

**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 2PM ON WEDNESDAY 19 APRIL 2023  
AT TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1**

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

**APOLOGIES** None

**IN ATTENDANCE** Fergus Mangan, Head of Lending (HoL) (Item 10)  
Denise Donovan, Head of Operations & Finance (HoOF) (Items 11, 12, 13, 14 and 15)  
Sean Alger, Head of Credit & Risk (HoCR) (Items 18 and 19)  
Deirbhile Brennan, NTMA Head of Compliance (HoC) and Sinead Flanagan,  
NTMA Senior Compliance Manager (SCM) (Items 20 and 21)  
Ros O’Shea, Board Excellence (Item 7) (ROS)  
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 meeting of the Board held on the 23 February 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. The CS confirmed that the Climate Action Roadmap was submitted to the SEAI by the NTMA on behalf of the Company on 31 March 2023 and advised that a further update on ESG will be presented at a later Board meeting.

#### **7. EXTERNAL BOARD AND COMMITTEE EVALUATION FOR 2022**

ROS, from Board Excellence, joined the meeting and presented her findings from the Board effectiveness evaluation. It was noted that the evaluation was a requirement under Section 4.6 of the Code of Practice for the Governance of State Bodies. ROS provided an overview of the process and highlighted that there was full engagement from the Board and the executive management team. ROS noted the strengths and effectiveness of the Board and outlined some recommendations to assist the Board in being more effective.

The Board considered and discussed the review and feedback from the meeting would be incorporated. It was AGREED that the CEO, together with the Chair and Company Secretary, would create an implementation plan for further discussion at the next Board meeting.

#### **8. CEO UPDATE**

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

- **THIS ITEM HAS BEEN REDACTED IN PART.**
- **THIS ITEM HAS BEEN REDACTED IN PART.**
- Feedback and recommendations from the Department Working Group on ‘Cost and availability of Development Finance’ Report;
- An update on the Section 24 review; and
- Business performance and stakeholder engagement.

The CEO’s Update was NOTED by the Board.

#### **9. MEOP REPORT**

The CEO presented the summary findings of the Market Economy Operator Principle (“**MEOP**”) Report advising the Board that the Report for 2023 has now been received from KPMG and that there were no matters to bring to the attention of the Board.

The Board NOTED the summary findings of the MEOP Report for 2023.

#### **10.ANNUAL PRESENTATION AND BUSINESS UPDATE FROM HEAD OF LENDING**

The HoL joined the meeting and presented the business update and annual presentation from the Lending Team. The HoL provided an overview of 2022 and focused on the priorities for 2023 noting the planned engagement with the business development team to strengthen market and stakeholder engagement further.

In relation to the business update, the HoL provided an overview of the market and performance to date including a summary of the pipeline and provided assurance to the Board that there was capacity in the team to support an increase in demand.

Following a discussion, the Board noted the annual presentation and business update.

The HoL left the meeting.

#### **11.BUSINESS PLAN**

The HoOF joined the meeting and presented the Business Plan focusing on the key changes.

The Board APPROVED the Business Plan as presented.

#### **12.FINANCIAL PERFORMANCE**

The HoOF presented a summary of the report, **THIS ITEM HAS BEEN REDACTED IN PART.**

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

#### **13.FINANCIAL STATEMENTS AND ANNUAL REPORT 2022 AND LETTER OF REPRESENTATION**

The HoOF advised the Board that the financial statements, annual report and letter of representation had been considered by the HBFI Audit and Risk Committee ("**ARC**") at its meeting on 30 March 2023 and that feedback from the ARC had been incorporated into the documents presented. The HoOF further advised that initial clearance had been received from the Comptroller & Auditor General ("**C&AG**"). The Chair of the ARC advised the Board that he had spoken to the C&AG and confirmed that there were no matters to bring to the attention of the Board.

The Board discussed the documents presented and provided feedback and comments to be incorporated by the HoOF. Following careful consideration, the Board APPROVED the HBFI consolidated Financial Statements and Annual Report for the financial year ending 31 December 2022 and the Letter of Representation and authorised the Chair and CEO to sign same.

**14.THIS ITEM HAS BEEN REDACTED IN FULL.**

**15.THIS ITEM HAS BEEN REDACTED IN FULL.**

#### **16.ANNUAL REVIEW OF THE CODE OF PRACTICE FOR GOVERNANCE OF STATE BODIES**

The CS presented the annual review of the review of HBFI's compliance with the Code of Practice for the Governance of State Bodies ("**the Code**") and advised that there were no new adaptations proposed and that the existing six adaptations as agreed with the Department remain in place.

The CS advised that on 30 March 2023 an assurance paper was jointly presented with the HOC in the NTMA to the ARC to provide assurance to that Committee in the context of recommending the financial statements and annual report for approval in respect 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 APPROVED the annual review of HBFI's compliance with the Code.

#### **17.ANNUAL REPORT AND WRITTEN UPDATE FROM THE ARC**

The Chair of the ARC presented the annual report from the ARC to the Board, for the year 2022 noting it is a requirement under the Code. The Chair of the ARC further presented the written report of the meeting held on 30 March.

The Reports were NOTED by the Board.

#### **18.RISK**

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

**i Risk Appetite KPIs**

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

**ii Credit Decisions Report**

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

**iii Account Review Schedule**

The HoCR confirmed that all account reviews were up to date.

**iv EMT Credit Committee Oversight Report**

The HoCR provided an overview of the credit decisions made by the EMT Credit Committee.

The Reports at 18 (i) to (iv) inclusive were NOTED by the Board.

The HoCR updated the Board on the potential emerging risk of a softening in the sales market and provided an overview of the current monitoring of sales related risks. The HoCR provided commentary on the available market data and noted that the market update report would be presented to the Board at the next meeting in May.

#### **19.SCHEDULED REVIEW OF CREDIT POLICY, PRICING POLICY AND EXTENTION OF THE REVIEW DATE OF THE CREDIT GRADING POLICY AND IMPAIREMENT POLICY**

The HoCR presented the scheduled reviews of the Credit Policy and advised that no amendments were proposed to the Pricing Policy and highlighted the proposed amendments to the Credit Policy.

The HoCR presented the request to extend the scheduled review of the Credit Grading Policy and the Impairment Policy noting the rationale outlined in the paper.

The Board APPROVED the review of the Pricing Policy and Credit Policy and the proposed amendments. The Board further APPROVED the extension of the scheduled reviews of the Credit Grading Policy and Impairment Policy.

## **20.SCHEDULED REVIEW OF POLICIES AND PROCEDURES**

### **i. Procedure for self-assessment of and a Skills Matrix for Boards and Committees and the role of HBFI in the appointment of new Director (“Procedure”)**

The CS presented the scheduled review of the Procedure and advised that minor formatting changes were proposed.

The Board APPROVED the review of the Procedure.

### **ii. Other Appointments Procedure for HBFI & HBFIL Boards and Committees (“Other Appointments Procedure”)**

The CS presented the scheduled review of the Other Appointments Procedure and highlighted the proposed amendments.

Following a discussion, the Board APPROVED the review of the Other Appointments Procedure subject to the inclusion of certain but not all amendments.

### **iii. HBFI Travel and Expenses Policy for Board and Committees (“Travel Policy”)**

The CS presented the scheduled review of the Travel Policy and highlighted the proposed amendments.

Following a discussion, the Board APPROVED the review and the proposed amendments.

## **21.PA TRANSACTION POLICY FOR MEMBERS OF THE HBFI BOARDS AND COMMITTEES**

The SCM and HoC joined the meeting. The HoC presented the scheduled review of this Policy and highlighted the proposed amendment.

Following a discussion, the Board APPROVED the review and the proposed amendments.

The SCM and HoC left the meeting.

## **22.AOB**

### **i. Re-Appointment of Board Members**

The CS advised that Ken Slattery and Claire Solon have been re-appointed effective from 1 June 2023 for a further term of 5 years.

### **ii. PPSN Requirement for CRO Filings**

The CS advised that the CRO has announced that the requirement to submit director’s PPSN for certain filings, including the annual return, will go live from 23 April 2023. Each Board member confirmed the use of their PPSN for submissions to the CRO.

## **23.PRIVATE MEETING WITHOUT MANAGEMENT**

The CEO and the CS left the meeting and the non-executive members proceeded with a private session.

**CLOSE**

There being no further business the meeting was closed.

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Chairperson