

**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 2.00 PM ON
WEDNESDAY, 9 APRIL 2025 AT TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1**

Present: Marie Collins Chair
Dara Deering CEO
Claire Solon
Ken Slattery
Andrew O’Flanagan
Des Carville

Apologies: None

In Attendance: Sean Alger Head of Credit and Risk (HoCR)
Denise Donovan Head of Operations, Portfolio, and Finance (HoOF)
Fergus Mangan Head of Commercial (HoC)
Paula Flinter Head of Legal (HoL)
David O’Doherty Divisional Manager - Business Development (DMBD)
Sinead Flanagan NTMA Senior Compliance Manager (SCM)
Deirbhile Brennan Head of Compliance, NTMA (HoCo)
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.

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 meetings of the Board held on 12 December 2024 and 3 March 2025 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 minor amendments.

STRATEGY & BUSINESS

7. CEO UPDATE

(i) CEO Update

The CEO presented a summary of the key points contained in the paper and advised that several items would be elaborated on by other presenters later in the meeting. The CEO provided a strategy update including an update on discussions with the Department of Finance on **THIS ITEM HAS BEEN REDACTED IN PART**, and the progress of the Section 24 review that is currently underway. She provided a brief update on market activity and sentiment. The CEO provided an update on the transition of the future state organisation structure including new appointments **THIS ITEM HAS BEEN REDACTED IN PART**.

The CEO discussed with the Board the current financial and non-financial challenges and barriers faced by SME builders in scaling up, including the potential of further research.

The CEO's Update was NOTED by the Board.

THIS ITEM HAS BEEN REDACTED IN PART

8. BUSINESS UPDATE

The HoC and the DMBD joined the meeting. The HoC presented the business update and summarised the key changes since the last update including an overview of market trends.

THIS ITEM HAS BEEN REDACTED IN PART

The HoC provided an overview of the notable stakeholder engagements and summarised the learnings from the recent meeting with Home England. He summarised the priorities and challenges for 2025 and commented on the transition of the portfolio to the Portfolio Management Team. He advised that the transition was progressing well with complete handover scheduled for June.

Following a discussion, the Board NOTED the Business Update.

9. MEOP REPORT 2025

The DMBD presented the summary findings of the Market Economy Operator Principle ("MEOP") Report. The DMBD advised that the report consisted of the standard annual review of HBFI's existing rates to ensure they are in line with market and the changes to the small loan product has been reflected. He advised that there are no recommendations or changes required to pricing on foot of the report.

In response to a query, the DMBD provided further detail on the green loan product.

Following a discussion, the Board NOTED the findings of the MEOP Report for 2025. The HoC and DMBD left the meeting.

10. ACTUAL PERFORMANCE FOR 2024 – FINANCIAL AND KPIS

The HoOPF joined the meeting and presented the actual financial and KPI performance for 2024. She summarised the results of the actual financial performance against forecast and the overall business performance against the strategic goals/KPIs for 2024. She commented on the key figures, deviations and performance. The HoOPF confirmed that there were no material matters to bring to the attention of the Board.

Following a discussion, the Board NOTED the full year Financial Performance and KPIs for 2024.

11. BUSINESS PLAN

The HoOPF presented the business plan and advised that the discussion and feedback from the strategy day have been incorporated. She summarised the key changes and advised that the annual tax compliance report has now been received and the plan will be updated to reflect same. She outlined the next steps.

The Board considered the business plan and provided feedback on same.

Following a discussion, the Board APPROVED the Business Plan subject to the agreed amendments.

12. FINANCIAL PERFORMANCE

The HoOPF presented a summary of the report and commented on the receivables, interest income, fee income and other key variances. She added that the financial performance was tracking broadly in line with budget.

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

ANNUAL REPORT

13. IMPAIRMENT REVIEW 2024

The HoCR rejoined the meeting and presented the impairment review for 2024. He outlined the approach taken, which was consistent with the previous review. Based on the results, the HoCR proposed a zero-impairment charge for both the specific and collective impairment. It was noted that the impairment review was recommended for approval by the Audit and Risk Committee (“ARC”).

Following a discussion, the Board APPROVED the Impairment Review.

14. ANNUAL REVIEW OF THE EFFECTIVENESS OF SYSTEMS OF INTERNAL CONTROL

The HoCR presented the annual review of the effectiveness of systems of internal control (“SIC”) and provided a summary of the proposed amendments from the previous year. The HoCR advised that enhancements to the Ongoing Monitoring and Review sections are proposed including wording on the three lines of defence. He confirmed that there were no material operational events or reportable procurement exceptions to bring to the attention of the Board. It was noted that the ARC recommended the review of the SIC for approval.

Following a discussion, the Board APPROVED the review of the SIC.

15. ANNUAL REVIEW OF THE CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES

The CS presented the annual review of HBFI's compliance with the Code of Practice for the Governance of State Bodies ("**the Code**") and advised that there was one additional adaptation proposed relating to the number of terms a member can serve on ARC and that the existing six adaptations as agreed with the Department remain in place.

The CS advised that on 27 March 2025 an assurance paper was jointly presented with the Head of Compliance in the NTMA to the ARC. She stated that the purpose of the paper was to provide assurance to the ARC in its consideration and recommendation for approval of the financial statements and annual report, which encompasses confirmation of HBFI's compliance with (i) the Code of Practice for the Governance of State Bodies and (ii) other Statutory and Governance Obligations.

The Board discussed the annual review and requested that the wording of the proposed additional adaptation be amended.

The Board APPROVED the annual review of HBFI's compliance with the Code and the proposed adaptations to the Code.

16. ANNUAL REPORT AND VERBAL UPDATE FROM THE ARC HELD 27 MARCH 2025

The Chair of the ARC presented the annual report from the ARC to the Board in compliance with the Code, for the year 2024. He outlined the work completed by the ARC and confirmed that the work plan for 2024 was completed. The Chair of the ARC further provided a summary of the matters considered by the ARC at their meeting on 27 March 2025.

The Report and verbal update were NOTED by the Board.

17. ANNUAL REPORT FROM THE REMUNERATION COMMITTEE

The Chair of the Remuneration Committee presented the annual report from the Remuneration Committee to the Board in compliance with the Committee's Terms of Reference, for the year 2024. He confirmed that the Committee's work plan for 2024 was completed.

The Report was NOTED by the Board.

18. CAPITAL BUFFER ALLOCATION FOR 2024

The HoOPF summarised the calculation of the capital buffer allocation and the process followed. **THIS ITEM HAS BEEN REDACTED IN PART.** She advised that the ARC had reviewed and recommended the proposed allocation for approval.

The Board considered and discussed the rationale of the proposed allocation.

The Board APPROVED the capital buffer allocation for 2024.

19. FINANCIAL STATEMENTS AND ANNUAL REPORT 2024 AND LETTER OF REPRESENTATION

The HoOPF presented the Annual Report and Financial Statements and the Letter of Representation for the 2024 financial year for approval. It was noted that the ARC reviewed and recommended same for approval to the Board at its meeting on 27 March 2025. The HoOPF advised that the Comptroller and Audit General (the “**C&AG**”) has provided clearance for the directors to sign the financial statements. The HoOPF provided a summary of the key matters in the Annual Report noting that the Chairperson and CEO’s reports have been combined this year. She confirmed that the key assessments and judgments were the same as the previous year and detailed in the paper.

The Chair of the ARC advised that he had a call with the C&AG and summarised the key matters discussed. He advised that the C&AG raised no concerns and expected a clean audit with no management letter. He added that the C&AG team was complimentary of the engagement with the HBFi Management Team and extended the Committee’s appreciation for the work completed by the team.

Following questions from the Board, the HoOPF provided further information on the breakdown between staff and client related hospitality spend and the rationale for combining the Chair and CEO reports.

Following a discussion, the Board APPROVED the HBFi Annual Report and Financial Statements for the financial year ending 31 December 2024 and the Letter of Representation and authorised the Chair and CEO to sign same. The HoOPF left the meeting.

CREDIT & RISK

20. CREDIT:

i. Portfolio Report

The HoCR presented the Portfolio Report and commented on the key trends noting that all loans were performing. He highlighted that the small loans product accounted for 33% of the portfolio and that 55% of the portfolio was for facilities below €10m. The HoCR further commented on credit grades, sales, and the low level of unsold units.

Following a discussion, the Board NOTED the Portfolio Report.

ii. Credit Decisions Report

The HoCR provided an overview of the credit decisions made since the last report. The HoCR provided detail on the approved amendments including the rationale noting the increase in the number of amendments due to delays in utility connections.

The Board NOTED the Credit Decisions Report.

iii. Oversight of EMT Credit Committee

The HoCR presented the quarterly report on the oversight of the EMT Credit Committee and advised that the report has been enhanced following the approval of the revised Delegated Authority Policy. The HoCR advised that the risk team completed an annual deep dive review of the portfolio and reports the results and recommendations to the EMT.

The Board discussed the report and provided feedback for incorporation going forward.

The Board NOTED the oversight report of the EMT Credit Committee.

21. SCHEDULED REVIEWS OF CREDIT POLICIES:

i. Pricing Policy

The HoCR presented the scheduled review of the Pricing Policy and advised that there are no material amendments proposed to the policy. In response to a question from the Board, the HoCR advised that detailed pricing guidelines are in place which is reviewed and approved by the EMT.

Following a discussion, the Board APPROVED the Pricing Policy as presented.

ii. Credit Grading Policy

The HoCR presented the scheduled review of the Credit Grading Policy and confirmed that there were no changes proposed to the policy. He added that a detailed credit grading procedure is in place.

Following a discussion, the Board APPROVED the Credit Grading Policy as presented.

iii. Credit Policy

The HoCR presented the scheduled review of the Credit Policy and summarised the proposed amendments and rationale for same. He commented on the proposed amendments including detail on the basis for peak funding assessments, reference to the corporate loan facilities, and the delegation to the Divisional Manager – Credit to approve non-material amendments of facilities approved by the EMT Credit Committee.

Following a discussion, the Board APPROVED the Credit Grading Policy as presented.

22. RISK:

i. Risk Report

The HoCR presented the Risk Report. He summarised the enhancements to the report following a review by the Divisional Manager – Risk. The HoCR advised that the enhancements were reflective and proportionate to the growth of the organisation. It was noted that the risk report and register were considered and discussed at the ARC meeting. The HoCR advised that there was no change to the risk profile and noted that one risk was retired. **THIS ITEM HAS BEEN REDACTED IN PART**

The HoCR commented on the geopolitical risk noting same was discussed at the ARC. He provided a summary of the market and uncertainty relating to the geopolitical risk. The Board discussed the geopolitical landscape and the potential risks to the residential property sector. **THIS ITEM HAS BEEN REDACTED IN PART.** The HoCR advised that the matter will be monitored closely including any short-term impact and a further update will be provided to the Board at the June meeting. **[AP]**

Following a discussion, the Board NOTED the Risk Report.

ii. Risk Management Plan for 2025

The HoCR presented the 2025 Risk Management Plan and provided a summary of the planned activities across the three lines of defence. He advised that the Risk Management Plan was recommended for approval by the ARC. The HoCR summarised the changes to the presentation of the plan for 2025.

Following a discussion, the Board APPROVED the 2025 Risk Management Plan as presented.

23. SCHEDULED REVIEWS OF RISK POLICIES AND FRAMEWORKS:

i. Risk Management Framework & Policy

The HoCR presented the scheduled review of the Risk Management Framework and Policy (“**RMFP**”) and provided a summary of the proposed amendments. It was noted that the RMFP was recommended for approval by the ARC. The HoCR advised that the RMFP has evolved to reflect the growth of HBFI and to strengthen the RMFP and underlying processes. He summarised the proposed new elements including a new assurance section and the formalisation of the timeframe of the external reviews of the RMFP. The HoCR confirmed that there are no changes proposed to the operation of the underlying processes.

Following a discussion, the Board APPROVED the RMFP as presented.

ii. *Risk Appetite Framework*

The HoCR presented the scheduled review of the Risk Appetite Framework (“**Framework**”) and provided a summary of the proposed amendments. It was noted that the Framework was recommended for approval by the ARC. The HoCR outlined the amendments which are categorised as (i) new requirements and Operational risk appetite measures to evolve and strengthen the management of the Framework, and (ii) enhancements to bring clarity and context. He confirmed that no amendments are proposed to the risk appetite statement, limits, or the operation of the underlying processes.

Following a discussion, the Board APPROVED the Framework as presented.

GOVERNANCE & COMPLIANCE

24. STATUTORY OBLIGATIONS UPDATE – ANNUAL REVIEW

The HoL, HoCo and SCM joined the meeting. The SCM and HoL jointly presented the annual statutory obligation update and the SCM outlined the coordination role of the Compliance unit, including a summary of the process. The SCM explained that the review, performed by external legal advisers McCann FitzGerald and reviewed by the HBFI legal team provided a summary of new or amended requirements within certain principal Statutory and Governance Obligations.

THIS ITEM HAS BEEN REDACTED IN PART

The Board NOTED the annual statutory obligations update. The HoL left the meeting.

25. SCHEDULED REVIEWS OF COMPLIANCE AND GOVERNANCE POLICIES/ PROCEDURES/ CODES:

i. *PA Transaction Policy for Members of the HBFI Boards and Committees*

The SCM presented the scheduled review of this Policy and summarised the proposed amendments. She advised that the proposed amendments were not material and were minor edits for clarity.

Following a discussion, the Board APPROVED the PA Transaction Policy as presented.

ii. *Code of Conduct for Boards and Committees*

The HoCo presented the scheduled review of the Code of Conduct and summarised the proposed amendments. She advised that the amendments include reference to the insider list and the Anti-Bribery and Fraud Framework.

The Board requested that the wording regarding meeting attendance be reviewed in the context of the Code of Practice for the Governance of State Bodies. **[AP]**

Following a discussion, the Board APPROVED the Code of Conduct as presented. The SCM and HoCo left the meeting.

iii. *Self-Assessment of and Skills Matrix for Boards & Committees Procedure*

The CS presented the scheduled review of this procedure and summarised the proposed amendments. She advised that the amendments are to reflect practice and to align with the Remuneration Committee's Terms of Reference.

Following a discussion, the Board APPROVED the Self-Assessment of and Skills Matrix for Boards & Committees Procedure as presented.

26. BOARD SELF-ASSESSMENT RESULTS

The CS presented the results of the Board and its sub committees' annual self-assessment. She summarised the quantitative results and qualitative comments. The CS advised that no actions were identified. She noted that the Board that the assessment for 2025 will be conducted by an external evaluator.

The Board discussed the results and AGREED that the operation of the Board and its committees was satisfactory, and no actions were identified.

The Board NOTED the results of the self-assessment.

27. AOB

There were no matters to discuss under AOB.

The CEO and CS left the meeting.

28. PRIVATE SESSION

In accordance with section 1.7 of the Code of Practice for the Governance of State Bodies the Board met without the executive Board members or management present. This item was minuted separately.

CLOSE

There being no further business the meeting then terminated.

Chairperson