minister <firstminister@gov.scot>; Cabinet Secretary for Finance <CabSecFinance@gov.scot>; Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Minister for Business, Fair Work and Skills <MinisterBFWS@gov.scot>; DG Economy <DGEconomy@gov.scot>; DG Scottish Exchequer Mailbox <DGScottishExchequer@gov.scot>; Patel DR (David) <David.Patel@gov.scot>; Kerr S (Stephen) (Social Security Director) <Stephen.Kerr@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Laing SG (Shirley) <Shirley.Laing@gov.scot>; Chief Financial Officer <cfo@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; Feldinger K (Katrine) <Katrine.Feldinger@gov.scot>; Mactaggart E (Eilidh) <Eilidh.Mactaggart@thebank.scot>; Ritchie D (David) Energy <David.Ritchie@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; [redacted](Communications) <[redacted]@gov.scot>; Lloyd E (Elizabeth) <Elizabeth.Lloyd@gov.scot>; Bowman K (Katy) <Katy.Bowman@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

[redacted], here is the re-worked SCANCE note and letter to the Committee.

Best wishes

[redacted]

Head of Finance and Resources, Scottish National Investment Bank Shareholder/Sponsor Team

WORKING FROM HOME – per Covid Guidelines – normal working pattern 9.00-5.30, Mon-Fri
E: [redacted]@gov.scot/M: [redacted]

From: [redacted] **On Behalf Of** Cabinet Secretary for Economy, Fair Work and Culture

Sent: 20 November 2020 17:45

To: [redacted]; Cabinet Secretary for Economy, Fair Work and Culture

Cc: First Minister ; Cabinet Secretary for Finance ; Minister for Trade, Investment and Innovation ; Minister for Business, Fair Work and Skills ; DG Economy ; DG Scottish Exchequer Mailbox ; Patel DR (David) ; Kerr S (Stephen) (Social Security Director) ; McAllan M (Mary) ; Laing SG (Shirley) ; Chief Financial Officer ; Quinlan K (Kevin) ; Feldinger K (Katrine) ; Mactaggart E (Eilidh) ; Ritchie D (David) Energy ; [redacted]; [redacted] ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) ; [redacted](Communications) ; Lloyd E (Elizabeth) ; Bowman K (Katy) ; McCaig C (Callum) ; Communications Economy

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

Good Afternoon [redacted],

Thanks for these.

[redacted]

I have put Cab Secs redraft onto her letter headed paper, grateful if you can add in who it's going to etc. [redacted].

Grateful if you can look over the SCANCE and the letter and check they are factually correct, they read ok and add in anything that you think is missing.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: [redacted]

Sent: 20 November 2020 18:13

To: Cabinet Secretary for Economy, Fair Work and Culture
<CabSecEFWC@gov.scot>

Cc: First Minister <firstminister@gov.scot>; Cabinet Secretary for Finance
<CabSecFinance@gov.scot>; Minister for Trade, Investment and Innovation
<MinisterTII@gov.scot>; Minister for Business, Fair Work and Skills
<MinisterBFWS@gov.scot>; DG Economy <DGEconomy@gov.scot>; DG Scottish
Exchequer Mailbox <DGScottishExchequer@gov.scot>; Patel DR (David)
<David.Patel@gov.scot>; Kerr S (Stephen) (Social Security Director)
<Stephen.Kerr@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Laing SG
(Shirley) <Shirley.Laing@gov.scot>; Chief Financial Officer <cfo@gov.scot>; Quinlan
K (Kevin) <Kevin.Quinlan@gov.scot>; Feldinger K (Katrine)
<Katrine.Feldinger@gov.scot>; Mactaggart E (Eilidh)
<Eilidh.Mactaggart@thebank.scot>; Ritchie D (David) Energy
<David.Ritchie@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]<
[redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]<
[redacted]@gov.scot>; [redacted]< [redacted]@gov.scot>; [redacted]<
[redacted]@gov.scot>; [redacted] (Comms) <[redacted]@gov.scot>; [redacted]
(Communications) <[redacted]@gov.scot>; Lloyd E (Elizabeth)
<Elizabeth.Lloyd@gov.scot>; Bowman K (Katy) <Katy.Bowman@gov.scot>; McCaig
C (Callum) <Callum.Mccaig@gov.scot>; Communications Economy
<CommunicationsEconomy@gov.scot>

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note
and letter to the EEFW Committee

[redacted], I enclose the amended versions of the letter and SCANCE note as
requested. I've checked them both. The SCANCE note has been adjusted slightly
with the Bank's investment starting at [redacted] and the sentence on the position at
March 2021 clarified. [redacted]

Best wishes

[redacted]

**Head of Finance and Resources, Scottish National Investment Bank Shareholder/Sponsor
Team**

WORKING FROM HOME – per Covid Guidelines – normal working pattern 9.00-5.30, Mon-Fri
E: [redacted]@gov.scot/M: [redacted]

Attachment: [As extracted from SC(20138 – SCANCE – 24 November 2020)]

SCOTTISH NATIONAL INVESTMENT BANK (the “Bank”)

The **Scottish National Investment Bank** was launched on Monday, 23 November, delivering a key economic policy commitment of this Government.

The Bank’s first investment will be £12.5 million in M Squared Lasers. The Bank plans for a further [redacted] to be invested this year. From 2021 onwards, there will be an escalation in Bank investment activity as part of reaching the promised £2 billion in capitalisation.

As a mission-led investor, the Bank has a major role to play in growing investment opportunities for business across Scotland and to grow the economy. It will also support the Scottish Government’s COVID-19 response and help to reset and transform the economy. Through the missions Scottish Ministers set for it, the Bank will address key societal challenges, shape future markets, spark innovation and deliver a range of environmental, social and economic returns.

The Bank’s investment focus is on long-term investment, predominantly over ten years, targeting debt and equity investment at [redacted]. [redacted].

The incoming Board will set the direction in terms of investment and priorities and it is operationally and administratively independent of Scottish Ministers. The Bank and Board need space over the coming months to respond formally to the missions that will shortly be confirmed by Scottish Ministers, and to develop their approach to investments and risk. [redacted]. [redacted].

The primary mission will be to drive the just transition to a ‘net zero’ greenhouse gas emissions economy. Other proposed missions are focused on:

- ◆ Extending equality of opportunity by investing in places and regeneration to reduce inequality, and improve opportunities and outcomes for people and communities; and
- ◆ Harnessing innovation to enable Scotland’s people to flourish by investing in industries of the future for a healthier, more resilient and productive population.

A derogation for the Bank from HM Treasury is important to allow it to build reserves and re-invest returns, and is part of renewed engagement with HM Treasury ahead of the UK Government’s Spending Review on 25 November.

From: [redacted] **On Behalf Of** Cabinet Secretary for Economy, Fair Work and Culture

Sent: 20 November 2020 19:51

To: [redacted]; Cabinet Secretary for Economy, Fair Work and Culture

Cc: First Minister ; Cabinet Secretary for Finance ; Minister for Trade, Investment and Innovation ; Minister for Business, Fair Work and Skills ; DG Economy ; DG Scottish Exchequer Mailbox ; Patel DR (David) ; Kerr S (Stephen) (Social Security Director) ; McAllan M (Mary) ; Laing SG (Shirley) ; Chief Financial Officer ; Quinlan K (Kevin) ; Feldinger K (Katrine) ; Mactaggart E (Eilidh) ; Ritchie D (David) Energy ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) ; [redacted] (Communications) ; Lloyd E (Elizabeth) ; Bowman K (Katy) ; McCaig C (Callum) ; Communications Economy

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

Good Evening [redacted],

Thanks for this.

Cab Sec is content with the redrafts. Are you ok for me to send the letter this evening or should I wait until Monday?

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.

From: Feldinger K (Katrine)

Sent: 20 November 2020 19:55

To: Cabinet Secretary for Economy, Fair Work and Culture ; [redacted]

Cc: First Minister ; Cabinet Secretary for Finance ; Minister for Trade, Investment and Innovation ; Minister for Business, Fair Work and Skills ; DG Economy ; DG Scottish Exchequer Mailbox ; Patel DR (David) ; Kerr S (Stephen) (Social Security Director) ; McAllan M (Mary) ; Laing SG (Shirley) ; Chief Financial Officer ; Quinlan K (Kevin) ; Mactaggart E (Eilidh) ; Ritchie D (David) Energy ; [redacted]; [redacted]; [redacted]; [redacted]; [redacted] (Comms) ; [redacted] (Communications) ; Lloyd E (Elizabeth) ; Bowman K (Katy) ; McCaig C (Callum) ; Communications Economy

Subject: RE: Scottish National Investment Bank - ready to launch, SCANCE note and letter to the EEFW Committee

[redacted], please go ahead and send.

Kat

Katrine Feldinger | Deputy Director, Scottish National Investment Bank Shareholding and Investment | International Trade and Investment | tel: [redacted] | mobile: [redacted] |

From: [redacted] **On Behalf Of** Cabinet Secretary for Economy, Fair Work and Culture

Sent: 20 November 2020 14:20

To: [redacted] (Communications) ; [redacted]; Feldinger K (Katrine) ; [redacted]; McCaig C (Callum)

Cc: Cabinet Secretary for Finance ; Minister for Business, Fair Work and Skills ; [redacted]; [redacted]; [redacted] (Comms) ; Communications Economy ; [redacted]; [redacted]; [redacted]; Communications First Minister ; Nicolson S (Stuart) Special Adviser ; DG Economy ; Quinlan K (Kevin) ; [redacted]; [redacted]; [redacted]; Lloyd E (Elizabeth) ; Spads Admin ; [redacted]; First Minister Covid Briefing Unit ; First Minister ; News Desk ; Cabinet Secretary for Economy, Fair Work and Culture

Subject: RE: BID - Scottish National Investment Bank - Sky News

Good Afternoon [redacted],

Thanks for this.

Cab Sec is content to do the interview but has asked if we can do it on Zoom or Facetime instead?

Location would be Linlithgow and I will provide Cab Secs telephone number separately.

[redacted]/Kat – further to my email about briefing for the weekend, Cab Sec would like it to cover the following and Q&A

How many staff

What funding available to them this year and next

What rate of returns is lending on

Who would they seek co-investment with

Which other countries have National Investment Banks – any we modelled this one on

Basic economic briefing – SpADs can you provide economics of independence briefing?

Rebuttals on [redacted – out of scope]

We will need this back by 5pm tonight.

[redacted]

Deputy Private Secretary to Cabinet Secretary for Economy, Fair Work and Culture, Fiona Hyslop

The Scottish Government | St Andrew's House | Regent Road | Edinburgh | EH1 3DG | [redacted]

All emails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Office do not keep official records of such emails or attachments.