

**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 9:30 AM ON 12 SEPTEMBER 2025**

Present:

Patrick Delaney	<i>Chairperson</i>
June Butler	
Ian Black	
Deirdre Donaghy	
Elaine Hanly	
Marguerite McMahon	
Declan Murray	
Birthe Bruhn-Léon	
John Glennon	

In Attendance:

Margaret Concannon	<i>Head of Risk & Governance</i>
Robert Quill	<i>Senior Risk Manager</i>
Suzanne Sweeney	<i>Head of Operations, IT & Data</i>
Shane McCullough	<i>Head of Products, Strategy & Marketing</i>
Colin Moran	<i>Head of Lending</i>
Maeve Cotter	<i>Senior Manager, Sustainable Lending</i>
Ian Butler	<i>Head of Finance</i>
Aislinn Redmond	<i>NTMA Head of Internal Audit</i>
Des O'Connor	<i>Company Secretary</i>

PRIVATE SESSION

Prior to the commencement of the meeting, a private session was held with the Head of Risk and Governance and all Board members in attendance, with the exception of June Butler, to facilitate discussion of Ms Butler’s recent notification that she would be resigning from her role as CEO of the SBCI to take up the position of Head of Corporate and SME Banking at Bank of Ireland.

1. NOTICE AND QUORUM

The Chairperson (CP) noted that the notice of the meeting and 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, the CP confirmed that, noting her pending resignation status, the CEO had no material interests in the business to be transacted at the meeting, while John Glennon, Board member, would recuse himself from the meeting at the appropriate time to allow Board discussion of Agenda Item 8 “Internal Auditor Appointment”, noting that his former employer, RSM Ireland, had participated in the relevant NTMA tender process.

3. MINUTES AND MATTERS ARISING

3.1 Minutes of Meeting of 19 June 2025 & of Meeting of 18 July 2025

The Company Secretary (CS) noted that minutes of the meetings held on 19 June 2025 and 18 July 2025 had been circulated to the Board and were presented for approval.

IT WAS RESOLVED that the Board approve the minutes of the meeting of 19 June 2025, as presented, and the minutes of the meeting of 18 July 2025, as presented, and that both sets of minutes would be signed by the Chairperson at the next opportunity.

3.2 Matters Arising

The CS advised that there was just one matter arising, being Item 3 re Quarterly MI from the 6 September 2024 meeting, and that it would remain open pending the circulation of a draft MI pack to the Board before year-end.

4. CEO REPORT

Following discussions at the Board during the Strategy Day held on 11 September 2025, the CEO outlined that in its 10 years of operation, SBCI had returned an operating profit in three financial years and an operating loss in seven financial years, with the cumulative position being an operating loss of €8.6m. She noted that, cumulatively in 2023 and 2024, SBCI returned an operating profit for that period. **THIS HAS BEEN PARTIALLY REDACTED.** She acknowledged that the SBCI Act 2014 stated that SBCI should “seek to obtain a positive financial return for the State” in “So far as possible” and confirmed that SBCI’s financial position is actively and carefully managed on an ongoing basis, including through an annual budget that is presented to the Board for approval, and through regular finance updates throughout the year. She further noted that, given the growth in the SBCI schemes and On Lenders, investments in FTE numbers and technology was required to ensure the ongoing operation of the SBCI.

The CEO advised that many of the items in her report had already been covered during the Strategy Day but added that SBCI has been engaged with the Banks to ensure that the availability of SBCI-backed loans is being adequately publicised. Finally, she confirmed that, as part of the Annual Report and Financial Statements process, they would be laid before the Oireachtas by colleagues in the Department of Finance and that the Comptroller and Auditor General would present them to the Public Accounts Committee following the return of the Dáil after the summer break.

THIS HAS BEEN PARTIALLY REDACTED.

5. STRATEGY ITEMS

5.1 ESG Policy

The Senior Manager, Sustainable Lending (SMSL) presented the updated ESG Policy and the ESG Strategy for approval following their biennial review, with the next review to be completed by September 2027.

The SMSL noted that the ESG Policy had been updated to refresh and update the language to ensure it continues to remain relevant and reflective of current ESG requirements, as well as reflecting the current reporting lines applicable within SBCI, the NTMA's Public Sector Climate Action Roadmap, measures to avoid greenwashing, its commitment to "Plain English" communication standards with stakeholders, and continued focus to upskill the SBCI team in ESG and Sustainability.

IT WAS RESOLVED that the Board approve the updated ESG Policy, as presented.

5.2 ESG Strategy Review and Update

The SMSL advised that the ESG Strategy sets out SBCI's short-term ESG ambitions and progress made to date. She confirmed that the Head of Lending is now designated as the Climate and Sustainability Champion for SBCI within the NTMA Climate Action Roadmap and that the SBCI continues to participate in the NTMA Sustainability Group meetings on a quarterly basis. She noted that the SBCI meets its obligations under the Public Sector Climate Action Mandate through its inclusion within the NTMA's Climate Action Roadmap. In this context the SBCI's migration to digital processes to reduce printing volumes and adherence to sustainable business travel guidelines were key local actions taken to minimise SBCI's carbon footprint.

The SMSL noted the role of green lending components within risk-sharing schemes that are available to both the SME and Consumer segments of the market. **THIS HAS BEEN PARTIALLY REDACTED.**

Finally, the SMSL confirmed that that SBCI's regulatory compliance obligations under ESG Credentials continue to fall within NTMA's reporting and that the SBCI benefits from the NTMA maintaining its CDP accreditation. It was agreed that there was minimal benefit to SBCI seeking to obtain a standalone ESG credential at present.

IT WAS RESOLVED that the Board approve the updated ESG Strategy, as presented.

6. LENDING ITEMS

6.1 Credit Committee Report

The Chairperson of the Credit Committee (CCC) presented his report of the Credit Committee's (the committee) meeting held on 1 September 2025, noting that it was Birthe Bruhn-Léon's first meeting as a member of the committee. He confirmed that the updated Credit Risk Policy had been reviewed and was recommended by the committee for the Board's approval per Agenda Item 6.2.

THIS HAS BEEN PARTIALLY REDACTED.

The CCC took the opportunity to update the Board on the committee's meeting held on 25 July 2025, i.e., after the Board's previous meeting on 18 July 2025, and confirmed that the purpose of that meeting was to approve the annual reviews for existing bank On-Lenders and also approve their allocations under the second series of the Growth and Sustainability Loan Scheme (GSLS2), reinforcing demand from that sector of the credit market, each of whom had participated in the first

series of the GSLS.

6.2 Credit Risk Policy

The Senior Risk Manager (SRM) presented the updated Credit Risk Policy (policy) for approval, noting the recommendation received from the Credit Committee at their meeting on 1 September 2025. He advised that the key changes applied to the policy including the introduction of definitions for Aggregated Exposure, Connected Parties and Related Parties, along with a new appendix “Appendix A – Aggregation Policy”, with the aim of ensuring consistent interpretation of On Lender relationships and enhancing decision-making.

IT WAS RESOLVED that the Board approve the updated Credit Risk Policy, as presented.

7. AUDIT AND RISK COMMITTEE REPORT

The Chair of the Audit and Risk Committee (CARC) presented her report of the meeting of the Audit and Risk Committee (ARC) meeting on 2 September 2025, noting it was John Glennon’s first meeting as a member of the ARC and acknowledging Declan Murray’s input to the Committee’s work during his membership, which expired on 31 July 2025. She noted that matters discussed included the definition of Connected Parties per Agenda Item 6.2 **THIS HAS BEEN PARTIALLY REDACTED.**

The CARC noted that NTMA Compliance had presented their quarterly update to the ARC, including reminders re BAU AML/Compliance training due to be completed by SBCI staff and Board members. She noted that a high-level responsibilities map re AML/CFT, as well as a HUB IT Security Update, would be presented at the ARC’s November meeting.

THIS HAS BEEN PARTIALLY REDACTED. She advised that Agenda Items 8 and 9.1 were also presented to the ARC for review, while the reviews of the Impairment Policy and the Intangible Assets Policy had resulted in minor amendments only and were approved by the ARC.

The CARC confirmed that the Operational Risk Report, Risk Dashboard and Risk Management Plan had been presented. **THIS HAS BEEN PARTIALLY REDACTED.** Finally, she noted that the planned Private Session between the ARC members and the NTMA Head of Compliance was deferred until the ARC’s November meeting.

8. INTERNAL AUDITOR APPOINTMENT

Note: Per Agenda Item 2, John Glennon stepped out of the meeting for this item

The NTMA Head of Internal Audit (NHIA) presented, for approval, the Internal Auditor Appointment as it is a Matter Reserved for Decision by the SBCI Board. She confirmed that, following a public procurement process, the NTMA Board had approved the appointment of Deloitte Ireland to undertake reviews for the next 4 years, with an option to extend for a further 2 years, commencing with the 2026 internal audit plans.

The NHIA confirmed that the ARC had been briefed on the appointment on 2 September 2025 and were satisfied to recommend the Board’s approval. She advised that standard Terms of Engagement would apply to the appointment. The Board enquired into the evaluation process applied and the NHIA confirmed details of the NTMA representatives who were engaged and the scoring that had applied in accordance with the RFT, with Deloitte emerging as the most economically advantageous tenderer.

IT WAS RESOLVED that the Board approve the appointment of Deloitte Ireland as the Internal Audit Service Provider to the SBCI (under the direction of the NTMA Head of Internal Audit) and the associated terms of engagement, subject to the form of contract to be awarded being consistent, in all material aspects, with the key commercial terms presented to the Board and subject to completion of all pre-contract due diligence to the satisfaction of the NTMA Chief Executive and NTMA Chief Legal Officer.

9. FINANCE ITEMS

9.1 Interim Financial Statements 2025

The Head of Finance (HoF) presented, for noting, the Interim Financial Statements for the period to 30 June 2025, following their presentation to the ARC on 2 September 2025, and confirmed that they had been prepared by SBCI Finance and NTMA Finance teams in accordance with FRS104 and FRS102. **THIS HAS BEEN PARTIALLY REDACTED.** He also drew attention to Note 6 in the Interim Financial Statements which had been amended for clarity and was aligned with the 2024 year-end presentation format.

9.2 Full Year Forecast 2025

The HoF presented, for noting, the Full Year Forecast 2025 **THIS HAS BEEN PARTIALLY REDACTED.**

10. GOVERNANCE ITEM

10.1 2025 AGM Report

The CP presented, for noting, his report of the 2025 AGM which had been held in Treasury Dock on 25 August 2025 and was attended by the Minister for Finance and representatives of the Department of Finance. He confirmed that the meeting had been positive, with the Minister recognising the contribution made by SBCI to the SME market and acknowledging the complementary role that SBCI has by delivering support via schemes alongside, and not in competition with, other government agencies such as Enterprise Ireland. The CEO noted the Minister's interest in the fact that SBCI has obtained Implementing Partner (IP) status with Invest EU and that this will provide SBCI opportunities to access additional supports on Ireland's behalf. The Minister also noted the strategic importance of this. The CP advised that the Minister was satisfied that SBCI was in a strong position to deliver on its mandate and the Board agreed that SBCI should seek to make use of its IP status to develop and deliver schemes to support the market where possible.

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

Patrick Delaney, Chairperson

Date