

**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 AT THE MARKER HOTEL, DUBLIN 1
AT 3.00 PM ON 9 SEPTEMBER 2021**

Present:

Barbara Cotter	<i>Chairperson</i>
June Butler	
Eilis Quinlan	
AJ Noonan	
Richard Pelly	
Conor O’Kelly	
Eoin Dorgan	
Tom McAleese	
Marguerite McMahan	

In Attendance:

Macken McNicholas	<i>Company Secretary</i>
Rob Quill	<i>Risk & Finance Manager</i>
Suzanne Sweeney	<i>Head of Lending</i>
Seán Farrell	<i>Head of Product Development</i>
Sinead Brennan	<i>Director of Human Resources</i>

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 members in the business to be transacted at the meeting.

3. MINUTES AND MATTERS ARISING

The Chairperson noted that draft minutes of the meeting of 3 June 2021 and 29 June 2021 were before the Board for approval, which had been circulated to the Board in advance of the meeting. **IT WAS RESOLVED** that the minutes of these meetings be approved.

4. UPDATE ON WAYS OF WORKING

The NTMA Director of Human Resources provided an update to the Board on the NTMA's approach to the ways of working and the remote/office hybrid approach that will be adopted across the NTMA and its affiliates in the coming weeks and months. She noted that it was early in the process and that businesses and teams were encouraged to find a system and balance that suited their individual business and employee needs going forward.

5. AUDIT AND RISK COMMITTEE REPORT

The Chair of the Audit and Risk Committee presented the Audit and Risk Committee Written Report summarising the Committee meeting held on 3 September 2021.

He advised the Board that the Committee had discussed the draft On-Lender CCGS Report. **THIS ITEM HAS BEEN PARTIALLY REDACTED**

He noted that this was partly due to timing with a number of internal audits and on-lender reports finalizing together, also with the receipt of the C&AG Management Letter. He noted that Management has committed to undertake a full review of the risk register and will ensure that recent audit issues are considered closely as part of this review.

He updated the Board on the "Review of the design of Covid-19 Credit Guarantee Scheme Claims Process and Operating Effectiveness of the current Claims Process in Operation" and the Review of the development and set up of the Covid-19 Credit Guarantee Scheme" **THIS ITEM HAS BEEN PARTIALLY REDACTED** He also updated the Board on one On-Lender Review which had reported "Satisfactory".

He noted that the Committee had reviewed the OC&AG Management Letter and that the Committee was keeping under review the closing out of the findings contained in the letter.

CEO REPORT

The CEO and Senior Management Team presented the CEO Report. They provided a summary of the key priorities and current workstreams in the business. They provided an update on the lending pipeline, the Brexit Impact Loan Scheme (BILS) which was due to launch in Quarter three and the commencement of the Customer Hub project which was now scheduled for October.

6. FINANCE REPORT

The Risk & Finance Manager presented the Finance Report for noting. He summarised the key points of the Report as set out in the paper to the Board. **THIS ITEM HAS BEEN PARTIALLY REDACTED**

7. EIF PURCHASE OF ADDITIONAL SHARES

The Head of Product Development presented the proposal which sought Board approval for the purchase of two additional shares in the European Investment Fund (EIF), bringing the total number of shares in EIF held by SBCI to ten. He noted that the Board had discussed the potential share purchase at its 3 June 2021 Board meeting, and this paper had been prepared to reflect the feedback received on that date. The Board discussed the proposal noting it demonstrated SBCI's support for the EIF mandate and reflected the key stakeholder relationship that SBCI has with the EIF. The Board noted, while a modest shareholding comparable to other institutions across Europe, the shareholding demonstrates the SBCI's support and enhances the influence and working relationship with the EIF.

The Board noted it was supportive of the acquisition and **IT WAS RESOLVED:**

- i. that the SBCI, (i) subject to the consent of the Minister for Finance and (ii) in accordance with the stipulations below, acquires two shares in the European Investment Fund from the European Investment Bank following the 15/01/21 General Meeting's approval of the increase in the EIF's authorised capital from €4.5bln to €7.37bln;
- ii. to delegate to the Chief Executive Officer the power to negotiate and approve any agreement, contract, document, instrument or binding arrangement, or any amendment thereto, which she in her absolute discretion deems necessary or appropriate to acquire the shares of the European Investment Fund and referred to in the Board Paper for such a consideration which she deems reasonable and appropriate, having taken advice from such parties as she deems necessary or advisable;
- iii. that June Butler (Company Chief Executive Officer), or such other person she nominates be authorised on behalf of the SBCI to:
 - (1) exercise any rights, privileges or discretions of the SBCI,
 - (2) perform or fulfil on behalf of SBCI any duty or obligation,in each case arising from SBCI's shareholding in the European Investment Fund (EIF) including:
 - I. Voting on behalf of SBCI at a general meeting of the EIF or any other occasion where shareholders of the EIF are entitled to vote;
 - II. Granting a power of attorney to third parties to exercise the right at (I) above; or
 - III. Otherwise representing SBCI.
- iv. to authorise the use of the SBCI's seal where required for the proper execution of any agreement, contract, document, instrument, or other binding arrangement in relation to the matters referred to above.

8. GOVERNANCE ITEMS

8.1. CREDIT COMMITTEE APPOINTMENT

The Company Secretary presented a paper seeking approval for the appointment of June Butler to the Credit Committee in her capacity as Chief Executive Officer, as provided for in the Credit Committee Terms of Reference.

IT WAS RESOLVED that June Butler be appointed a member of the Credit Committee for a period of three years with effect from 9 September 2021, or until she is no longer a member of the Board.

8.2. POWER OF ATTORNEY UPDATED TO REFLECT NEW CEO

The Company Secretary presented a paper to the Board seeking approval for an update to the Power of Attorney which had been previously updated by the Board on 25 February 2021, which updated the

original Power of Attorney put it place at the onset of the Covid-19 pandemic in March 2020. He noted that the updated Power of Attorney reflected the departure of the outgoing interim CEO, the outgoing Head of Risk Finance and Operations and the inclusion of June Butler, the newly appointed CEO of SBCI. He noted the updated Power of Attorney would be in place until 31 December 2021, effective from the 9 September 2021 and the previous Power of Attorney would be revoked. He noted this period should be suitable given the lessening effects of Covid-19 restrictions on the ability to obtain signatories.

IT WAS RESOLVED that the Board approve:

- i. the attached Power of Attorney for September 2021; and
- ii. the attached Draft Minutes of the meeting which contain the resolution relating to the approval of the new Power of Attorney and revocation of the current Power of Attorney; and
- iii. the Deed of Revocation, revoking the previous 25 February 2021 Power of Attorney

9. AOB

The Chairperson noted it was the first Board meeting of the new CEO, June Butler. The Board wished the new CEO best wishes in her role. There being no other business the Chairperson brought the meeting to an end.

Barbara Cotter, Chairperson

02 December 2021