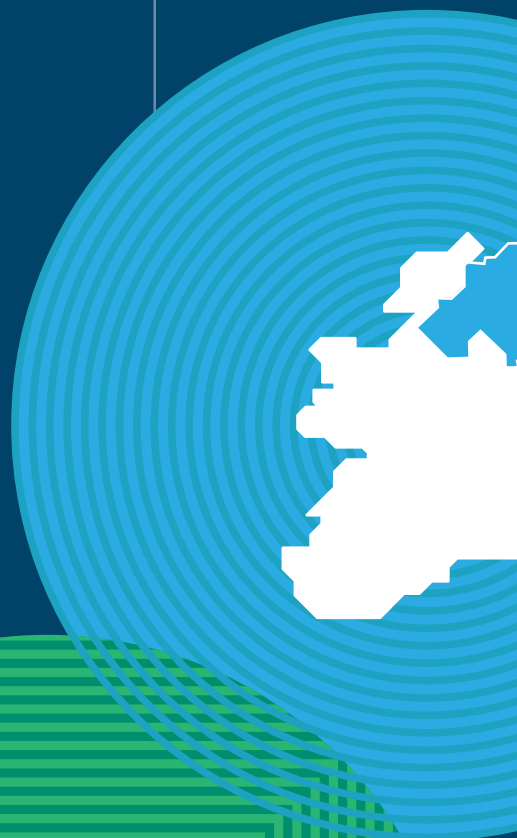


Corporate Strategy 2018–2020



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency


Contents

What Success Looks Like

1. Introduction	1
Message from the Chairperson	1
Chief Executive's Foreword	2
Our Journey	4
Our Organisational Structure	6
2. Our Purpose, Our Goals and Our Culture	7
Deliver Long Term Value to the State	10
Maintain and Enhance our Reputation in delivering Value to the State	12
Develop our Capabilities as an Adaptive Organisation	14
Enable our People to reach their Potential – Individually and Collectively	16
3. Managing Risk	18
4. Our Annual Planning Process	19
Business Goals and Performance Measures 2018 – 2020	20

What Success Looks Like

Arising from the nature of the mandates entrusted to the NTMA, we focus on delivering long term value to the State. We have adopted a rolling three year plan, integrated into our Annual Planning Process, to facilitate this long term focus. We will continuously monitor our progress with success evidenced by a number of desired outcomes:

-  ■ State funded on a sustainable basis; ✓
- Commercial return of 4% achieved over the medium-term on investments, economic activity and employment increased in target sectors; ✓
- Key public infrastructure delivered under the Capital Plan; ✓
- Ministerial shareholding value maximised in relevant Commercial State Bodies; and ✓
- State's liabilities and legal costs contained at lowest achievable level and future incidence of liabilities reduced in relation to personal injury and property damage. ✓

In addition we will have:

-  ■ Leveraged our reputation to deliver better outcomes for the State; ✓
-  ■ Adapted to meet any new challenges; and ✓
-  ■ Become a great organisation to work for with engaged and motivated people. ✓

1

Introduction

Message from the Chairperson

For our strategy to be successful it must be a 'living' document that evolves to provide up to date and relevant guidance for decision-making that benefits the NTMA and the State it serves.



As part of the NTMA's annual planning process for 2018 the NTMA Board, in conjunction with the Executive Management Team, reviewed the NTMA Corporate Strategy 2017 – 2019. This was to ensure that our strategy remains valid.

This review has now been completed. Following consultation with the Minister for Finance the four strategic goals that support our business mandates will remain in place for the period 2018 – 2020.

Since we published our first corporate strategy in 2016 we achieved significant progress across all our business mandates in delivering long term value to the State.

As Ireland emerged from the economic crisis the NTMA, working with Government Departments and Agencies, helped to build a sustainable recovery. Each year our Annual Report has demonstrated the NTMA's contribution to that recovery. Delivering long term value to the State in a sustainable way is our primary strategic goal and will continue to be the focus of our individual and collective efforts.

As I stated in the introduction to the NTMA's first corporate strategy, the NTMA Board also recognises the specific organisational capabilities that contribute to the successful delivery of long term value to the State. It also committed to ensuring those organisational capabilities remain in place. This view is still valid and a key task will be to ensure that those capabilities are strengthened and further leveraged upon.

As an adaptive organisation we have met the challenges and opportunities which arose over the course of the NTMA's development since 1990. New challenges and opportunities face us now and will in the future. It will be a key responsibility for the NTMA to ensure it has the resilience and ability to adapt and respond effectively to every new challenge and opportunity.

The NTMA Corporate Strategy 2018 – 2020 continues to chart the way forward, building on the experience and knowledge gained since 1990. I have no doubt that the Chief Executive, Executive Management Team and staff will continue to ensure that the NTMA executes the mandates entrusted by Government to the highest standards. I also have no doubt that we can continue to evolve as an organisation capable of meeting future challenges and opportunities.

Finally, I and my fellow Board and committee members would like to thank the Executive Management Team and staff for their efforts in continuing to build an organisation that delivers value to the State now and in the future.

A handwritten signature in black ink, appearing to read 'Willie Walsh', written in a cursive style.

Willie Walsh
Chairperson

Chief Executive's Foreword



In the foreword to the NTMA's first corporate strategy in 2016 I spoke about the history of the organisation, recognising that change had been the only constant since our establishment in 1990. In 2016 we mapped out a sustainable strategy and culture to meet future challenges and opportunities.

That strategy and culture are built upon the capabilities that have earned the NTMA a reputation as an adaptable, flexible and results-orientated organisation. Since its launch, we have made good progress across our strategic goals for the organisation – Long Term Value, Reputation, Adaptability and People & Culture.

Across all our business mandates we continue to focus on delivering long term value to the State. The Funding and Debt Management Unit is taking advantage of the current interest rate environment with lower borrowing costs generating significant savings for the State. The Ireland Strategic Investment Fund committed over €600m during 2017, directly and indirectly supporting Irish jobs and companies. The National Development Finance Agency continues to support the delivery of key public infrastructure projects. NewERA's remit has widened, enhancing a strong reputation for providing corporate finance and commercial advice to Government Ministers. The State Claims Agency is using the world's first nationwide risk management system to manage and mitigate risk across the 145 public bodies within its remit.

The NTMA's business units are supported by its operating engine – Finance, ICT, Procurement, Risk, HR, Legal, Public Affairs & Communications, Compliance, Freedom of Information, Continuous Improvement & Records Management and Facilities Management. The diverse skills and capabilities of these corporate functions are critical for delivering long term value and building sustainable business performance.

Delivering long term value to the State will continue to be a central focus for the NTMA. However, sustainable business performance cannot be achieved without a focus on the remaining three goals – Reputation, Adaptability and People & Culture.

To fulfil our mandates we must actively engage with all our stakeholders. During 2017 the National Development Finance Agency undertook an independent survey of its key client Departments and Agencies. This follows a similar exercise undertaken by the State Claims Agency in 2016. It is intended that this focus on engagement and reputation management will continue as the NTMA seeks to understand key stakeholders’ needs and how it can meet them.

The NTMA’s ability to respond effectively in meeting new challenges and opportunities for the State is a critical feature of the organisation. Being adaptive involves recognising and understanding the complexities of any new challenges and opportunities we may face. It requires an ability to develop responses which generate value for the State while mitigating any risks. This requires an organisation which can take the initiative and work collaboratively across traditional organisational boundaries. It requires an organisation that continuously develops its skills and capabilities, developing innovative business solutions that are aligned with the external environment.

The foundation for the NTMA’s success will continue to be its people and culture. Culture is evident in our day to day behaviours, our shared values and beliefs as individuals and as a team working for a common purpose and set of goals. The Executive Management Team of the NTMA believes in an organisation where delivering exceptional performance against objectives is supported by a culture of self-leadership, collaboration and learning. We want all employees to reach their potential both individually and collectively. To ensure this we aspire to build a performance management system that encourages a culture of regular, consistent and honest feedback.

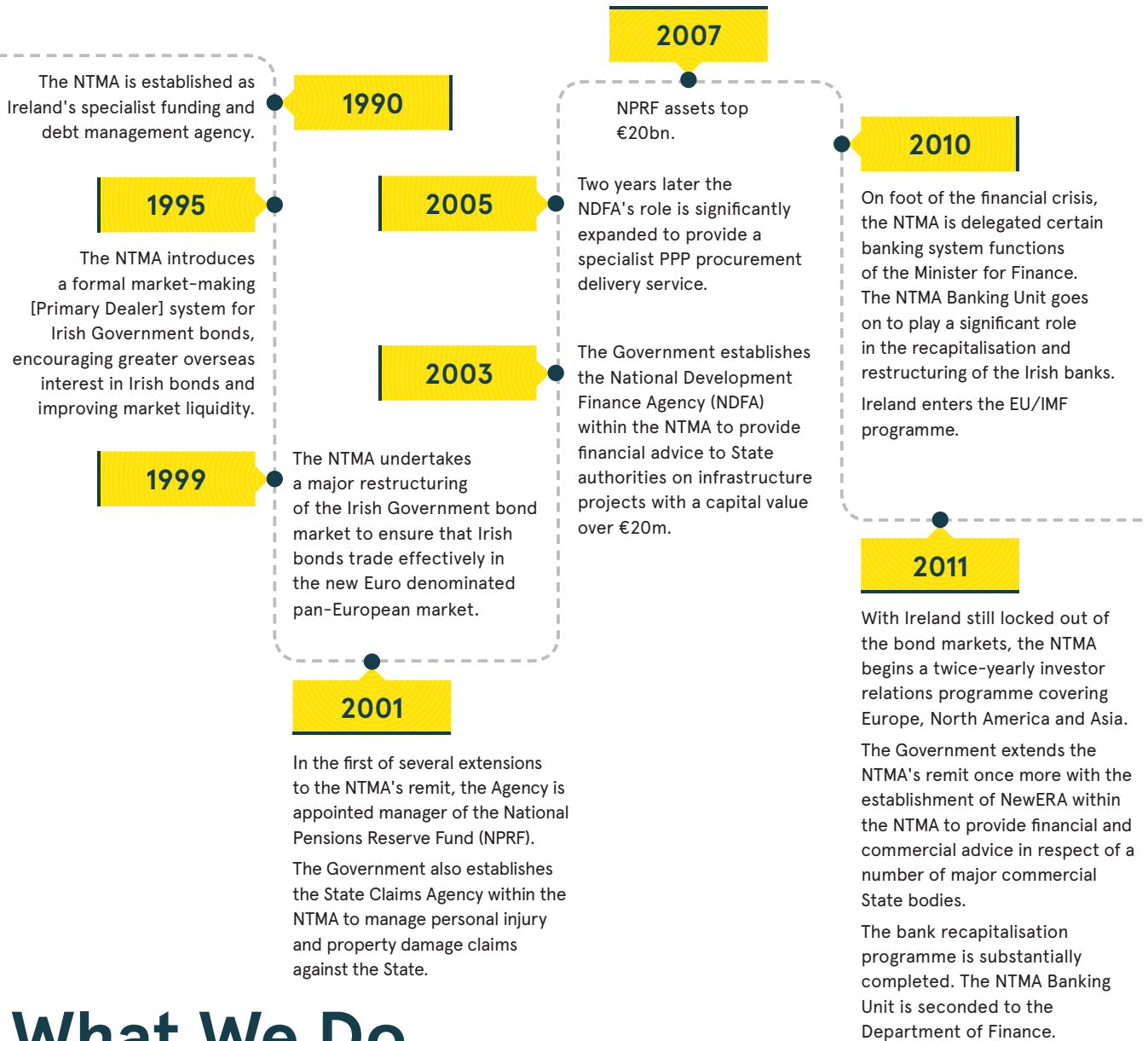
The NTMA Board has agreed, following its review, that the four strategic goals in support of our business mandates remain valid and will be rolled forward for the period 2018 – 2020. These goals are designed to deliver long term value for the State by being adaptive and leveraging the power of our people and our reputation. No single goal stands in isolation from the others. Taken together they will inform everything we do, from everyday actions to annual business planning.

Finally, I would like to thank all staff for their continued efforts in delivering on our strategic goals. It is a process that can never be considered truly complete as we must continually develop and adapt to ensure we meet the expectations of our stakeholders and the State.



Conor O’Kelly
Chief Executive

Our Journey



What We Do

Managing the National Debt

Since its inception, the NTMA has borrowed on behalf of the Government and managed the National Debt.

Financial Advice & Infrastructure Project Delivery

Acting as the National Development Finance Agency, the NTMA provides financial advisory, procurement and project delivery services to State authorities on public infrastructure projects.

Managing the Ireland Strategic Investment Fund

The Fund (€8.7bn at end of December 2017) has a mandate to invest on a commercial basis to support economic activity and employment in Ireland.

2012

The NTMA regains access to short-term debt markets with regular auctions of Treasury Bills and issues its first long-term bonds since September 2010.

2013

Ireland successfully emerges from the EU/IMF programme. End 2013 NTMA cash balances of €18.5bn allow Ireland to make a clean break without the need for a precautionary credit line.

The NDFA commences procurement for the new Government Infrastructure Stimulus PPP Programme.

2014

The NTMA completes a full return to the bond markets by resuming regular bond auctions for the first time since 2010.

The Government doubles the number of public bodies under the State Claims Agency's remit.

The Ireland Strategic Investment Fund replaces the NPRF with a commercial basis to support economic activity and employment in Ireland.

2015

The NTMA issues Ireland's first 30-year bond. The NTMA completes early repayment of over €18bn, being the more expensive portion of Ireland's IMF loan facility, generating interest savings in excess of €1.5bn.

2016

The NTMA issues Ireland's first 100-year bond for €100m maturing in 2116.

2017

The NTMA raises €4bn at a negative yield of -0.008% through the syndicated issue of 5-year benchmark bond.

€150m debt service cost savings achieved through the early repayment of remaining IMF 'bailout' and Sweden & Denmark bilateral loans.

Issue of first inflation linked bond raising €609.5m in April 2017.

Significant widening of NewERA's remit through a series of assignments from the Department of Transport, Tourism and Sport in relation to the State transport companies.

Claims and Risk Management

Acting as the State Claims Agency the NTMA manages claims brought against 145 State authorities, including the State itself.

Financial & Commercial Advice to Government on Major Commercial State Bodies

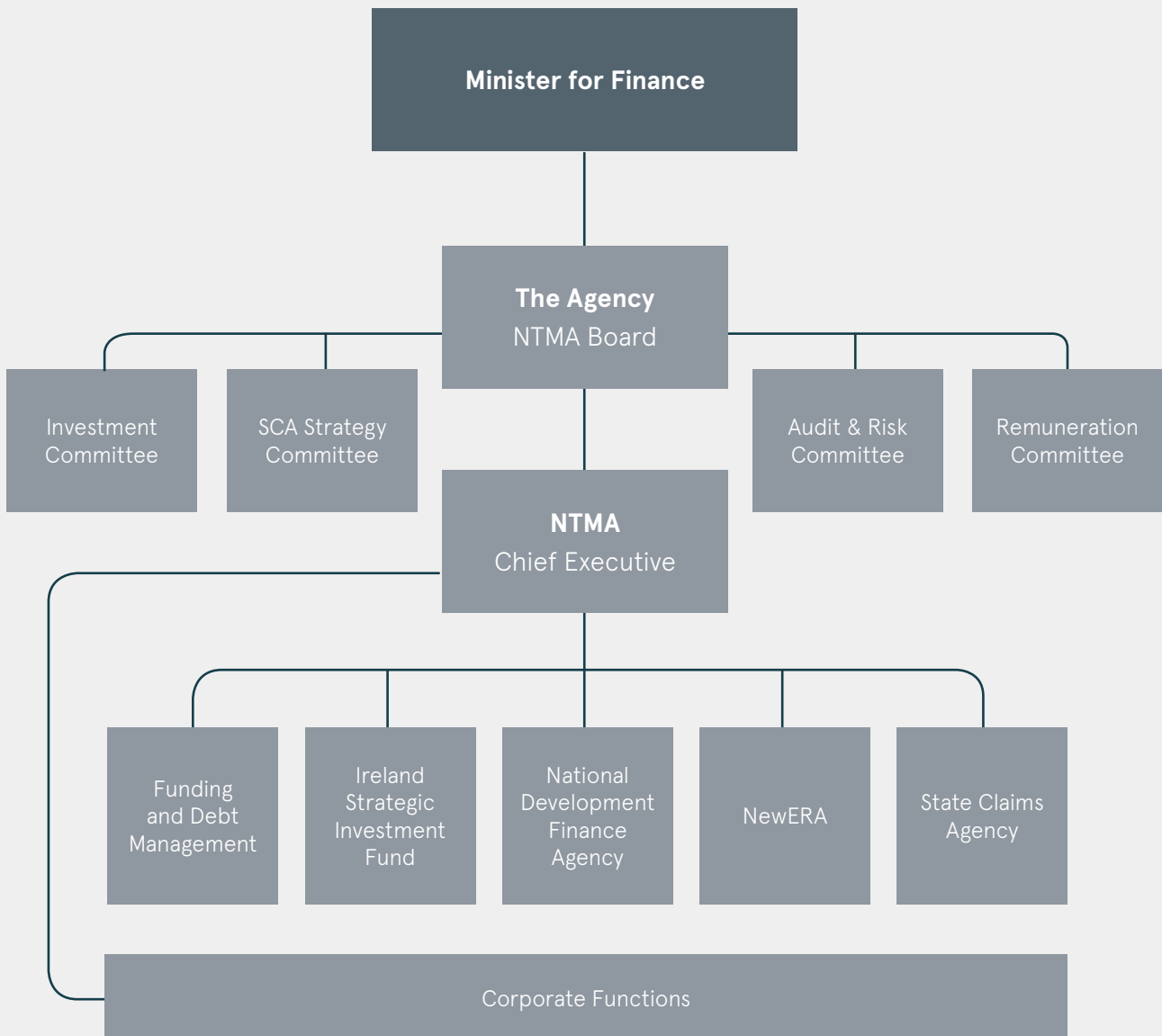
The NTMA's NewERA unit provides financial and commercial advice to the Government in respect of major commercial State bodies like ESB and Ervia.

The NTMA provides staff and business support systems and services to the **National Asset Management Agency** and the **Strategic Banking Corporation of Ireland**. Both have their own separate boards. A number of staff are also on secondment to the Department of Finance following the revocation of the delegation of banking system functions of the Minister for Finance to the NTMA from August 2011.

Our Organisational Structure

The NTMA is a statutory body established under the National Treasury Management Agency Act, 1990. The Board reports to the Minister for Finance and has overarching responsibility for all of the NTMA's mandates, as assigned by Government. The NTMA Board has established four committees: Investment, SCA Strategy, Audit & Risk and Remuneration.

The NTMA executes its mandates through the Funding and Debt Management Unit, the Ireland Strategic Investment Fund, the National Development Finance Agency, NewERA and the State Claims Agency. The business units are supported by the Corporate Functions – Finance, Technology and Operations, Risk, Legal and Compliance, and Human Resources.



2

Our Purpose, Our Goals & Our Culture

Our Purpose

To Manage Public Assets & Liabilities Commercially and Prudently

We achieve our purpose by providing a range of asset and liability management services to various government Departments and Agencies.

We deliver value for the State today by focusing our skills, resources and efforts on fulfilling our mandates as currently assigned by Government. This must be and will continue to be our central focus.

We will also deliver value for the State by ensuring we have the right capabilities to respond to future challenges as they arise. Our external environment is ever changing and cannot be accurately predicted or fully controlled. Recognising that change is inevitable and being adaptive allows us to respond quickly and decisively.

Our Goals

Our four strategic goals have been set with both today's requirements and tomorrow's challenges in mind.

Achieving results today while building sustainable business performance for the future is central to this strategy.

The four goals are not mutually exclusive. The strength of our strategy lies in the cause and effect linkages between each goal. The primary goal of the NTMA is to deliver long term value to the State. The remaining three goals – reputation, adaptability and people & culture – will enable delivery of long term value while building sustainable business performance.

The goals will inform the objective setting for both business units and corporate functions as part of our Annual Planning Process. The goals will also provide focus and drive in positioning the NTMA for the future.



Our Culture

People are fundamental to how we provide our services and expertise.

While we set goals, develop initiatives and measure performance, it is through our everyday actions and behaviours as individuals that results will be achieved.

Having the right culture in place will enable our people to reach their potential and contribute to the achievement of our strategic goals. Our corporate culture will be based upon:



Self-Leadership

is about organisational improvement through personal excellence and individual empowerment. A culture of self-leadership results in people being empowered, eliminates unnecessary bureaucracy and allows those best placed within the organisation to take appropriate decisions. Self-leaders are characterised by a drive for autonomy, are self-motivating and can receive and act on constructive feedback. A culture of self-leadership across the NTMA will result in improved outputs, faster decision-making and increased innovation for the organisation.



Collaboration

is the process of two or more people, teams or business units working together to achieve a common purpose. By working together across organisational boundaries we can achieve better outcomes. Regardless of what business unit or corporate function we work in, we will work towards the common goal of delivering long term value to the State. Collaboration means everyone's contribution is valued and differing perspectives, diverse expertise and critical thinking are encouraged.



Learning

is underpinned by systems and processes that facilitate dialogue, allow the dissemination of knowledge and provide access to tailored learning and development programmes. A learning environment must be supported by managers who are involved in and engaged with the professional development of their team members.



Deliver Long Term Value to the State

We will deliver long term value to the State by supporting economic development through:

- Funding the State at a sustainable rate;
- Investing for a commercial return while supporting economic activity and employment;
- Supporting key public infrastructure delivery;
- Managing the State's current and future personal injury and property damage liabilities; and
- Providing financial and commercial advice to Government.

The nature of our mandates demands a long term focus in all our activities. It is this distinct characteristic which informs our business planning and decision-making. We must also ensure that an appropriate risk management framework is in place. The specific business goals and performance measures set through the NTMA's Annual Planning Process reflect these requirements, ensuring we deliver long term value to the State.

The following is an overview of the activities of the NTMA business units over the next three years:

Funding and Debt Management Unit

The NTMA's Funding and Debt Management Unit will continue to issue medium – long and short-term debt on a regular and sustainable basis with a particular focus on investor sentiment and market liquidity. The goal will be to raise sufficient funds to ensure liquidity for the State and at a rate which minimises the debt interest cost while contributing to debt sustainability. The NTMA will also develop its Retail Debt offerings to ensure that it maintains an appropriate level of diversified funding for the State from this important customer base.

A Funding Plan is put in place in advance of each year with associated performance indicators and targets. These will be recalibrated annually in the context of developments in sovereign debt markets and the State's funding requirements.

Ireland Strategic Investment Fund

The NTMA, as manager of the Ireland Strategic Investment Fund (ISIF), is required to determine, implement, monitor and keep under review an investment strategy for the Fund. The ISIF's investment mandate is to invest the € 8.7bn¹ assets of the Fund on a commercial basis in a manner designed to support economic activity and employment in the State. This requires a long-term focus and will target the majority of ISIF's capital towards investment which builds on the productive potential of the economy and the enterprise sector.

A target medium-term portfolio return of 4% has been established as well as key economic impact metrics which will be measured and reported.

National Development Finance Agency

The NTMA, acting as the National Development Finance Agency (NDFA), provides financial advice to State authorities on all public capital projects over €20m.

In addition to its financial advisory mandate, the NDFA is also responsible for the procurement and delivery of all Public Private Partnership (PPPs) projects in sectors other than transport and local authorities.

The NDFA has progressed the pipeline of projects under the Capital Programme 2016 – 2021 and will

deliver any additional projects under the 10 year National Investment Plan. It will continue to provide financial advice to a wide number of Government Departments and Agencies and to promote the Irish PPP market in support of Government's strategic infrastructure policy and objectives.

NewERA

The NTMA provides a dedicated centre of corporate finance expertise to Government through NewERA taking a commercial approach to the oversight of certain commercial state bodies² ('CSBs'). Over the next three years NewERA will provide financial and commercial advice relating to a range of financial matters encompassing the performance of the CSBs under its remit. In addition, NewERA will, in consultation with the relevant Minister, develop proposals for investment in the energy, water, telecommunications and forestry sectors to support economic activity and employment.

State Claims Agency

The NTMA is designated the State Claims Agency (SCA) when performing the claims management and risk management functions. Over the next three years the SCA will ensure that the State's liabilities in relation to clinical negligence, personal injury and property damage claims, and the expenses of the SCA in relation to their management, are contained at the lowest achievable level. While acting in the best interest of the State, the SCA will act fairly and ethically in its dealings with people who have suffered injuries and who take legal actions against the State or State bodies, and their families.

In addition, the SCA will continue to implement targeted clinical negligence, personal injury and property damage risk work programmes designed to mitigate litigation risk in State authorities and healthcare enterprises, in order to reduce the costs of future litigation against the State. A particular focus for the SCA will be the management of the incidence of clinical negligence through its clinical risk management programme.

The SCA is also responsible for dealing with the third-party costs arising from certain Tribunals of Inquiry and legal cost bills against the State. The SCA targets a saving of not less than 35% to be achieved on third-party Bills of Costs received.

¹ As at 31 December 2017.

² ESB, Ervia, Irish Water, Bord na Móna, Coillte and EirGrid.



Maintain and Enhance our Reputation in delivering Value to the State

An organisation's reputation is one of its most valuable assets and can be used to increase its value proposition in the market place. The NTMA represents the State in financial markets and a strong reputation among our stakeholders is vital to enable us to achieve better outcomes for the State.

Stakeholder Engagement

We engage with a broad range of stakeholders across all our business units and corporate functions including:

- The Minister for Finance, Minister for Public Expenditure and Reform, other Government Ministers and Departments, State Bodies, Commercial State Bodies and EU counterparties;
- Domestic, international and EU lending institutions, central banks and commercial banks;
- Domestic and international investor communities e.g. institutional investors, sovereign wealth funds, pension funds; and
- Domestic and international business communities and sectors e.g. entrepreneurs, start-ups, SMEs, and business firms.

To fulfil our mandates and meet the needs of our key stakeholders we must actively engage with all stakeholders. We must understand what support our stakeholders, particularly potential investors, can provide and leverage that support to deliver value to the State. Engaging in this communication process assists our stakeholders to better understand our roles and responsibilities – what we do and what we can do.

The NTMA is committed to engaging with our stakeholders in a collaborative process to seek better ways to fulfil our mandates, identify wider State considerations and common issues and seek solutions consistent with our mandates. The FDM Unit, ISIF and NDFA will expand upon its existing investor relations programmes building new relationships, identifying additional funding sources and seeking co-investors to achieve better financial outcomes for the State.

We will maintain and enhance our reputation by:

Ethical Behaviour

Reputations are built at the organisation and individual levels. As individual employees, we have a role to play in maintaining the NTMA's reputation. We do this in a practical manner ensuring we treat our stakeholders and counterparties in a professional, responsible, respectful and objective manner. We will conduct our business in a trustworthy, impartial and compliant manner, conscious of our reputation and that of the State.

Transparency & Accountability

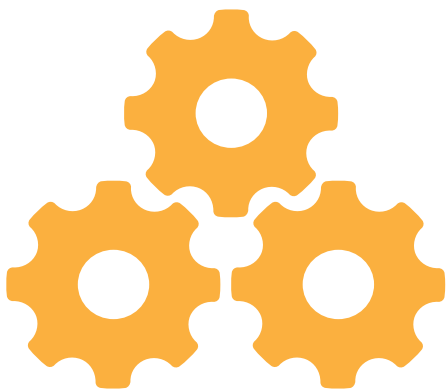
In keeping with our on-going commitment to transparency and accountability the NTMA will continue to fully implement its obligations under the Freedom of Information Act 2014 and the Code of Practice for the Governance of State Bodies.

Consistent Performance

By continuing to deliver on our mandates, we will maintain and enhance our reputation with our key stakeholders. Our business goals set clear targets for each business unit in the execution of their specific mandates. By providing consistent, quality driven performance in fulfilling our mandates we will deliver long term value to the State.

Develop our Capabilities as an Adaptive Organisation

Being adaptive allows the NTMA to respond to new challenges and opportunities while providing continuous professional services and expertise to our key stakeholders.



We have identified a number of organisational wide initiatives which will be further developed over the next three years to enhance our capability as an adaptive organisation. The achievement of this goal will require drive, initiative and commitment from all staff. These initiatives will be championed by the senior management within the NTMA.

Innovation

The NTMA will commit to implementing initiatives to facilitate increased innovation at all levels within the organisation. We will be proactive, recognising and realising opportunities to provide better outcomes. In addition, we will not restrict ourselves to current service deliverables. By seeking to understand our key stakeholders' requirements we can develop ideas and solutions to address new challenges, consistent with our mandates. We will do this by leveraging our collective knowledge and experience and using our core competencies in financial expertise, investor relations and ICT based solutions in new ways.

Streamline and Simplify Business Processes

This will involve focusing on the needs of our key stakeholders, empowering our people, and continually improving the **current** processes and systems within the NTMA. The focus will go beyond the traditional models of stepped improvement towards a model of continuous improvement.

Management Information System & Portal Capabilities

A key feature of the NTMA's ability to respond to the changing demands of its business mandates has been the deployment of innovative and real time Management Information (MI) and portal systems. The development of these systems has resulted in more effective service deliverables to our stakeholders, improved business decision-making and cost efficiencies. It is our intention to continue to seek further opportunities for the development of MI systems within the NTMA, including the development and delivery of additional Portal facilities to relevant internal and external stakeholders.

As a knowledge-based organisation we will also examine ways in which advanced MI solutions can better support the analysis of complex data sets containing a variety of data types, leveraging advanced data analytics, data visualisation and warehousing techniques to deliver better management information.

We will further leverage internal and external Cloud Services within the context of an adaptive security architecture, focusing on the detection and responses to current and emerging cyber threats, utilising leading edge threat intelligence, secure mobile services and data leak protection systems.

Other Initiatives

The NTMA's senior management will continue to seek new ways to improve and develop the NTMA. We will put in place further initiatives to address functional and information silos, internal communications, bureaucracy, performance management and speaking up. The actions taken under these initiatives will be regularly reported to staff and their effectiveness measured in an open and self-critical manner.

Enable our People to reach their Potential – Individually and Collectively

Placing 'People' as the foundation for our strategy means more than recruiting and retaining employees – it is about enabling our people to reach their potential and contribute to the NTMA's strategic goals. A culture of self-leadership, collaboration and learning will be critical in supporting this.



Self-Leadership

We will implement a number of Leadership Development programmes to promote self-leadership and to ensure senior managers demonstrate clearly the necessary behaviours to build trust, openness, accountability and empowerment in teams. This will enable us to create high performing teams that can deliver on the NTMA's varying mandates.

Collaboration

The NTMA is fortunate to have a broad and diverse range of skillsets, expertise and experience amongst its employee base. Collaboration through effective teamwork can leverage this experience and produce results above and beyond what can be achieved individually. We will seek opportunities to create cross unit teams to address common issues within the organisation and as part of our drive to increase innovation and realise synergies between business units.

Learning

Achieving the goal of becoming a learning organisation is ambitious and will require that everyone in the organisation continues to develop. Given the complexity and level of change across the NTMA, people continuing to learn and change will be critical. The target is to create a learning environment that supports every employee to reach their full potential.

The culture of self-leadership, collaboration and learning will be supported by enhanced internal communications channels. These channels will focus on communicating the NTMA's message to its people, allowing people to voice their views and observations and allowing people to engage with each other across business units.

Key initiatives include:

- Reviewing how we attract, retain and reward skillsets in the NTMA;
- Continuing to develop and deliver a broad range of Learning and Development programmes over the timeframe of this strategy;
- Embedding the new HR Management System, which will provide access to a suite of new user friendly modules e.g. recruitment management, learning management, performance management, talent management and succession planning; and
- Continuous enhancement of performance management and up-skilling of managers to have better performance conversations.

3

Managing Risk

In fulfilling our mandates for the State the NTMA is exposed to risks from both domestic and international sources.

The domestic economy is currently performing well with the State's debt dynamics continuing to improve, however, the level of government debt historically remains high. On the international stage a number of uncertainties exist which could have a negative impact on the achievement of our strategic and business goals. These include Brexit, the potential repricing of risk premia arising from the possible withdrawal of quantitative easing in the European area and developments in international trade and tax policies.

Although the NTMA may not have direct control over certain emerging risks, their identification and evaluation will inform our business decision-making and planning. As such we must constantly scan our horizons to ensure we identify and monitor these risks.

Risk Management Framework

The NTMA ensures that it manages its risk profile within its agreed risk appetite, that material risks are adequately identified, that the management of risks is monitored and that suitable and effective risk management arrangements are in place, alongside clearly defined and delineated roles and responsibilities. The agreed standards and definitions for risk management are set out in the Risk Management Framework and Policy.

Strategic Risk Assessment

The NTMA Strategic Risk Assessment is a comprehensive assessment of the key strategic and emerging risks facing the NTMA across all its mandates. These are monitored, updated and reported to the Audit and Risk Committee and the NTMA Board. This is complemented by a bottom-up risk assessment process to identify the business unit level risks. The Strategic Risk Assessment currently identifies

risks across the following areas – Economic and Geopolitical, Market and Liquidity Risk, Investment Risk, Stakeholder Risk, Behavioural Risk, Operational Risk, Third Party Risk, Change Risk and People and Culture Risk.

We will continue to embed the Strategic Risk Assessment in our corporate and business planning processes to ensure that the critical, enterprise-wide risks affecting our ability to reach our strategic and business goals are identified, considered and appropriate decisions made.

Risk Appetite Framework

This is the overall approach through which NTMA risk appetite is established, communicated and monitored. It includes risk appetite statements, key risk indicators and outlines the roles and responsibilities of those overseeing the implementation and monitoring of the Framework.

Good risk management means making informed and coherent choices regarding the risks the NTMA wants to take in pursuit of its objectives and mandates, while taking into account the costs and measures required to manage and mitigate these risks. It enables the organisation to make informed business decisions ensuring the trade-off between risk and reward is appropriately set, having regard to the key risks to which it may be exposed by such decisions.

Building Resilience

In recognising that we cannot eliminate risks outside of our control a key feature of this strategy is to ensure that the NTMA has the resilience and organisational capabilities to adapt and respond effectively to risks as they arise.

4

Annual Planning Process

To support the achievement of our mandates and strategic goals, each business unit and corporate function has formulated rolling three year goals and performance measures.

In the context of the changing operating environments in which we operate, it is important to ensure the business and corporate function goals remain aligned with their external environments.

Our Annual Planning Process incorporates the following key aspects:

Strategy Update

Each year, as part of our planning process and prior to the finalisation of the NTMA annual budget, we will undertake an update of our strategy. This update will measure progress against our strategic goals, identify any external changes which require realignment of our goals and agree new initiatives to maintain progress.

Annual Targets

As part of the strategy update each business unit and corporate function will also establish new annual targets for the forthcoming year. We will report to the NTMA Board on performance achieved for the previous year, identify required resources and coordinate between business units and corporate functions to ensure an integrated approach to our business planning.

A primary responsibility for the NTMA Board is to ensure that clear strategic guidance and direction is provided to the NTMA in achieving its purpose. Proposed changes to the corporate strategy will be reported to the NTMA Board for review and consideration to ensure continued alignment with the Board's strategic direction for the NTMA.

Corporate Functions

The delivery of the NTMA's business goals will require an organisation that is internally aligned. The NTMA corporate functions have in place supporting targets, which focus on enabling the achievement of our business mandates and meeting the requirements of key stakeholders. A key feature of these targets will be the continued business partnering approach between the business units and corporate functions.

Supporting Strategies

People and Information and Communications Technology (ICT) are two key elements in supporting the execution of our mandates. Given their importance, separate supporting strategies have been formulated for HR and ICT.

These strategies have been developed following consultation with the business units and other corporate functions to identify their requirements over the next three years. This ensures these critical support functions are closely aligned with the requirements of our mandates.

In addition, both strategies have identified key organisational wide initiatives to support our strategic goals of enabling our people and being an adaptive organisation. The identification of key HR and ICT led initiatives will facilitate early planning and prioritisation of corporate level resources to ensure timely delivery in a cost efficient manner. These supporting strategies will also be reviewed and updated as part of our Annual Planning Process.

NTMA Business Goals and Performance Measures 2018 – 2020

NTMA Business Unit	Business Goals to meet our mandates	Performance Measures will include
Funding and Debt Management	<p>Issue medium – long term (MLT) and short-term debt regularly to ensure liquidity for the Exchequer at a rate which minimises the debt interest cost while contributing to debt sustainability.</p> <p>Develop Retail Debt offerings as part of diversified portfolio.</p>	<ul style="list-style-type: none"> ■ Total MLT-debt funding target range. ■ For 2018: Total MLT bond issuance of €14 – €18bn and quarterly T-Bill auctions of €500m. ■ Targeted average life range on new MLT-debt issuance for each year. ■ Introduce funding products, subject to market conditions and feasibility. ■ Total target holdings of overall debt outstanding. ■ Modernise the State Savings offerings to widen the customer base.
Ireland Strategic Investment Fund	<p>Deliver Investment Mandate: Commercial Return and Economic Impact.</p>	<ul style="list-style-type: none"> ■ Total deployment commitments by ISIF and co-investors >€1.5bn in 2018. ■ Diversification: Across asset classes, drivers of economic impact, sectors & duration and number of investments. ■ Return: Each individual investment must be “commercial”, expected medium-term portfolio return 4%. ■ Economic Impact: Focus on high economic sectors, short term/accelerate role in lower impact sectors. Identify metrics on ex-ante basis to monitor ex-post basis. ■ Multiply Investment Impact: Co-investors, and recycle and reuse.
National Development Finance Agency	<p>Provide financial advisory services and deliver major capital projects (i) Provide financial advisory services to Government agencies so that the Capital Programme projects are delivered in the optimal manner to achieve value for money (VFM) and (ii) deliver major capital projects both PPP and non-PPP and provide contract management and advisory support services to Government departments and agencies so that all projects referred to NDFA are delivered in the optimal manner to achieve VFM.</p>	<ul style="list-style-type: none"> ■ Milestone dates achieved in delivery of opinions and advice. ■ Project and operational deliverables in line with agreed client and regulatory parameters.

NTMA Business Unit	Business Goals to meet our mandates	Performance Measures will include
National Development Finance Agency	<p>Support investment in Irish infrastructure. Pro-actively manage and support:</p> <ul style="list-style-type: none"> ■ the Irish Public Private Partnership (PPP) market and other off-balance sheet vehicles in support of value for money in the delivery of Government strategic infrastructure policy and objectives; and ■ optimal Exchequer funding and the delivery of on-balance sheet projects. 	<ul style="list-style-type: none"> ■ Adequate participation rates by equity sponsor organisations and construction companies in PPP competitions; ■ Finance and Project Management engagement with State sponsoring bodies and NDFA representation and participation in wider strategic infrastructure discussions with both Government and market; ■ Competitive finance solutions available for PPP and non-PPP projects to support Value for Money outcomes.
NewERA	<p>Provide corporate finance and governance advice to relevant Ministers:</p> <ul style="list-style-type: none"> ■ regarding the financial performance of designated commercial state bodies ('CSBs') in the context of agreed financial targets which have taken account of shareholder objectives; ■ to support Government policy decision making around investment in NewERA sectors; ■ on the disposal or restructuring of State assets, to facilitate the State in achieving its financial objectives on its portfolio of investments; and ■ arising out of a specific request by a Minister to provide financial and commercial advisory services in respect of any State body that is not a designated body. 	<ul style="list-style-type: none"> ■ Annual Portfolio Report completed to facilitate reporting and monitoring of financial performance of CSB companies in line with Shareholder Expectation Framework. ■ All CSB commercial proposals requiring Ministerial consent or approval reviewed and NewERA advice provided to relevant Minister within agreed timeframes. ■ Post-project reviews for significant CSB capital projects. ■ Periodic structured feedback from Ministers / Stakeholder Departments on quality of service provided as measured by the number of additional assignments undertaken following formal requests. ■ Proposals developed to enable investment in key NewERA sectors to support economic activity and employment.
State Claims Agency	<p>Manage delegated claims and the accompanying litigation to a best practice standard so as to ensure that the State's liability in relation to such claims and the attached legal costs are contained at the lowest achievable level.</p> <p>Advise and assist State Authorities, including hospitals and health enterprises, on the management of litigation risks associated with all classes of claims to a best practice standard to minimise the liabilities of the State and minimise the incidence of claims.</p>	<ul style="list-style-type: none"> ■ Variance against external, actuarially projected budget. Actual cost to be less than projected cost. ■ Plaintiff legal cost savings across all portfolios to be not less than 30%. ■ Resolved claims to active claims ratio equal to or exceeds 20%. ■ Legal Cost Unit savings across all legal cost claims to be not less than 35%. ■ Enterprise Risk programme on target. ■ Clinical Risk programme on target.

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