MINUTES OF A MEETING OF THE
BOARD OF DIRECTORS OF THE
STRATEGIC BANKING CORPORATION OF IRELAND
(THE "COMPANY" OR "SBCI")
DULY CONVENED, CONSTITUTED AND HELD
IN-PERSON AT TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1
AT 2:00 PM ON 25 FEBRUARY 2025

Present:

Patrick Delaney	*Chairperson*
June Butler	
Ian Black	
Deirdre Donaghy	
Elaine Hanly	
Marguerite McMahon	
Declan Murray	
Richard Pelly	
Eilis Quinlan	

In Attendance:

Margaret Concannon	*Head of Risk & Governance (Items 3 – 10)*
Colin Moran	*Head of Lending (Items 3 – 10)*
Suzanne Sweeney	*Head of Finance & Operations (Items 3-10)*
Shane McCullough	*Head of Products, Strategy & Marketing (Items 3-10)*
Arianna Taroni	*Marketing Manager (Item 4.2 only)*
Sinead Flanagan	*Senior Manager, NTMA Compliance (Item 7 only)*
Eibhlin O'Donnell	*Senior Legal Advisor, NTMA (Item 7 only)*
Des O'Connor	*Company Secretary (Items 3-10)*

1. NOTICE AND QUORUM

The Chairperson noted that notice of the meeting and of the nature of the business to be conducted had been circulated to all members entitled to attend the meeting and that a quorum was present. The meeting then proceeded to business.

2. DECLARATIONS OF INTEREST

For the purposes of Section 231 of the Companies Act 2014, Section 17 of the Ethics in Public Office Act 1995 and the Constitution of the Company, there were no material interests declared by any of the Board Members in the business to be transacted at the meeting.

A private session then followed without management or the Company Secretary present.

3. MINUTES AND MATTERS ARISING

3.1 Minutes of Meeting on 5 December 2024

The Company Secretary (CS) noted that draft minutes of the meeting of 5 December 2024 had been circulated for review and were before the Board for approval. **THIS ITEM HAS BEEN PARTIALLY REDACTED.**

IT WAS RESOLVED that the minutes of the meeting held on 5 December 2024 be approved, as presented, subject to the above amendment, and that they be signed by the Chairperson when circumstances permitted.

3.2 Matters Arising

The CS presented the Matters Arising from the Board's meetings held on 6 September 2024, 24 October 2024 and 5 December 2024. He noted that the Item 3 re Quarterly MI from the 6 September 2024 meeting remained open pending circulation of a draft Quarterly MI pack to Board members for feedback and that all other items were closed based on information updates shared with the Board.

4. STRATEGY ITEMS

4.1 Programme for Government

The Head of Products, Strategy & Marketing (HoPSM) presented, for discussion, a paper setting out government commitments under the Programme for Government (PfG) in the context of the SME market, alignment with SBCI products, present and future (per Product Roadmap) and other potential opportunities. He noted the focus in the programme on cost competitiveness, regulation, energy costs, skills and infrastructure delivery (including housing).

The HoPSM noted those commitments that were aligned to SBCI's existing products, e.g. Enterprise and Employment v GSLS and Liquidity, Credit Unions v HEULS, noting relaxation in certain Central Bank of Ireland limits should boost that sector's lending volumes, and Energy and Sustainability v GSLS, HEULS and the BVP Green Transition Finance scheme. He advised that the SBCI Product Roadmap aligned SBCI's plans for scaling products to targets for Enterprise and Employment, as well as the "Ports" product using SBCI's Implementing Partner Status to plans for Infrastructure, e.g., new National Ports Policy and offshore wind.

The HoPSM noted that other opportunities may flow via commitments re Transport, Digital and Housing Infrastructures, each of which have been or will be the subject to discussions with the relevant government departments.

The CEO noted that SBCI was due to meet with the new Minister for Finance and also had a meeting scheduled with the Minister of State at the Department of Finance which would likely have a particular focus on the Credit Union sector. She was pleased to note that the HEULS was named in the PfG.

THIS ITEM HAS BEEN PARTIALLY REDACTED.

The CEO noted that the Board of ELTI had discussed the European response to Housing and potential role of NPIs per EU Housing Policy. **THIS ITEM HAS BEEN PARTIALLY REDACTED.**

4.2 HEULS Marketing Expenditure Analysis

THIS ITEM HAS BEEN REDACTED IN FULL.

5. AUDIT AND RISK COMMITTEE REPORT

The Chairperson of the Audit and Risk Committee (CARC) presented her report of the meeting of the Committee held on 19 February 2025. She advised that NTMA Compliance had presented, for noting, their quarterly update on Compliance, AML and Data Protection matters, the Protected Disclosures Report - which was a "Nil" report for 2024 - and the Annual Compliance Report on the function's performance, which was satisfactory. She confirmed that they also presented the annual review of the Anti-Bribery & Corruption Framework which was approved with no material changes required.

The CARC advised that NTMA Compliance and NTMA Legal presented details of New & Emerging Statutory & Governance Obligations, some of which would be discussed later in the agenda per Item 7.2. **THIS ITEM HAS BEEN PARTIALLY REDACTED.**
The CARC advised that NTMA Internal Audit had presented their update **THIS ITEM HAS BEEN PARTIALLY REDACTED** which was approved. She confirmed that the annual Review of the Effectiveness of the Internal Auditor was shared and was satisfactory, and the Committee had noted the clarifications provided with respect to the impact of the Revised Global Internal Audit Standards on the SBCI.

The CARC confirmed that PwC provided an update on their On-Lender Review of **THIS ITEM HAS BEEN PARTIALLY REDACTED** which is due to be completed shortly, and they confirmed that the next On-Lender Review would be undertaken **THIS ITEM HAS BEEN PARTIALLY REDACTED.** She advised that the Risk team had presented the Annual Review of the Risk Function, the Risk Management Plan 2025 - which was approved - the Operational Risk Report, the Risk Dashboard Review and the Impairment Assessment - which was approved with no impairment charge to be recognised in the 2024 Financial Statements.

The Board noted the significant number of items covered in the CARC's update and, while acknowledging that draft minutes may not be available in time for circulation to Board members prior to Board meetings, requested that, in future, a copy of the CARC's report be shared. **[Matter Arising]**

6. CEO REPORT

The CEO presented her report for discussion and noting, highlighting the following updates since the December 2024 Board meeting:

- Engagement with the Department of Enterprise, Trade and Employment re topping up the Growth and Sustainability Loan Scheme (GSLS) **THIS ITEM HAS BEEN PARTIALLY REDACTED.**
- Performance of the GSLS and the Home Energy Upgrade Loan Scheme (HEULS), including progress towards the launch of HEULS by Avant Money and seven ILCU credit unions
- **THIS ITEM HAS BEEN PARTIALLY REDACTED.**
- Strategic Plan 2025-2030 has been submitted to the Department of Finance for review by the Minister for Finance
- Board succession progressing **THIS ITEM HAS BEEN PARTIALLY REDACTED** for two member roles and next steps scheduled for mid-/late-March

The Board discussed the Credit Guarantee Scheme premia collection process, per the Operational Risk

Report, and the CEO set out the background, investigation and remediation plans, including that confirmation of accounting treatment would follow.

6.1 Temporary Resources

The Head of Finance & Operations (HFO) presented, for approval, the signing of a contract with Accenture Limited for the provision of temporary resources as and when required by SBCI. She confirmed that Accenture were selected as the preferred supplier following a tender process.

THIS ITEM HAS BEEN PARTIALLY REDACTED.

7. COMPLIANCE ITEMS

7.1 Personal Account Transactions Policy

The Senior Compliance Manager, NTMA, presented, for approval, the annual review of the Personal Account Transactions Policy applicable to SBCI Board and Committee members. She confirmed that no material revisions were proposed and only some minor edits had been applied to the draft version shared with the Board.

IT WAS RESOLVED that the Board approve the revised Personal Account Transactions Policy for the SBCI Board and Committees, as presented.

7.2 Statutory & Governance Obligations

The Senior Compliance Manager, NTMA, presented, for noting, the annual update re Statutory and Governance Obligations as required by the Code of Practice for the Governance of State Bodies' requirement (Section 3.7 re new members, Section 1.3 re Board obligation to review annually and Section 3.3 re non-compliance). She outlined the annual review process and confirmed that there was no change to the SBCI Act or Credit Guarantee legislation, while other relevant legislation included the Credit Reporting Act 2013, Official Languages Act and EU (Resilience of Critical Entities) Regulations.

The Senior Legal Advisor, NTMA, provided further details on the items identified and confirmed that NTMA Finance had updated its reporting template to accommodate the additional data requirements under the Credit Reporting Act 2013, and that guidelines were due to be published by the Language Commissioner's office in the short term to assist public bodies with their compliance with the Official Languages Act. She also confirmed that, as recently reported to the Audit and Risk Committee, SBCI is not currently in scope for the Corporate Sustainability Reporting Directive (CSRD) based on the relevant exemption thresholds.

8. GOVERNANCE ITEMS

8.1 Board Evaluation Report & Recommendations

The CS presented, for discussion, a summary of the recommendations arising from the external Board Evaluation Report that had been completed by the Institute of Directors Ireland (IoD) in accordance with the Code of Practice for the Governance of State Bodies. He noted that SBCI's initial responses/action plans had been shared with the Board for their feedback.

The CS advised that the IoD representative was unfortunately not available to attend this meeting but confirmed that the IoD representative had met recently with the CEO and CS, and that he had offered to attend a future Board meeting, to provide any additional background information that the Board may require. The Chairperson advised he also had a one-to-one meeting with the IoD representative prior to the finalisation of his report and recommendations and noted that the SBCI Board had been assessed as “high-performing”.

The Board discussed the recommendation to introduce a “Culture Dashboard” and the core areas that it should focus on and the potential content to be included, e.g., feedback from Employee Engagement Surveys, NTMA HR data etc. The CEO agreed to request sample dashboard templates from the IoD to progress this item.

THIS ITEM HAS BEEN PARTIALLY REDACTED.

9. CONSENT AGENDA

9.1 Board Work Programme 2025

The CS presented, for noting, the updated Board Work Programme for 2025 that had been initially shared with the Board on 5 December 2024 and is based on six Board meetings and a Strategy meeting during 2025. He confirmed that calendar invitations had issued for each of the meetings but that some flexibility may be required in terms of the workload for each individual meeting, as additional items may be incorporated into the agendas, and additional meetings may be convened to address urgent matters.

9.2 Appointment of Chairperson to the Credit Committee

The CS presented, for approval, the proposal, in accordance with the Terms of Reference of the SBCI Credit Committee, to appoint Declan Murray, a member of the SBCI Board, as Chairperson of that Committee with effect from 12 March 2025 and for a term of three years, i.e., until 11 March 2028.

IT WAS RESOLVED that the Board approve the appointment of Declan Murray as Chairperson of the Credit Committee, with effect from 12 March 2025, as presented.

9.3 Appointment of Chairperson to the Audit and Risk Committee

The CS presented, for approval, the proposal, in accordance with the Terms of Reference of the SBCI Audit and Risk Committee, to appoint Elaine Hanly, a member of the SBCI Board, as Chairperson of that Committee with effect from 12 March 2025 and for the remainder of her term as a member of that Committee, i.e., until 28 February 2027.

IT WAS RESOLVED that the Board approve the appointment of Elaine Hanly as Chairperson of the Audit and Risk Committee, with effect from 12 March 2025, as presented.

10. AOB

The Board discussed the amendments to the NTMA's Hybrid Working Policy and SBCI's implementation plans, re staff moving from a minimum of 2 on-site days per week to 3 on-site days per week, effective from 19 May 2025. The CEO discussed the importance of the management team's role in ensuring there is a smooth transition to the revised arrangements and that communication channels need to be kept open as the change will impact some staff members more than others. The Board agreed that some flexibility may be required to accommodate some staff members, particularly those who currently travel long distances to come into Treasury Dock.

A **private session** then followed without the CEO, management and Company Secretary present to allow the Board the opportunity to discuss:

(i) the report of the Remuneration Committee meeting held on 18 February 2025, and

(ii) the Board Evaluation Report and Recommendations.

There being no other business, the Chairperson then brought the meeting to an end.

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Patrick Delaney, Chairperson **Date**