

## **Bank of Ireland Group plc Compliance with the Capital Requirements Directives Governance Disclosures**

### **Corporate Governance Statement**

Regulation 84 of the Irish European Union (Capital Requirements) Regulations 2014 as amended (the 'Regulations') provides that where an institution maintains a website on the internet, such website shall contain an explanation of how the institution complies with the requirements of Regulations 76 to 83 of the Regulations. The purpose of this statement is to explain how the Group complies with the requirements of Regulations 76 to 83 of the Regulations.

Bank of Ireland Group plc ("BOIG plc") is a holding company operating through its subsidiaries including The Governor and Company of the Bank of Ireland (the "Bank") (together the "Group"). A common board of directors and committee structure applies with the same directors sitting on the Board of Directors of BOIG plc (the "Board") and on the Court of Directors of the Bank (the "Court") and on the committees of each of the Board and the Court.

### **Governance Overview**

The Board is accountable to shareholders for the overall direction, control and oversight of the Group. It is committed to achieving high standards of governance designed to protect the long-term interests of shareholders and all other stakeholders, while promoting the highest standards of integrity, transparency and accountability.

The Group believes it has robust governance arrangements, which include a clear organisational structure with well defined, transparent and consistent lines of responsibility, effective processes to identify, manage, monitor and report the risks to which it is or might be exposed and appropriate internal control mechanisms, including sound administrative and accounting procedures, IT systems and controls. The system of governance is subject to regular internal review.

The Board's oversight of risk management and internal control systems is supported through delegation of certain responsibilities to Committees of the Board, the principal committees being the Group Audit Committee, the Board Risk Committee, the Group Nomination and Governance Committee, and the Group Remuneration Committee.

The Court's oversight of risk management and control systems is supported through delegation of certain responsibilities to committees of the Court, the principal committees being the Court Audit Committee, the Court Risk Committee, the Court Nomination and Governance Committee and the Court Remuneration Committee, each of which comprises the same members as the equivalent committee of the Board. Further information on these committees is set out below.

The Board's role is to provide leadership of the Group within the boundaries of risk appetite and a framework of prudent and effective controls which enable risk to be identified, assessed, measured and controlled. The Board sets the Group's strategic aims and risk appetite to support the strategy, ensuring that the necessary financial and human resources are in place for the Group to meet its objectives. The Board has a schedule of matters specifically reserved for its decision which is reviewed and updated regularly. Matters requiring Board approval are:

#### **1. Strategy and Risk Appetite**

- Determination of risk appetite and approval of the Group's Risk Appetite Statement
- Determination of the Group's strategy

#### **2. Corporate and Capital Structure**

- Approval of Common Equity Tier 1 capital investments of greater than €20 million in a regulated subsidiary and €40 million in any other subsidiary
- Approval of share issuances by any Group member to an entity outside of the Group
- Approval of equity underwriting of sums greater than €20 million

#### **3. Management**

- Approval of the Group's business plans and budgets
- Overseeing management of the business

#### **4. Financial and Regulatory Reporting, Internal Controls, Risk and Capital Management**

- Approval of Half Year Report, Annual Report & Accounts
- Approval of the Group Risk Framework

- Approval of the Group Internal Capital Adequacy Assessment Process (“ICAAP”), Internal Liquidity Adequacy Assessment (“ILAAP”) and Recovery Plan
- Overseeing the effectiveness of internal control, compliance and risk management systems of the Group
- Approval of the Dividend Policy, the declaration of any interim dividend and any decision to recommend a final dividend to shareholders

## 5. Transactions

- Approval of acquisitions or divestments of companies involving a third party or management buyout, except for credit management purposes
- Approval of guarantees, including those in respect of subsidiary companies, entered into by a member of the Group, other than in the normal course of business
- Approval of capital expenditure in excess of €40 million<sup>1</sup>
- Approval of Class 1 or Class 2 transactions (each as defined by the Listing Rules)
- Approval of related party transactions (as defined by the Listing Rules) giving rise to an obligation to issue a shareholder circular

## 6. Corporate Governance, Board and Other Appointments

- Establishing the Company’s purpose, values and strategy, and satisfying itself that these and its culture are aligned
- Overseeing the robustness of the Group’s corporate governance arrangements
- Establishing any sub-committees of the Board and approving their terms of reference
- Approving the appointment of Directors and specified senior management appointments, including people having a material impact on the risk profile of the Company
- Approving the appointment or removal of Heads of Control Functions
- Convening general meetings of shareholders and approving all circulars to shareholders

## 7. Pension Scheme and Remuneration

- Approval of all changes to the funding of pension schemes in the Group and/or benefits of same
- Overseeing the Group’s Remuneration Framework

**The Board sets, approves and oversees the high-level policy and strategic direction on the risk the Group is prepared to assume.**

The Board approves the Group Risk Framework on an annual basis and receives regular updates on the Group’s risk environment and exposure to the Group’s material risk types.

The work of the Board follows an agreed schedule of topics which evolves based on business need and is formally reviewed annually by the Board. The Board monitors and reviews the performance of the Group through a series of reports, updates from the Group’s principal businesses on the execution of their business strategy and reports from each of the principal Board committees.

The composition of the Board, Court and their committees is structured to ensure that there is an appropriate mix of skills, knowledge, experience and independence. The Chair, Deputy Chair and all of the Non-Executive Directors (“NEDs”) bring independent challenge and judgement to the deliberations of the Board and the Court through their character, objectivity and integrity. Biographical details, including each Director’s background, experience and independence classification, are set out on pages 81 to 84 of the Group’s Annual Report for the financial year ending 31 December 2023 available at [Financial Information \(bankofireland.com\)](https://www.bankofireland.com/financial-information).

The Group ensures that individual Board Directors have sufficient time to dedicate to their duties, having regard to applicable regulatory limits on the number of directorships which may be held by any individual Director. The Company and the Bank have each been classified as a ‘significant institution’ under CRD. During the year ended 31 December 2023, all Directors were within the directorship limits set out for significant institutions under CRD.

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<sup>1</sup> This authority is delegated to the CEO (and is exercised on the CEO’s behalf by the Group Executive Committee (GEC)) and applies in the case of investments which are clearly consistent with approved strategy. All investments greater than €20m, approved by the CEO/GEC, will be reported to the Board.

On an annual basis the Group conducts a review of the continued fitness and probity of members of the Board, whereby Directors are asked to confirm any changes in circumstances in respect of their compliance with the Fitness and Probity Standards issued by the Central Bank of Ireland and the guidelines issued jointly by the European Banking Authority (“EBA”) and the European Securities and Markets Authority (“ESMA”) on the assessment of the suitability of members of the management body and key function role holders under Directive 2013/36/EU and Directive 2014/65/EU, as amended. All changes in circumstances disclosed are assessed and their materiality determined. Time commitments of Directors are considered as part of this review process and Directors are asked to confirm that they continue to have sufficient time to perform their roles. Before accepting any additional external commitments, including other Directorships that might impact on the time available to devote to their role, the agreement of the Chairman and the Group Secretary, or, depending on the nature of the proposed commitment, the full Board, must be sought. In certain cases, CBI approval must also be sought in advance. Proposed new external commitments are assessed against conflicts of interest, over-boarding and time commitment considerations. Any new external commitments proposed by the Chairman require Senior Independent Director (“SID”) and Group Secretary approval in the first instance and, depending on the nature of the proposed commitment, the Board and CBI approval in advance.

The respective roles of the Chair of the Board and Court and the Group Chief Executive Officer, which are separate, are set out in writing and have been agreed by the Board.

The Chair oversees the operation and effectiveness of the Board and the Court, including ensuring that agendas cover the key strategic items confronting the Group and encouraging all Directors to participate fully in the discussions and activities of the Board and Court. The Chair also ensures that there is effective communication with the Group’s shareholders and promotes compliance with corporate governance standards.

The Group Chief Executive Officer is responsible for execution of approved strategy, holds delegated authority from the Board for the day-to-day management of the business and has ultimate executive responsibility for the Group’s operations, compliance and performance.

### **Appointments to the Board and the Court**

The Board is committed to identifying the people best qualified and available to serve on the Board and the Court and is responsible for the appointment of Directors.

The Board and Court plan for renewal with the assistance of the Group and Court Nomination & Governance Committees (“NGC”), each of which comprise the same Directors, and regularly review Board and Court composition, tenure and succession planning. In accordance with the Director Assessment Policy and the Board and Court Diversity Policy, all appointments are made on merit against objective criteria (including the skills and experience the Board and Court as a whole requires to be effective) with due regard for the benefits of diversity on the Board and Court.

The NGC ensures a formal, rigorous and transparent procedure when considering candidates for appointment to the Board and maintains continuous oversight of the Board’s composition to ensure it remains appropriate and has regard for its purpose, culture, major business lines, geographies, risk profile and governance requirements.

The NGC leads the process for appointments to the Board and Court and ensures plans are in place for orderly succession to the Board, Court and Executive positions. As part of the process, the NGC approves a detailed role profile, based on its analysis of the skills and experience needed and selects, where appropriate, an external search firm to facilitate the process. The NGC ensures that a comprehensive due diligence process is undertaken, which includes the candidate’s self-certification of probity and financial soundness, external references and external checks. The due diligence process facilitates the NGC in satisfying itself as to the candidate’s independence, fitness and probity, and capacity to devote sufficient time to the role before making a formal recommendation to the Board. Regulatory assessment and formal approval are required and received for all Board appointments. A Board-approved Policy for the Assessment of Directors, which outlines the Board appointment process, is in place, and is in accordance with applicable joint guidelines issued by ESMA and the EBA. Appointments will not proceed where conflicts emerge which are considered to be significant to the overall work of the Board/Court.

All newly-appointed Directors are provided with a comprehensive letter of appointment detailing their responsibilities as Directors, the terms of their appointment and the expected time commitment for the role. A copy of the standard terms and conditions of appointment for NEDs can be inspected during normal business hours by contacting the Group Secretary.

## **Induction and Professional Development**

On appointment, all NEDs receive a comprehensive and tailored induction program designed to familiarise them with the Group's operations, management and governance structures, including the functioning of the Board and the role of the key committees. In addition, new NEDs undertake significant induction in relation to risk and business matters, including visits to, or presentations by, Group businesses and briefings with senior management.

On an ongoing basis, briefings appropriate to the business of the Group are provided to all NEDs. In order to ensure that the Directors continue to further their understanding of the issues facing the Group, Directors are provided with professional development sessions and briefings on a range of technical matters, tailored to their particular requirements. Directors are also offered the option of attending suitable external educational courses, events or conferences designed to provide an overview of current issues of relevance to Directors. Appropriate and timely training is provided on an ongoing basis. Annual Anti-Money Laundering training and training on the Group Code of Conduct is mandatory for all Directors. A formal assessment of the collective skillset of the Board/Court is conducted annually.

## **Conflicts of Interest**

Each of the Board and the Court have approved a Conflicts of Interest Policy, which sets out how actual, potential or perceived conflicts of interest are identified, reported and managed to ensure that Directors act at all times in the best interests of the Company and the Bank, as appropriate. This policy is reviewed on an annual basis.

The Group Code of Conduct, which applies to all employees and Directors of the Group, clarifies the duty on all employees to avoid conflicts of interest. The Code of Conduct is reviewed on an annual basis and communicated throughout the Group.

## **Internal Controls**

The Directors acknowledge their overall responsibility for the Group's systems of internal control and for reviewing their effectiveness. Such systems are designed to ensure that there are thorough and regular evaluations of the nature and extent of risks and the ability of the Group to react accordingly. The Group operates a comprehensive internal control framework over financial reporting with documented procedures and guidelines to support the preparation of the consolidated financial statements.

## **Communications and Disclosures**

Communication with shareholders is given high priority. One of the responsibilities of the Chair is to ensure effective communication with shareholders and to ensure that Directors develop an understanding of the views of major investors.

## **Performance Evaluation**

The Board seeks to continually enhance its operations and, each year, conducts a formal effectiveness evaluation of the Board and Court, principal Committees and individual Directors (including the Chair). In addition to reviewing the Board's operations, composition and overall effectiveness, the evaluation reviews past performance with the aim of identifying possible opportunities for improvement, determines whether the Board and its Committees are as a whole effective in discharging their responsibilities and, in the case of individual Directors, determines whether each Director continues to contribute effectively and to demonstrate commitment to the role. The Board is required to have an external evaluation conducted once every three years.

An internal evaluation of the performance of the Board, Court and their committees is conducted every year, with an externally facilitated review to be conducted at least every third year. The objective of these evaluations is to review past performance with the aim of identifying any opportunities for improvement, determining whether the Board/Court/committee as a whole is effective in discharging its responsibilities and, in the case of individual Directors, to determine whether each Director continues to contribute effectively and to demonstrate commitment to the role.

## **Group and Court Nomination & Governance Committees (NGC)**

The NGC shall comprise a minimum of three members, appointed by the Board, all of whom shall be NEDs, with a majority of members being Independent NEDs ("INED"). The Board Chair and the Deputy Chair shall be members of the NGC.

The key responsibilities of the NGC are set out in its terms of reference and include:

- leading the appointment process for new Board Directors, establishing appropriate selection criteria and recommending suitable candidates to the Board for approval. When considering Board appointments, the NGC shall have regard to any regulatory requirements applicable to the assessment of the suitability of

holders of such roles and the Board Director Assessment Policy (as in place and agreed triennially) and the Board Diversity Policy (agreed annually). This includes regularly (and at least annually) reviewing the structure, size, composition and succession plans of the Board, Court and Committees (including consideration of the skills, knowledge, experience and diversity of Directors and their compliance with the relevant fitness and probity standards) bearing in mind the future demands of the business and making recommendations to the Board with regard to any changes it considers desirable);

- considering the appointment of Key Function Holders, proposed by management to ensure they have the appropriate integrity, adequate knowledge, experience, skill and competence for their roles, remaining cognisant of the gender balance and diversity profile of those in senior management and their direct reports, and make recommendations to the Board with regard to such appointments;
- ensuring plans are in place for orderly succession to both the board and senior management positions, and overseeing the development of a diverse pipeline for succession;
- keeping Board governance arrangements under review and making appropriate recommendations to the Board or Court to ensure corporate governance practices are consistent with best practice corporate governance standards;
- overseeing subsidiary governance to ensure that appropriate and proportionate governance arrangements are in place for Group subsidiaries;
- overseeing the annual evaluation of the performance of the Board and Court, including the arrangements and assessments aimed at ensuring the collective suitability of the Board and the annual evaluation of the performance of individual Board Directors;
- making recommendations to the Board in respect of the approval of additional external appointments for Directors having reviewed all appointments held to ensure compliance with applicable regulations, including the number of directorships held and other time commitments;
- reviewing at least annually the Board & Court Diversity Policy, its effectiveness; its linkage to company strategy; and its objectives, including its measurable objectives for achieving Board diversity and the extent to which these measurable objectives have been achieved;
- recommending appropriate internal policies on the selection and assessment of members of the Board and key function holders in the Group; overseeing the Group's compliance with the applicable Fitness and Probity requirements; and
- overseeing subsidiary governance arrangements to ensure that appropriate and proportionate governance arrangements are in place for Group subsidiaries, including determination of matters to be reserved/delegated to the subsidiaries.

The terms of reference of the NGC state that in performing its duties, the NGC shall to the extent possible and on an ongoing basis, take account of the need to ensure that Board and Court decision making is not dominated by any one individual or small group of individuals in a manner that is detrimental to the interests of the Group as a whole.

The terms of reference of the NGC are reviewed at least annually by the NGC and recommended to the Board and Court for approval, and are available on the Group's website ([Board/Court Committees Terms of Reference - Bank of Ireland Group Website](#)).

The Board and Court benefit from the diverse range of skills, knowledge and experience acquired by the NEDs as Directors of other companies, both national and international, or as leaders in the public and private sectors. The effectiveness of the Board and Court depends on ensuring the right balance of Directors with banking, broader financial services or commercial experience. Following review in 2023, the NGC determined that the skills profiles of the Board and Court were appropriate in the areas identified as relevant to the business of the Group.

The Group recognises the benefits of having a diverse board and sees increasing diversity at Board and Court level as an important element in maintaining a competitive advantage. In reviewing Board and Court composition and identifying suitable candidates, the NGC considers the benefits of all aspects of diversity including the skills identified as relevant to the business of the Group, regional and industry experience, background, nationality, gender, age and other relevant qualities in order to maintain an appropriate range and balance of skills, experience and background on the Board and Court.

The target set by the Board and Court is to have a minimum of 40% female representation on the Board and Court, with a medium-term aspiration to have broadly equal gender representation on the Board and Court. Bank of Ireland is committed to having a gender-diverse Board and Court, to achieving the targets set and to ensuring an open and fair recruitment and selection process. Female representation on the Board and Court is currently at 33%.

Additionally, the Board and Court are committed to the application of recruitment and selection criteria that are explicitly informed by the relevant Listing Rule targets for female representation in relevant senior roles, and when

assessing candidates for succession will seek in the medium-term to have at least one of the following senior positions on the Board and Court held by a female:

- Chair;
- Chief Executive;
- Senior Independent Director; and
- Chief Financial Officer.

The Board and Court has met its target of the inclusion of at least one Director that is from an ethnic minority.

Candidates are assessed on merit against objective criteria and with due regard for the benefits of diversity on the Board and Court. Increasing diversity on the Board and Court will continue to be an important consideration in all Board and Court role changes and in active and future searches to fill Board and Court vacancies.

When setting diversity objectives, the NGC will consider diversity benchmarking results published by competent authorities, the European Banking Authority or other relevant international bodies or organisations.

The Director Assessment Policy, the Group Fitness & Probit and Suitability Assessment Policy and the Board/Court Diversity Policy are periodically reviewed by the NGC.

### **The Group and Court Remuneration Committees (“RemCo”)**

The RemCo shall comprise a minimum of three INEDs who have the knowledge, skills and experience to reach an independent judgement on the suitability of the Group’s remuneration policies and practices, including implications for risk and risk management. The RemCo is chaired by an INED who has served on a Remuneration Committee previously for a minimum of twelve months and its composition is compliant with the requirements of the Regulations. In order to ensure that remuneration policies and procedures are consistent with effective risk management, there is common membership between the RemCo and the Board and Court Risk Committees.

The RemCo is responsible for the oversight of Group-wide remuneration policies and practices for all employees, with specific reference to the Chair, Executive Directors, Group Executive Committee (“GEC”), Heads of Control Functions, the Group Company Secretary and Material Risk Takers. The remuneration of NEDs of the Bank of Ireland Group plc Board and the Governor and Company of the Bank of Ireland Court is not a matter for the Remuneration Committee and is instead reviewed by the Chair of the Board in consultation with the Chief Executive Officer, the Chief People Officer, and the Group Company Secretary. NED fees shall be determined by the Board/Court within the limits set by shareholders in accordance with the Articles of Association. The remuneration of the Chair is a matter for RemCo. Neither the Chair nor any Director participates in decisions relating to their own personal remuneration.

The RemCo is responsible for overseeing the annual review of the Group Remuneration Policy and the MRT Policy with input from the relevant risk management functions and the Executive and Board Risk Committees.

The terms of reference of the RemCo are reviewed annually by the RemCo and recommended to the Board and Court for approval, and are available on the Group’s website ([Board/Court Committees Terms of Reference - Bank of Ireland Group Website](#)).

The terms of reference of the RemCo state that in framing remuneration strategy, frameworks and policies, the RemCo shall take into account the long-term interests of shareholders, investors and other stakeholders in the Group and the public interest.

It is the RemCo’s responsibility to ensure that the Group’s overall reward strategy is consistent with achievement of the Group’s strategic objectives and compliance with applicable Regulations, insofar as possible given the constraints of operating within the Remuneration Restrictions.

### **Group Remuneration Policy**

The Group Remuneration Policy provides a framework for all remuneration related policies and practices for all colleagues and Directors of the Group. The framework aims to enable the Group to become an employer of choice by attracting and retaining the right people in the right roles and thus support the Group’s ambition, strategic priorities, purpose and values.

The Policy is owned by the Chief People Officer with oversight from the RemCo, which reviews the Policy on an annual basis. The Policy applies, in its entirety, to all Group employees, Directors (including NEDs), self-employed external contractors and temporary employees in all institutions and other entities within the scope of prudential consolidation, including all branches. This Policy does not apply to Joint Ventures, which are subject to specific contractual agreements with Joint Venture partners.

### **Remuneration Restrictions**

In November 2022, the Irish Government announced a change to the remuneration restrictions following the sell down of their shareholding in Bank of Ireland, including:

- removal of the €500,000 cap on total remuneration;
- the ability to operate variable schemes, subject to a cap on variable remuneration of €20,000 which applies to all colleagues, Group wide (excluding Davy); and
- the ability to implement new benefits.

The Group introduced a Group Profit Share variable pay scheme (GPS) in 2023 which is capped at €20,000 for all employees across the Group, including Executive Directors (Davy colleagues do not participate in the GPS).

The cap on variable pay of €20,000 significantly constrains the Group's ability to structure and position senior role holder's compensation packages competitively against the market. This causes significant risk for the Group for the recruitment and retention of senior high calibre employees with appropriate skills and also constrains our ability to create a strong link between their individual behaviour and their compensation outcomes.

The Group maintains an ongoing dialogue with the Department of Finance in relation to the remaining remuneration restrictions and if these were to be lifted, the Group would consider these changes and seek shareholder approval to update the existing remuneration policy, as appropriate, including the possible introduction of a market competitive variable pay scheme for Executive Directors.

### **Remuneration ethos and principles**

Our approach to remuneration is consistent for all employees. Our ethos is to reward employees fairly and competitively for their contribution to the Group. Reward structures are reviewed on a regular basis to assess the competitiveness of the total reward arrangements against market norms and ensure compliance with the prevailing regulatory requirements and remuneration restrictions. The following principles apply, however, their application is impacted/negated for senior role holders by the €20,000 cap on variable pay.

#### **Employee focused**

Seeks to reward all employees fairly and transparently, promoting the concept of 'equal pay for equal work' by operating a consistent approach to remuneration for colleagues. Reward structures are designed to attract, retain, and engage high calibre employees.

#### **Customer focused**

Supporting and encouraging fair treatment of customers, whilst mitigating the potential for conflict between commercial, customer and public interests with pay practices. The reward structures are designed to avoid any conflict with an employee's duty to act in the best interests of customers or clients.

#### **Inclusive basis**

The Policy is designed and implemented on an inclusive basis, including gender-neutrality, with pay for male and female colleagues monitored on an annual basis.

#### **Externally aligned**

The Group uses recognised external benchmarks to understand the remuneration levels of industry peers and remuneration offered by other industries who compete with the Group for talent in each of the Group's geographical locations.

#### **Performance aligned**

Performance development plays a key role in aligning individual objectives with the Group's overall strategy, financial and non-financial goals and values. Performance outcomes, using a combination of

'what' objectives and 'how' behaviours, inform individual remuneration and provide a clear link between performance and remuneration.

#### **ESG aligned**

Reward is determined taking into account the Group's performance against its environmental objectives and its customer and employee goals.

#### **Risk aligned**

The Policy is designed to promote high performance and, a strong risk management culture where risk-taking is aligned to the Group Risk Appetite Statement. All employees are required to have a risk priority in their Thrive performance development plan. Increases in remuneration and the potential awarding of variable remuneration is subject to the Group's ability to pay and on maintaining strong capital and liquidity levels.

#### **Review**

During 2023, RemCo was assisted in its considerations by PwC UK, who was formally appointed by the RemCo as its remuneration adviser in 2020 following a review of potential advisors and the quality of advice received.

The RemCo is responsible for approving the Policy and overseeing its implementation, including that remuneration policies and practices have been designed and implemented on a gender-neutral basis. To facilitate this, the Policy and remuneration practices are subject to an annual independent central review. Group Internal Audit, a third line of defence function, carries out this review. On a risk basis, Group Risk Assurance, a second line of defence function, monitors the Policy in relation to compliance with remuneration regulations and associated guidelines.

To support the alignment of risk and remuneration, where possible, and for good governance, the following applies:

- a) There is cross-membership between the RemCo and the Board Risk Committee.
- b) The GCRO attends at least one RemCo meeting per year to report on the Group's risk profile, its financial condition and future prospects, and to consider risk implications for the GPS variable pool, prior to grant of any pay award. The Remuneration Committee [reflects on this report and] is responsible for approving recommendations to apply in-year adjustments, malus or clawback for relevant events in accordance with the assessment process using judgement and applying discretion where required.

#### **The Board and Court Risk Committees ("BRC")**

The BRC is established to monitor risk governance and to assist the Board in discharging its responsibilities in ensuring that risks relating to the Bank and its subsidiaries ("the Group") are properly identified, reported, and assessed; that risks are properly controlled; and that strategy is informed by and aligned with the Group's risk appetite.

The BRC shall comprise at least four members, all of whom will be NEDs whom the Board believes have appropriate knowledge, skills and expertise to understand and monitor risk strategy and risk appetite. The key responsibilities of the BRC are set out in its terms of reference, which are reviewed annually by the BRC and recommended to the Board and Court for approval, and are available on the Group's website ([Board/Court Committees Terms of Reference - Bank of Ireland Group Website](#)).

The BRC makes recommendations to the Board on risk issues where the Board has reserved authority, maintains oversight of the Group's risk profile, including adherence to Group risk principles, policies and standards, and approves certain material risk policies within delegated discretion.

The Executive Risk Committee ("ERC") is the most senior executive risk committee with responsibility for overseeing the material risks of the Group, taking a holistic approach to overseeing the effective management of risk (financial & non-financial) across the Group. It is responsible for overseeing the material risks of the Group, as well as compliance with risk appetite and other approved policy limits, making recommendations to the BRC and regularly reporting to the GEC via the GCRO as ERC Chair.

Further details on the role of the ERC in the risk governance of the Group as at the end of the financial year ending 31 December 2023 are set out in the Risk Management Report which forms part of the Group Annual Report, which is available at [Financial Information \(bankofireland.com\)](#).



## **The Group and Court Audit Committees (“GAC”)**

One of the key responsibilities of the GAC is to assist the Group in monitoring the quality and integrity of the financial statements and to recommend to the Group that it believes that the Group Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The GAC acts independently of the executive to ensure that the interests of the shareholders are properly protected in relation to financial reporting and internal controls. All members of the GAC are INEDs with relevant financial experience. The members of the GAC have extensive knowledge of financial markets, treasury, risk management and International Financial Reporting Standards (IFRS), and the GAC's composition is considered to meet all of the applicable requirements, including the need for recent and relevant financial experience and competence in accounting or auditing. The Chair of the BRC is a member of the GAC and the Chair of the GAC is a member of the BRC. There is also common membership between the GAC and the other Group committees. This common membership helps facilitate effective governance across all finance and risk issues and ensures that agendas are aligned, and any overlap of responsibilities is avoided where possible.

The key responsibilities of the GAC are set out in its terms of reference, which are reviewed annually by the GAC and recommended by the Board and Court for approval, and are available on the Group's website ([Board/Court Committees Terms of Reference - Bank of Ireland Group Website](#)).

## **Country by Country Reporting**

Details of how the Group meets its country-by-country reporting obligations for the financial year end 31 December 2023 can be found on the Group's website [Other Information \(bankofireland.com\)](#).

## **Public Disclosure of Return on Assets**

The Regulations, require disclosure in a firm's Annual Report and accounts of its return on assets. Details of the return on total assets for the Group for the financial year end 31 December 2023 can be found in the Group Annual Report at [Financial Information \(bankofireland.com\)](#).