

**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 5 DECEMBER 2024**

Present:

Patrick Delaney	<i>Chairperson</i>
June Butler	
Ian Black	
Deirdre Donaghy	
Elaine Hanly	
Marguerite McMahon	
Declan Murray	
Richard Pelly	
Eilis Quinlan	

In Attendance:

Margaret Concannon	<i>Head of Risk & Governance</i>
Robert Quill	<i>Risk Manager</i>
Colin Moran	<i>Head of Lending</i>
Suzanne Sweeney	<i>Head of Finance & Operations</i>
Dan Roche	<i>Finance Business Partner (Item 10 only)</i>
Shane McCullough	<i>Head of Products, Strategy & Marketing</i>
Eibhlin O'Donnell	<i>NTMA Senior Legal Advisor (Item 7.1 only)</i>
Paul Christie	<i>Senior Lending Manager (Item 7.1 only)</i>
Deirbhile Brennan	<i>NTMA Head of Compliance (Item 8 only)</i>
Fiona Collier	<i>Strategy Implementation Manager (Item 5 only)</i>
Claire Young	<i>Business Support Specialist</i>
Des O'Connor	<i>Company Secretary</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, noting that presentation of “**Item 9.3 Risk Dashboard**” per the circulated agenda would be deferred until the Board’s meeting in February 2025 when Q3, 2024 supporting data would be available.

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.

3. MINUTES AND MATTERS ARISING

3.1 Minutes of Meeting on 24 October 2024

The Company Secretary (CS) noted that draft minutes of the meeting of 24 October 2024 had been circulated for review and were before the Board for approval. The Board noted a typo in “**Item 9. AOB**” and that the opening sentences of this section should be amended **THIS ITEM HAS BEEN PARTIALLY REDACTED.**

IT WAS RESOLVED that the minutes of the meeting held on 24 October 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 provided updates in respect of various matters arising from the Board’s meetings on 20 June 2024, 6 September 2024 and 24 October 2024, most of which had either been closed since the last meeting or would be discussed per the agenda. He noted that the remaining Items 3 re Quarterly MI and 4 re the SBCI Funding Model from the September meeting and Item 5 re the Finance Report from the October meeting, would be closed in Q1, 2025

4. CEO REPORT

The CEO presented the CEO Report, for noting, and highlighted the following key updates since the October Board meeting:

- Progress with SBCI’s application for EU Implementing Partner status.
- Completion of key tasks per the Board Effectiveness review undertaken by the Institute of Directors, with a final report and recommendation to be presented for discussion by the Board at the February 2025 meeting.
- Pause in actions re Board Succession as a result of the recent general election, pending formation of a new government and appointment of a new Minister for Finance
- Positive feedback from those who attended SBCI’s recent 10-year anniversary event in Treasury Dock
- Liquidity requests from two On-Lenders due to be presented to the Credit Committee later in December and likely to progress to Board in Q1, 2025
- On-Lenders Avant Money and ILCU Credit Unions to launch their participation in the Home Energy Upgrade Loan Scheme (HEULS) in Q1, 2025
- Ongoing development of a Scaling Product with SBCI engaging with On-Lenders, DETE and the EIF

THIS ITEM HAS BEEN PARTIALLY REDACTED.

5. SHAREHOLDERS LETTER OF EXPECTATION

The CEO drew attention to the updated Shareholder’s Letter of Expectation which had been received from the Minister for Finance and shared with the Board, for noting. She advised that this item will be reviewed internally but had few changes from the 2023 version, apart from reference the SBCI schemes currently available in the market, namely the Growth and Sustainability Loan Scheme and HEULS. The Board noted the regular communications between the Department of Finance and SBCI, including the sharing of Board documentation packs in advance of Board meetings.

6. STRATEGY 2025 - 2030

The CEO presented, for approval, the SBCI 5-Year Strategy 2025-2030 and 2025 Strategy Implementation Plan. She noted that the draft 5-Year Strategy had been initially presented to the Board at its Strategy Day in September 2024 and discussed further at the Board's meeting on 24 October 2024. She confirmed that the additional feedback had now been incorporated into the updated strategy and details of the key changes had been circulated with the Board paper.

The CEO noted that updated strategy more clearly reflects that SBCI has a clear, ambitious strategy, but also noted that the change of government in 2025 may generate new opportunities for it. The Board acknowledged that the updated strategy recognised the feedback provided and agreed that it had been enhanced in the process. The Board also indicated that the economic/political background in the short term may lead to a need for greater innovation by SBCI and the CEO agreed, pointing to the recent BVP transaction as a good example of SBCI's innovative approach to bringing new On-Lenders on board.

IT WAS RESOLVED that the Board approve both the SBCI 5-Year Strategy 2025-2030 and 2025 Strategy Implementation Plan, as presented.

7. LENDING ITEMS

THIS ITEM HAS BEEN REDACTED IN FULL.

8. COMPLIANCE ITEMS

8.1 MLRO Report

The NTMA Head of Compliance (NHoC) shared the Money Laundering Reporting Officer Report for the Q3, 2024 period, for noting, having been presented to the Audit and Risk Committee on 19 November 2024. She provided updates on key activities, including annual staff and Board AML/CFT online training issued in September 2024 and December 2024, respectively, and refresher training planned for December 2024 (see Item 8.2 below). She noted the annual AML Compliance monitoring review was underway and no material issues were identified to date.

8.2 Compliance Refresher Training

The NHoC presented, for noting, the "Compliance Obligations Reminder" which refreshed the Board's knowledge and understanding of key topics including Confidentiality, Data Protection, Freedom of Information, Conflicts of Interest, and other Compliance-related areas. She noted the ongoing engagement with SBCI on current and emerging risks such as AI, new On-Lenders, and products.

9. RISK ITEMS

9.1 Audit & Risk Committee Report

The Chairperson of the Audit & Risk Committee (CARC) presented a report of the Committee's meeting on 19 November 2024, noting that certain items were on the Board meeting agenda (Items 8.1 MLRO Report, 8.2 Compliance Refresher Training, and 12.3 ARC Terms of Reference) while Item

9.3 Risk Dashboard would be presented at the February 2025 Board meeting, as would the Risk Register review.

THIS ITEM HAS BEEN PARTIALLY REDACTED. She advised that the On-Lender Due Diligence Audit had been completed and reported two low-rated findings while Internal Audit's 2025 plan was presented and approved, increasing the number of internal audits from three to four.

The CARC confirmed that Second Line testing had been completed, focussing on areas with the highest potential impact on the business and results will be circulated to the ARC once management responses have been agreed upon. She noted that the Third-Party Risk Management Policy was approved and that PWC presented the On-Lender Review for **THIS ITEM HAS BEEN PARTIALLY REDACTED** while the On-Lender Review for **THIS ITEM HAS BEEN PARTIALLY REDACTED** commenced in late November and the On-Lender Review schedule for 2025, **THIS ITEM HAS BEEN PARTIALLY REDACTED** was approved. Finally, she advised that the ARC's 2024 Work Programme was reviewed and plan for the ARC's 2025 Work Programme shared.

9.2 Annual Balance Sheet Stress Testing

THIS ITEM HAS BEEN REDACTED IN FULL.

10. FINANCE ITEMS

10.1 Budget 2025

THIS ITEM HAS BEEN REDACTED IN FULL.

11. REMUNERATION COMMITTEE REPORT

(Private Board Session for this item)

The Chairperson of the Remuneration Committee shared her report following the Committee's meeting on 27 November 2024.

12. CONSENT AGENDA

12.1 Board Work Programme

The CS confirmed that, upon conclusion of today's meeting, the Board will have met its obligations in accordance with the 2024 Board Work Programme. He also confirmed that the draft 2025 Board Work Programme had been shared, for noting.

12.2 Power of Attorney

The CS presented, for approval, the documents supporting the granting of a new Power of Attorney for the coming year, including revocation of the current Power of Attorney and draft minutes for a meeting of the Board which incorporated the supporting resolutions to authorise these changes.

IT WAS RESOLVED that the Board meet to approve the resolutions per the draft minutes provided to revoke the current Power of Attorney and grant the new Power of Attorney and such approved minutes be signed by the Chairperson when circumstances permitted.

12.3 Audit & Risk Committee – Terms of Reference

The CS presented, for approval, the annual review of the Audit and Risk Committee’s Terms of Reference, which had been recommended following that Committee’s meeting on 19 November 2024 and contained only minor amendments.

IT WAS RESOLVED that the Board approve the amended Audit and Risk Committee’s Terms of Reference, as presented.

12.4 Remuneration Committee – Terms of Reference

The CS presented, for approval, the annual review of the Remuneration Committee’s Terms of Reference, which had been recommended following that Committee’s meeting on 27 November 2024 and contained only minor amendments.

IT WAS RESOLVED that the Board approve the amended Remuneration Committee’s Terms of Reference, as presented.

12.5 Remuneration Policy

The CS presented, for approval, the annual review of the Remuneration Policy, which had been recommended following that Committee’s meeting on 27 November 2024 and contained only minor amendments.

IT WAS RESOLVED that the Board approve the amended Remuneration Policy, as presented.

13. AOB

Several Board members expressed an interest in amending their access rights on Diligent to enable them review those areas designated for the Board’s Committees as access to such areas is currently restricted to Board members who are also members of the respective Committees. It was discussed and agreed that, based on Board members’ own experience of other Boards, access to Committee papers should be unrestricted, with the possible exception of the Remuneration Committee. The CS agreed to take the request forward and, if appropriate, would arrange to amend the Board members’ access rights on Diligent to include the Board’s Committees’ areas.

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

Patrick Delaney, Chairperson

Date

APPENDIX 1 – Item 7.1 – Board Resolutions

THIS ITEM HAS BEEN REDACTED IN FULL.