

## Committee Reports

### Audit and Risk Committee Report

The Audit and Risk Committee assists the Agency in:

- the oversight of the quality and integrity of the financial statements, the review and monitoring of the effectiveness of the systems of internal control and the internal audit process, and the review and consideration of the outputs from the statutory auditor; and
- the oversight of the Agency's risk management framework including setting risk appetite, monitoring adherence to risk governance and ensuring risks are properly identified, assessed, managed and reported.

In addition, the Committee reviews and monitors the performance of the internal audit, compliance and risk management functions, which are managed on a day to day basis by the Head of Internal Audit, the Head of Compliance and the Head of Risk (Financial, Investment and Enterprise) respectively.

Under its Terms of Reference, the Committee is to comprise up to four members appointed by the Agency from among its members (excluding the Agency Chairperson and Chief Executive).

The current members of the Committee are:

- Gerardine Jones (Chairperson)
- Patricia Byron<sup>37</sup>
- Myra Garrett
- Brian O'Kelly

The membership of the Committee in 2024 was:

- Gerardine Jones (Chairperson)
- Myra Garrett
- Brian O'Kelly

The Committee met formally on eight occasions in 2024. It also held a separate additional working session to review the financial statements. The Committee's activities during 2024 are set out below.

#### Financial Reporting

The Committee reviewed and discussed the unaudited quarterly financial results throughout 2024. The Committee reviewed the draft financial statements for the NTMA, the Carbon Fund and the Ireland Apple Escrow Fund and recommended them to the Agency for approval. The review focused on the consistency of approach across the financial statements, appropriate estimates and judgements, the clarity and completeness of disclosures in line with applicable accounting standards, and relevant provisions of the Code of Practice for the Governance of State Bodies (2016). The Committee also reviewed and

recommended the Governance Statement and Agency Members' Report, and statements on risk management for inclusion in the Annual Report. As part of its review of the financial statements, the Committee met with representatives of the Office of the Comptroller and Auditor General (the statutory auditor) to discuss its Audit Findings Report. The Committee discussed and recommended the application of FRS102 and the format of the accounts for the FIF and ICNF, to the Agency for approval.

#### Internal Control

The Committee reviewed the effectiveness of the system of internal control. It also reviewed the Statement on Internal Control to be included in the financial statements as a record of the effectiveness of the system of internal control and recommended it to the Agency. The review was informed by a report from management in relation to the assertions contained in the Statement and the Committee's detailed work programme, including regular reports from Internal Audit, Risk, Compliance and the Data Protection Officer.

#### Internal Audit

The Committee received regular reports from the Head of Internal Audit (the Head of Internal Audit is supported by an external firm, currently KPMG). It considered the key findings from the individual internal audit reviews completed under the 2024 risk-based internal audit plan and monitored the implementation of audit recommendations. It approved the 2025 risk-based internal audit plan and the Internal Audit Charter. The Committee also satisfied itself as to the effectiveness of the Internal Audit function.

The Committee meets with the Head of Internal Audit without management at least annually.

#### Statutory Audit

The NTMA's statutory auditor is the Comptroller and Auditor General. The Committee reviewed the external audit plan, the key areas of focus and the audit terms of engagement. It also monitored management's responses to the external auditor's findings arising from the audit of the financial statements. The Committee meets with the external auditor without management at least annually.

<sup>37</sup> Patricia Byron was appointed to the Committee with effect from 1 December 2024.

## Risk

The Committee reviewed and recommended to the Agency updates to the Risk Management Policy and Framework and to the Risk Appetite Framework. It also approved updates to a number of specific risk policies as provided for under the Risk Management Policy and Framework. It reviewed the NTMA's risk profile in relation to its defined risk appetites and approved updates to key risk indicators (KRIs). It also approved the annual Risk Management Plan and Terms of Reference of the Enterprise Risk Management Committee.

The Committee reviewed the principal risks faced by the NTMA based on a strategic risk assessment and provided its comments on same, prior to the review by the Agency. It also reviewed the principal risks of the underlying Business Unit risk registers and a report under the NTMA's stress testing framework. The Committee reviewed regular reports from the NTMA's Risk function in relation to financial, investment and enterprise risks. It satisfied itself as to the effectiveness of the Risk function.

The Committee reviewed and approved the Market and Liquidity Risk policy and the Counterparty Credit Risk policy, including an annual review and a separate interim amendment to reflect the establishment of the FIF and ICNF.

The Committee meets with the Head of Risk without management at least annually.

## Compliance

The Committee received regular reports from the Head of Compliance and Data Protection Officer (DPO) in relation to key compliance and data protection activities and monitoring activities. The Committee reviewed updates to the compliance policies as provided for therein including, inter alia, the Anti-Bribery and Corruption Framework, the Financial Crime Risk policy, the NTMA Data Protection Policy and Statement, the NTMA Protected Disclosures Policy and Procedures and suggested amendments as appropriate. The Committee approved the Protected Disclosures Annual Report.

The Committee monitored progress against the 2024 Compliance and DPO Plan and approved the 2025 Compliance and DPO Plan. The Committee satisfied itself as to the effectiveness of the Compliance function.

The Committee meets with the Head of Compliance without management at least annually.

## Other

The Committee reviewed its Terms of Reference, with no amendments proposed to the Agency.

In order to support the Committee's review of the wider control environment, the Committee confirmed the proposed approach to and output of the 2024 annual Integrated Assurance and Monitoring Mapping Process, which primarily informs the 2025 second and third line of defence plans, but also helps to focus the first line assurance and monitoring approach.

The Committee conducted an external self-assessment evaluation of its performance in respect of 2024. Arising from the evaluation process, a small number of actions were identified to be undertaken during the year.

The Committee received a number of external expert briefings as part of keeping itself suitably informed of recent developments and best practice in a number of relevant areas.

The Committee's priorities in respect of 2025 were agreed as part of its Work Programme 2025.

## Committee Reports (continued)

### ISIF Investment Committee Report

The ISIF Investment Committee ("the Committee") is a statutory committee provided for by the *National Treasury Management Agency Act, 1990 (as amended)*.

The Committee assists the Agency in the control and management of the Ireland Strategic Investment Fund ("ISIF") by making decisions about the acquisition and disposal of ISIF assets within such parameters as may be set by the Agency, advising the Agency on the investment strategy for ISIF and overseeing the implementation of the ISIF investment strategy.

The Committee is required to comprise of two appointed members of the Agency and not more than five persons who are not members of the Agency but who have acquired substantial relevant expertise and experience and who are appointed by the Agency with the consent of the Minister for Finance (external members).

The current members of the Committee<sup>38</sup> are:

- Fiona Ross, Chairperson (Agency member)
- John McCormick (Agency member)
- Leo Clancy (external member) *Former Chief Executive Officer Enterprise Ireland*
- Linda Hickey (external member) *Company Director and former Head of Corporate Broking at Goodbody Stockbrokers*
- Mark Ryan (external member) *Company Director and former Managing Director, Accenture Ireland*

The membership of the Committee in 2024 was:

- Fiona Ross, Chairperson (Agency member)
- John McCormick (Agency member)
- Leo Clancy (external member)
- Linda Hickey (external member)
- Richard Leonard (external member) to 26 February 2024
- Mark Ryan (external member)
- Julie Sinnamon (external member) to 26 February 2024

Linda Hickey and Leo Clancy were appointed to the Committee with effect from 1 January 2024. Richard Leonard and Julie Sinnamon's terms of appointment expired on 26 February 2024.

The Committee met on 15 occasions in 2024. Its main activities consisted of considering detailed investment proposals (including disposal of existing investments) from ISIF management and overseeing and monitoring ISIF's Irish Portfolio and Global Portfolio. In addition, the Committee held a Strategy Workshop in early 2024 which included a contrarian investor market view presentation from an external investment firm, followed by presentations and discussion on ISIF's key impact themes including Climate

(including ports and harbours), Indigenous Scaling businesses (including Venture Capital), ISIF's Housing and Enabling Investment activities and Food and Agriculture opportunities. The Committee also held an offsite meeting in Kilkenny, where it received presentations from the Commercial Director of Abbey Quarter and the Chief Executive of Kilkenny County Council (an ISIF investee) which was followed by a tour of the Kilkenny Abbey Quarter development. The Committee was also briefed on Tirlan's Sustainability Strategy ahead of its site visit to the operating facilities of ISIF's investee, Kilkenny Cheese Company.

Decisions regarding ISIF's Irish Portfolio investments of up to €150m have been delegated to the Committee by the Agency. Where the Committee supports an ISIF investment proposal of greater than €150m, it makes a recommendation on the matter to the Agency. There was one such proposal presented to the Agency for approval in 2024.

Matters considered at Committee meetings in 2024 included:

- The Committee approved 34 new Irish Portfolio investments, comprising cumulative capital of c. €1,519m. (€1,643m was committed by ISIF to 35 separate Irish investments during 2024 – more details can be found on pages 26-27).
- ISIF's Investment Strategy impact themes, which align with critical challenges facing the State continued to be a key focus for the Committee:
  - In the context of ISIF's 2021 ambition to seek to invest €1bn in Climate Action projects within five years, the Committee reviewed ISIF's 2023 Climate Report ahead of its publication.
  - In 2024, the Committee also approved a number of investments under ISIF's Indigenous Scaling Businesses, Housing and Enabling Investments and Food and Agriculture impact themes.
  - Within the Indigenous Scaling Businesses impact theme, the Committee approved certain investments under ISIF's Diversity and Inclusion initiative seeking to invest in Venture Capital and Private Equity firms majority owned by women.
  - In 2024, the Committee approved a number of transactions reflecting ISIF's stated ambition for €400m equity-based investments to support the delivery of new housing. Further progress was also made in relation to ISIF's ongoing €500m city-specific investment ambition to unlock the economic potential of Ireland's five regional cities.
- The Committee approved several ISIF investment realisations during 2024, with one realisation approved by the Agency, on the Committee's recommendation.
- The Committee actively monitored the near-term Irish Portfolio investment pipeline to provide timely feedback to ISIF management on potential investment opportunities. In 2024 the Committee indicated an appetite to consider increased levels of Direct Equity proposals which would be robustly challenged on a case-by-case basis.

<sup>38</sup> Julie Sinnamon and Richard Leonard's terms of appointment expired on 26 February 2024.

- The Committee agreed to recommend the updated ISIF Economic Impact Framework to the Agency for approval. The Committee agreed the three core principles of Additionality, Deadweight and Displacement had stood the test of time and should be retained at the core of the Framework. The Framework was subsequently approved by the Agency at its 11 February 2025 meeting.
- The Committee reviewed the ISIF Climate Report 2023, which is structured to mirror the high-level recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), primarily focusing on Governance, Strategy, Risk Management and Metrics & Targets.
- The Committee formally reviewed and monitored ISIF's Irish Portfolio and Global Portfolio on a quarterly basis, the Portfolio Diversification Framework (PDF) report on a semi-annual basis and the Sustainability and Responsible Investment Strategy update on an annual basis.
- Overall ISIF investment performances, capital deployment and activity levels were reviewed on a regular basis. The Committee also reviewed the annual ISIF Irish Portfolio Economic Impact results.
- The Committee received several external expert briefings to remain informed of market developments and best practice in areas relevant to ISIF's investment and mandate.
- The Committee reviewed and approved for recommendation to the Agency its revised Terms of Reference.
- The Committee agreed to recommend to the Agency the approval of the 2024 Global Portfolio Implementation Strategy (GPIS), which is the road map for implementing the Global Portfolio element of the overall ISIF Strategy. The GPIS was subsequently approved by the Agency at its September 2024 meeting.
- The Committee was briefed on the relevant amendments to ISIF's related legislation relating to Future Ireland Fund/Infrastructure, Climate and Nature Fund legislation and the implications of the new requirement for ISIF's Irish and Global Portfolios to have regard to risks arising from ESG matters in seeking to secure appropriate risk-adjusted rates of return.

Information on ISIF's Impact Investment Strategy and the Fund's investments, performance in 2024 and Economic Impact in 2023 is set out in ISIF's section of this Report.

The Committee conducted an external self-assessment evaluation of its performance in respect of 2024. Arising from the evaluation process, a small number of actions were identified to be undertaken during the year.

## Committee Reports (continued)

### Remuneration Committee Report

The Remuneration Committee supports the Agency through the review and approval of the NTMA's overall remuneration policy, the review and approval of any performance-related pay schemes operated by the NTMA and approval of the total annual payments to be made under any such schemes. It also makes recommendations to the Agency on the remuneration and other key terms of the Chief Executive and on any redundancy schemes and on the total amount available for payment under any such schemes. The Committee is also responsible for approving any redundancy and/or severance payments in respect of members of the Executive Management Team. The Committee also monitors succession planning for the Executive Management Team, approves any significant amendments to staff pension benefits and makes recommendations to the Agency on the appointment of persons who are not Agency members or members of staff to Agency committees and on the remuneration, if any, in respect of such appointments.

Under its Terms of Reference, the Committee is to comprise up to four members appointed by the Agency from among its members including the Agency Chairperson. There are currently three members of the Committee.

The current members of the Committee are:

- John McCormick (Chairperson)
- Rachael Ingle
- Gerardine Jones

The Committee met on eight occasions in 2024. Matters considered at Committee meetings in 2024 included:

- Review of the aggregate value of 2024 base salary awards and approval of the total amount in performance-related payments to be made in respect of 2023.
- Review and recommendation to the Agency of the proposed Remuneration budget assumptions in respect of 2025.
- Review and approval of updates to the NTMA Remuneration Policy.
- Oversight of committee membership succession planning including the member selection process in respect of the FIF Investment Committee (which was managed by Agency led working group). The Committee made recommendations to the Agency on the appointment of new candidates to Agency committees and on the remuneration, where relevant, in respect of these appointments.

- Review of the NTMA's gender pay gap and activities, both ongoing and planned, with a view to addressing this further. The Committee also noted the marked improvement in the Gender Pay Gap in respect of 30 June 2023 (as published in December 2023) and will continue to focus on the underlying drivers of the improvement in same.
- Review of succession plans in respect of the Executive Management Team members and their respective direct reports and preparations for NTMA compliance with forthcoming Pay Transparency Legislation.
- Review of the Remuneration Committee's Terms of Reference.
- Review of the Chief Executive's 2023 performance and recommending the Chief Executive's 2024 Objectives to the Agency for approval.
- Review of the agreed actions arising from the 2024 Employee Engagement Survey.
- Approval of the proposed key contract terms for the Future Ireland Funds Director role.
- Review of developments in relation to the NTMA Pension Scheme.
- Consideration of certain aspects of the NAMA wind-down/transfer of the residual functions to the NTMA.

The Committee received a briefing by an external reward specialist on 'Reward Trends in 2024', focused on (i) Pay Equity and Pay Transparency and (ii) trends and developments in relation to the wider pay and reward landscape. This information was considered in the context of the Committee's role with respect to the NTMA's annual pay budget and pay transparency legislation developments.

The Committee conducted an external self-assessment evaluation of its performance in respect of 2024. Arising from the evaluation process, a small number of actions were identified to be undertaken during the year.

## SCA Advisory Committee Report

The SCA Advisory Committee assists the Agency in the performance of its SCA functions by providing advice, guidance and challenge on relevant SCA matters in accordance with the Committee's Terms of Reference.

Under its Terms of Reference, the Committee is to comprise up to two Agency members and four expert and experienced external members.

The current members of the Committee are:

- Brian O'Kelly, Chairperson (Agency member)
- Myra Garrett (Agency member)
- Sabaratnam Arulkumaran (external member) *Professor emeritus in obstetrics and gynaecology at St George's University, London*
- Caroline Crowley (external member) *Consultant and former Litigation Partner of Hayes Solicitors*
- Greg Dempsey (external member) *Chief Executive of the Food Safety Authority of Ireland and former Deputy Secretary General, Department of Health*
- John Eves (external member) *Past President of the Chartered Institute of Loss Adjusters, former CEO of Thornton & Partners, past president of the Insurance Institute of Ireland*

The Committee met on four occasions in 2024. A brief outline of matters considered at these meetings is set out below:

- The Committee was briefed by the SCA's actuaries, Lane Clark and Peacock (LCP), on the "Incurred But Not Reported" (IBNR) liability exposure and cash flow projections for the Clinical indemnity and General Indemnity schemes, noting in particular the role and impact of redress schemes on the IBNR.
- The Committee reviewed and discussed SCA activity and trends including, inter alia, reported incidents, new claims profile, claims finalised, overall movement in claims activity, the current liability position, the alternative dispute resolution rate and 2024 payments activity. It also reviewed and provided advice on the significant mass action and sensitive claims reports in respect of the Clinical Indemnity and General Indemnity schemes respectively and the Insurance Compensation Fund.
- The Committee discussed and advised on current and proposed changes to the Tort Statutory framework or Rules of Court, and the implications of court judgments in particular cases on overall claims management strategy and on areas of emerging litigation and inquest matters.

- The Committee reviewed the work of the SCA Data Services Unit, who gave an overview of the Unit's strategy, key activities, metrics and reporting.
- The Committee was updated on the work of the Legal Cost Unit, which covered its key areas of focus and approach to legal costs claims and provided guidance on same.
- Notwithstanding that the SCA's risk management and operational activities do not fall within the Committee's remit, by way of context for its review of SCA Claims strategy, the Committee also received a high-level update on the work of the Clinical and Enterprise Risk Units. The Committee noted the positive impact of this work and provided suggestions to further strengthen engagement between the Agency and relevant third parties.
- The Committee approved the 2025 Work Programme.
- The Committee conducted an external self-assessment evaluation of its performance in respect of 2024. Arising from the evaluation process, a small number of actions were identified to be undertaken during the year.

## Future Ireland Funds Investment Committee Report

The Future Ireland Funds Investment Committee was established on 1 December 2024, with its inaugural meeting held on 17 January 2025. The purpose of the Committee is to assist the Agency in the performance of its functions under the *Future Ireland Fund and Infrastructure, Climate and Nature Fund Act 2024*.

Under its Terms of Reference, the Committee is to comprise of at least two Agency member and up to five external members, having substantial relevant expertise and experience. The Committee will meet at least four times a year.

The current members of the Committee are:

- John S. Daly, Chairperson (Agency member)
- Gerardine Jones (Agency member)
- Anne Gram (external member) *Investment Committee and Board Member at ABP and ATP*
- Knut Kjaer (external member) *Former CEO of Norges Investment Bank Investment Management*
- Deborah Reidy (external member) *Former director of investment consulting at Aon Hewitt; former head of investment manager selection at the National Pensions Reserve Fund; and a former investment consulting partner at Mercer*
- Matt Whineray (external member) *Former Chief Executive and Chief Investment Officer at the New Zealand Super Fund.*