



**MINUTES OF MEETING OF THE  
NATIONAL TREASURY MANAGEMENT AGENCY  
HELD AT 2PM ON 6 FEBRUARY 2024  
AT TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1**

**PRESENT:**

Rachael Ingle, Chairperson  
Brian O'Kelly  
David Moloney  
Fiona Ross  
Frank O'Connor  
Gerardine Jones  
John McCormick  
Myra Garrett

**APOLOGIES:**

John Hogan

**IN ATTENDANCE:**

Elaine Hudson, Agency Secretary  
Frank O'Kelly, Associate Agency Secretariat  
Susan O'Halloran, Chief Legal Officer (CLO)  
Ian Black, Chief Financial and Operating Officer (CFOO)  
Ray Mangan, Project Director, FIF/ICNF (Items 5.1 and 5.2 only)  
**This has been redacted pursuant to Section 37(1) of the FOI Act 2014.** (Item 5.1 only)  
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Nick Ashmore, Director, ISIF (Items 6 and 10.2 only)  
Ciara Lehane, Deputy Director – Head of Operations (Item 6 only)  
Rebekah Brady, Deputy Director – Head of Investment (Item 6 only)  
Mary MacNamara, Deputy Director – Head of Portfolio Management (Item 6 only)  
Oonagh Kelly, Chief People Officer (Item 7 only)  
**This has been redacted pursuant to Section 37(1) of the FOI Act 2014.** Mercer Representative (Item 7 only)  
Fergal Power, Deputy Director – Finance (Items 8.1 only)  
Karen Toal, Senior Finance Manager (Item 8.1 only)  
Jim Deery, Head of Corporate Strategy & Continuous Improvement (Item 8.2 only)  
Alex O'Donnell, Senior Manager Corporate Strategy (Item 8.2 only)  
Emma Jane Joyce, Senior Business Manager – Sustainability (Item 8.2 only)  
Dave McEvoy, Director, FDM (Item 9 only)  
David Purdue, NTMA Chief Economist (Item 9 only)  
Ciarán Breen, Director, SCA (Item 10.3 only)  
Deirbhile Brennan, Head of Compliance/Interim Head of Risk (Item 11.1 only)  
Alison Hodge, Head of NTMA Legal Unit (Item 11.1 only)

## 1. NOTICE AND QUORUM

The Chairperson noted that notice of the meeting and of the nature of the business to be conducted had been given to all members entitled to attend the meeting and a quorum was present.

At the outset of the meeting, the Chairperson welcomed new Agency members, Fiona Ross and Myra Garrett to their first Agency meeting as members.

The Agency noted that its pre-meeting briefing session with John Williamson, member of the Board of Guardians of the New Zealand Superannuation Fund, had provided a valuable insight into the governance structures, risk management arrangements, investment strategy and sustainability considerations of that Fund.

## 2. DECLARATIONS OF INTEREST

For the purposes of Section 13A of the National Treasury Management Agency Act 1990 (as amended) and Section 17 of the Ethics in Public Office Act 1995, there were no material interests declared by members in the business to be transacted at the meeting.

**This has been redacted pursuant to Section 37(1) of the FOI Act 2014.**

## 3. MINUTES AND MATTERS ARISING

The Chairperson noted that draft minutes of the meetings of 28 November had been circulated to the members in advance of the meeting. **IT WAS RESOLVED** that the minutes be approved and that they be signed by the Chairperson. The Agency queried the status of the D&O Insurance Policy, as tabled at the 28 November Agency meeting and requested an update in respect of same [**Action**].

The Agency noted the status of the matters arising from previous meetings, as set out in the note circulated with the meeting papers.

## 4. CHIEF EXECUTIVE'S REPORT

The Chief Executive presented his Report to the Agency, noting the inclusion of an additional '*Review of 2023 and Looking Forward – 2024 & Beyond*' section in respect of each Business Unit and Corporate Function. He briefed the Agency on various activities across the organization, including, *inter alia*, FDM's recent 10-year bond syndication, ISIF related potential investment exits, the recent Land Development Agency (LDA) designation to NewERA, and a procurement status update in relation to Higher Education PPP bundle 2. He noted that the first NTMA Town Hall of the year would be held on 8 February at which results of the recent Employee Engagement Survey would be presented.

The Chief Financial and Operations Officer provided a brief progress update in relation to (i) the potential sub-letting of the Treasury Dock ground floor west and first floor areas, and (ii) the building rent review. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

The Chief Executive noted to the Agency that, as Chief Executive, he was an ex officio member of the NAMA Board. He noted that the Minister for Finance had indicated that he was considering, as part of his NAMA Section 227 report, that NAMA be wound down and the residual NAMA activities at end 2025 would be migrated into the NTMA (potentially into a new Resolution Unit). He also advised that it was possible, as part of the winddown of IBRC, that IBRC's residual assets would be migrated to NAMA prior to year-end 2024. He signalled that an announcement by the Minister was possible before the next Agency meeting and that an NTMA Tier 1 Project group would likely be assembled to consider the implications for the Agency across various workstreams.

**This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

## **5. FUTURE IRELAND FUND / INFRASTRUCTURE, CLIMATE AND NATURE FUND (“FIF/ICNF”) (together the ‘New Funds’) UPDATE**

**5.1 This has been redacted pursuant to Section 40(1)(a) as it applies to 40(2)(q) of the FOI Act 2014.**

Following further discussion, the Agency requested further information on the practical implications, including a cost benefit analysis, of each of the options **[Action]**.

### **5.2 New Funds Project Update**

The Project Director of the project to prepare for establishment of the Future Ireland Fund and Infrastructure, Climate and Nature Fund provided a brief update on Project Governance, the high-level Project Plan and progress against key deliverables under each Project workstream. He also briefed the Agency on the status of key activities undertaken to date and the items to be tabled for consideration by the Agency at upcoming meetings.

The Agency discussed the update and questioned the Project Director on, amongst other things, (i) his satisfaction with progress to date; (ii) the extent to which progress within various workstreams was influenced by the structure options under consideration under Agenda item 5.1 and whether any resourcing decisions were contingent on same; and (iii) the interim strategy options under consideration noting the timelines in respect of same were challenging. In responding the Project Director (i) confirmed that the Project was on track, with the enactment of the draft legislation being a key dependency; (ii) noted that that the various workstreams were progressing satisfactorily pending confirmation on the structure options, and following the allocation of dedicated resources to the project team, the current focus was on backfilling those roles on a temporary basis, and (iii) outlined the various interim options under consideration. The Agency noted the quality of the report.

## **6. ISIF BUSINESS UNIT UPDATE**

The Agency noted the paper as presented. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

The Agency questioned the ISIF team on the size of the ISIF Global Portfolio team within the context of the wider ISIF team structure. The Deputy Director, Head of Investments advised that a relatively small team [five investment specialists] oversaw the manager selection and monitoring and key stakeholder relationships in respect of the Global Portfolio, the National Reserve Fund and the Ireland Apple Escrow Fund. She noted they were also supported by ISIF’s Risk Management, ESG, and Data and Management Information teams and worked closely with Funding and Debt Management on the latter two portfolios. In response to a further question from the Agency, she confirmed that the focus of the ISIF Portfolio Monitoring team was largely on ISIF Irish Portfolio investments.

## **7. EMPLOYEE ENGAGEMENT SURVEY RESULTS**

The Chief People Officer and Mercer representative presented the results of the recent Employee Engagement Survey, noting, amongst other things, the level of Employee Engagement compared favourably against 2021 results and external comparators, and the results overall remained very positive. It was noted that the key areas of strength related to culture and values, pride in the organization, teamwork, commitment to quality, with the biggest improvements seen in learning and development and performance management. **This has been redacted pursuant to Section 30(1)(b) of**

**the FOI Act 2014.** The Chief People Officer noted the Executive Management Team would review the results in detail. The Agency commended the strong results of the survey.

## **8.2023 OUTTURNS**

### **8.1 Budget Outturns FY 2023**

The Agency reviewed the expenditure outturns (against budget) reports for both the NTMA (incl. SCA) and the ISIF for the year ended 31 December 2023, noting that the actual expenditure for both was below budget. In discussing the report the Agency, referring to staff cost savings against budget at the year end, queried whether the delta between the NTMA's headcount position and the budget had narrowed. The Finance representatives confirmed that the delta had narrowed as the year progressed. Referring to NTMA recharge costs in respect of ISIF, the Agency questioned the rationale for the higher staffing costs. The Finance team noted that the variation against budget reflected a faster rate of onboarding of new hires than assumed in the budget in ISIF. The Agency questioned the Finance Team on various other aspects of the reports including, *inter alia*, the implications for the budget of a resumption in business travel, the rationale for the savings in Investment manager fees and the basis for differences between investment fees charged by investment managers.

### **8.2 NTMA Strategic Outturns 2023**

The Agency noted the NTMA Strategic outturns for 2023, as presented, including, *inter alia*, that the majority of Strategic and Leading Key Performance Indicators (KPIs) had been achieved or were on track to be achieved, with a small number of deliverables/KPIs being adversely impacted by external factors.

The Agency discussed the paper and questioned the presenters on various aspects of same including, amongst other things, **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

In response to a query from the Agency in relation to Climate Action KPI out-turns, the Senior Business Manager, Sustainability, noted that the NTMA was a relatively low carbon emissions organization (as measured by tonnes CO<sub>2</sub>e/per FTE) and had decreased in its Scope 1 and 2 emissions (heat and electricity) in 2023. Referring to Scope 3 emissions as the key driver of the KPI outturn, she noted that, in accordance with recent guidance 2024 Climate KPIs had been amended to structure Scope 1 and 2 KPIs into a single metric, and to separate Scope 3 emissions KPI targets. Responding to a further question from the Agency she noted that there has been approximately 50% of an emissions reduction since peak emissions in 2019 and the total emissions reduction trendline from 2019 indicated that the NTMA still retained the ability to meet our Net Zero by 2030 target.

## **9. MARKET UPDATE**

The Agency noted the paper as presented including, *inter alia*, the recent €3 billion 10-year bond syndication.

In discussing the update, the Agency questioned the presenters on FDM's level of engagement with credit ratings agencies. The FDM representatives noted that they engaged with all rating agencies on a regular basis. In relation to the migration of Ireland's debt fundamentals from 'periphery' to 'core' over the last decade, the Agency queried the prospect of further improvement in same based on current General Government Debt to GNI\* projections. The Chief Economist noted that further improvements in debt fundamentals were possible but that the passthrough to a material improvement in market pricing would be limited, noting the Ireland's tight spreads (and limited supply).

## 10. COMMITTEE REPORTS

### 10.1 Audit and Risk Committee

The Audit and Risk Committee Chairperson, Gerardine Jones, presented the Report of the Committee meeting held on 30 January 2024. She highlighted certain aspects of the Report including, *inter alia*, that in light of the operational nature of many of the SCA's strategic and emerging risks, and having regard to the wide array of strategic matters being considered by the SCA Advisory Committee, the Committee would reframe its review of Business Units' key risks to ensure greater focus on long-term risks to the achievement of strategic objectives going forward. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.** She noted that the Committee agreed with Management's proposal to exercise the option to extend the Internal Audit Service Provider contract for a final one-year period. The Agency discussed the report. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

### 10.2. Investment Committee

**This has been redacted pursuant to Section 37(1) of the FOI Act 2014.**

The Investment Committee Chairperson, Fiona Ross, presented the report of Committee meetings held on 11 December 2023 and 29 January 2024 respectively. The Agency noted, *inter alia*, the overview of the transactions approved by the Committee. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.** It was noted that the Committee would review the ISIF's Financial Performance KRI as part of the Irish Portfolio Quarterly Monitoring Report to be tabled at its 26 February meeting.

**This has been redacted pursuant to Section 37(1) of the FOI Act 2014.**

### 10.3. SCA Advisory Committee

The SCA Advisory Committee Chairperson, Brian O'Kelly, presented the report of the Committee meeting held on 24 January 2024, noting that the *Pre-Action Protocol*, if enacted, had the potential to drive the take up of alternative dispute resolution (i.e. mediations) to resolve clinical claims from c.40% to 90% and also reduce the associated claim costs. In this context, the Agency noted the significant quantum associated with legal costs in clinical negligence actions in Ireland when compared with other international jurisdictions, including the UK, as set out in a recently published report by the Medical Protection Society (MPS). **This is redacted in part pursuant to Schedule 1 Part 1 (w)(ii) of the FOI Act 2014.**

## 11. GOVERNANCE ITEMS

### 11.1 Statutory Obligations Update

The Agency noted the annual update of the schedule of significant relevant statutory obligations applicable to the NTMA, noting that the proposed amendments were not material and primarily reflected refinements to existing obligations. The Agency discussed aspects of certain obligations noting the importance of a strong compliance culture and having an awareness of emerging enhancements to obligations including the Code of Practice.

### 11.2 Delegated Matters Notifiable to the Agency

The Agency noted the Report on Delegated Matters Notifiable to the Agency, as presented.

## **12. AOB**

The Agency briefly discussed recent developments in relation to the illegal Israeli Settlements Divestment Bill 2023 and related issues for consideration by the NTMA.

The Chairperson noted that non-material updates to the *Governance File for Board and Committee members* were highlighted in the document, which was available in the Board's Resource centre on Diligent Boards.

At the Chairperson's suggestion, the Committee agreed to defer consideration of its Annual Self-Assessment review to its next meeting.

There being no other items under AOB, the Chairperson brought the meeting to a close.

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**Rachael Ingle**

**Agency Chairperson**

**26 March 2024**