

**MEETING OF HOME BUILDING FINANCE IRELAND (THE “COMPANY”)**  
**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS**  
**OF THE COMPANY (“Board”)**  
**DULY CONVENED, CONSTITUTED AND HELD**  
**AT 2.45PM ON THURSDAY 15 JUNE 2023**  
**AT TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1 AND VIA VIDEOCONFERENCE**

**PRESENT** Marie Collins (Chairperson)  
Dara Deering (CEO)  
Des Carville  
Ken Slattery  
Grainne Hennessy  
Andrew O’Flanagan (AOF)

**APOLOGIES** Claire Solon

**IN ATTENDANCE** Fergus Mangan, Head of Lending (HoL) (Items 8 and 9)  
Darragh Lennon, Head of Commercial (HoC) (Items 8 and 9)  
Sean Alger, Head of Credit & Risk (HoCR) (Items 12, 13 and 14)  
Thomas Kearns, Senior Credit Manager (SCrM) (Item 12)  
Denise Donavan, Head of Operations and Finance (HoOF) (Items 10 and 16)  
Sinead Flannagan, NTMA Senior Compliance Manager (MLRO) (Item 16)  
Paula Flinter, Head of Legal (HoLg) (Item 11)  
Cecilia Fourie, Company Secretary (CS)

### **1. NOTICE AND QUORUM**

It was noted that notice of the meeting and of the nature of the business to be conducted had been given to all directors entitled to attend the meeting and that a quorum, being four directors, was present in accordance with the Company’s Articles of Association (the “**Articles**”). It was further noted that all the directors present were, pursuant to the Articles, entitled to vote and be counted in the quorum. The meeting then proceeded to business.

### **2. LIMITATIONS TO THE NUMBER OF DIRECTORSHIPS AND RESIDENCY REQUIREMENTS UNDER THE COMPANIES ACT 2014**

It was noted that pursuant to Section 137 of the Companies Act 2014 (as amended) (the “**Act**”), at least one of the directors of the Company is resident in a Member State of the European Economic Area and that no director present individually held more than twenty-five directorships for the purposes of Section 142 of the Act and was therefore eligible to vote on all board resolutions brought before the meeting.

### **3. DISQUALIFICATION AND RESTRICTION ORDERS AND UNDERTAKINGS**

Those directors present each declared that they were not the subject of any declaration, order or deemed order for disqualification or restriction under the Act including Part 14, Chapters 3 and 4 and had not received any notice under that Part of the Act including any notice concerning a disqualification or restriction undertaking under Part 14, Chapter 5.

#### **4. DECLARATIONS OF INTEREST**

In accordance with section 231 of the Companies Act 2014, and the Constitution of the Company, and, for the purposes of Section 5.8 (ii) of the Code of Practice for the Governance of State Bodies 2016, there were no material interests declared by the directors present at the meeting in the business to be transacted at the meeting which would preclude them from participating in the meeting and forming part of the necessary quorum.

**THIS ITEM HAS BEEN REDACTED IN PART.**

#### **5. CONFIRMATION IN RELATION TO RESERVED MATTERS**

The CS confirmed to the Board that the Executive Management Team of HBFI (“the **“EMT”**”) was satisfied that all reserved matters which require consideration by the Board have been brought to the Board’s attention.

#### **6. MEETING MINUTES AND MATTERS ARISING**

The Board NOTED that draft minutes of the meeting of the Board held on the 25 May 2023 had been circulated to the Board members in advance of the meeting and it WAS RESOLVED that the minutes of the meeting be APPROVED subject to incorporation of minor amendments.

#### **7. CEO UPDATE**

The CEO presented a summary of the key points in the CEO update paper and highlighted the following:

- An update on the action taken following the conclusion of the Section 24 Review;
- Engagements with the Department of Housing on various housing initiatives;
- An update on the work completed on the Board Implementation Plan; and
- Business performance and stakeholder engagement.

**THIS ITEM HAS BEEN REDACTED IN PART.**

The CEO’s Update was NOTED by the Board.

#### **8. MARKETING ENGAGEMENT STRATEGY**

The HoC and the HoL joined the meeting.

The HoC presented the marketing engagement strategy (the **“Strategy”**) noting the Strategy would evolve with the business. The HoC provided commentary on the three areas of focus and highlighted the work completed to date and planned actions for the following 6-9 months for each area.

Following questions from the Board, the HoC provided further commentary on, inter alia, the budget, identification of key stakeholders and engagement challenges.

The Strategy was NOTED by the Board, and it was AGREED that the HoC would update the Strategy to reflect the comments from the Board.

## 9. BUSINESS UPDATE

The HoL presented a business update including an overview of trends in the market. The HoL commented on the key matters in the report focusing on the pipeline and participation in working groups for housing initiatives.

The business update was NOTED by the Board.

The HoC and HoL left the meeting.

## 10. OPERATIONS AND FINANCE

### (i) Financial Performance

The HoOF joined the meeting and presented a summary of the report highlighting the key movements.

The results to end of April were NOTED by the Board.

**THIS ITEM HAS BEEN REDACTED IN PART.**

### (iii) Scheduled review of the Liquidity, Market and Equity Risk Management Policy (“LMER Policy”)

The HoOF presented the scheduled review of the LMER Policy and outlined the proposed amendments.

The Board APPROVED the review and proposed amendments of the LMER Policy as presented and the HoOF left the meeting.

## 11. ESG UPDATE

The HoLg joined the meeting and presented the ESG update and gave an overview of the activities and planned actions. The HoLg highlighted that training will be provided to staff with more detailed training to be offered to senior management in accordance with the Climate Action Roadmap. The HoLg advised that a comprehensive ESG document was being drafted and it will be presented to the Board at the October meeting.

The Board NOTED the ESG update and the HoLg left the meeting.

## 12. RISK

The HoCR and SCrM joined the meeting and presented the key points in the following reports:

### i Risk Report

The HoCR provided an overview of the key changes since the last report and noted the operational events.

### ii Credit Decisions Report

The HoCR provided an overview of the credit decisions made since the last report.

### iii Risk Appetite KPIs

The HoCR advised that there were no matters to bring to the attention of the Board for this item.

### iv Account Review Schedule

The HoCR presented the schedule and advised the position of the upcoming reviews.

**v Market Update Report**

The SCrM presented the report and outlined the key residential market movements and trends as outlined in the paper.

Following questions from the Board, the SCrM and HoCR provided further commentary on, inter alia, the recent report from BPFI, consumer sentiment and sales prices.

The Reports at 12 (i) to (v) inclusive were NOTED by the Board.

**13.ANNUAL PRESENTATION FROM HEAD OF CREDIT AND RISK**

The HoCR presented the Annual Presentation from the Credit and Risk Team and outlined the key activities, the risk management, and challenges. The HoCR highlighted the recent internal reviews completed by the Senior Audit Manager and the recommendation resulting from same.

The Annual Presentation was NOTED by the Board.

**14.SCHEDULED REVIEW OF CREDIT AND RISK POLICIES**

**(i) Credit Grading Policy and Impairment Policy (together the “Policies”)**

The HoCR presented the scheduled review of the Policies and provided an overview of the proposed amendments. The Chair of the Audit and Risk Committee (“ARC”) confirmed that following a review by the ARC, the Policies are recommended for approval.

The Board APPROVED the scheduled review and proposed amendments of the Policies as presented.

**(ii) Risk Management Policy (“Policy”) and the Risk Framework (“Framework”)**

The HoCR presented the scheduled review of the Policy and the Framework and provided an overview of the proposed amendments noting that majority of amendments stemmed from the recommendations from the internal audit review of the Risk Management Framework. The Chair of the ARC confirmed that following a review by the ARC, the Policy and Framework are recommended for approval.

The Board APPROVED the scheduled review and the proposed amendments, including further requested amendments from the Board, of the Policy and Framework.

**(iii) Risk Appetite Statement (“Statement”)**

The HoCR presented the scheduled review of the Statement and provided an overview of the proposed amendments. The Chair of the ARC confirmed that following a review by the ARC, the Statement is recommended for approval.

The Board APPROVED the scheduled review and the proposed amendments of the Statement as presented.

The HoCR left the meeting.

**15.REPORT FROM THE ARC MEETING**

The Chairperson of the ARC provided a verbal update on the items which were discussed at the meeting

of the ARC earlier that day which were NOTED by the Board.

## **16.COMPLIANCE:**

The MLRO and HoOF joined the meeting.

### **(i) MLRO Report**

The MLRO presented the MLRO Report and confirmed that it was presented and discussed at the ARC. The MLRO noted that there were no material matters to bring to the attention of the Board and highlighted the key upstream regulatory matters including the proposed establishment of the European Anti-Money Laundering Authority.

The MLRO Report was NOTED by the Board.

### **(ii) Scheduled review of the Anti-Money Laundering/Counter Financing of Terrorism Policy (“AML/CFT Policy”) and the Business Wide Risk Assessment (“BRWA”)**

The MLRO and HoOF jointly presented the scheduled review of the AML/CFT Policy and the BWRA and provided an overview of the proposed amendments noting that the majority of amendments resulted from the recommendations from Internal Audit on conclusion of their recent review. The Chair of the ARC confirmed that following a review by the ARC, the AML/CFT Policy and BWRA are recommended for approval.

The Board APPROVED the scheduled review and proposed amendments of the Policies subjected to the incorporation of the Board’s comments.

The MLRO and HoOF left the meeting.

## **17.AGM**

The CS presented the request as outlined in the paper to dispense with the business of the AGM for 2023 by way of written resolution following agreement with the Department of Finance as the sole member of the Company.

The Board AGREED to dispense with the AGM for 2023 in accordance with Sections 175 and 196 of the Companies Act 2014 by written resolution of the sole member.

## **18.AOB**

The CEO advised that further meetings for deliberation of credit proposals and reviews of existing facilities will be required, and that the CS would confirm availability with members of the relevant DA.

## **CLOSE**

There being no further business the meeting was closed.

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Chairperson