



Bank of Ireland

Board Risk Committee (“BRC”)

Terms of Reference

Document Title:	Board Risk Committee (“BRC”) Terms of Reference
Document Owner:	Group Company Secretary
Approved by Board	18 September 2025
Effective from:	18 September 2025
Next Scheduled Review:	September 2026
Review frequency:	Annually

Bank of Ireland Group PLC and The Governor and the Board of Bank of Ireland (together the “Group”)

Board Risk Committee (the “Committee”)

Terms of Reference

1. Purpose

The Board Risk Committee (“BRC” or the “Committee”) is established by and accountable to the Board of Directors of The Bank of Ireland Group plc (the Board).

The Committee is responsible for:

- Monitoring risk governance and assisting the Board in discharging its responsibilities in ensuring that risks relating to the Bank and its subsidiaries (together the “Group¹”) are properly identified, assessed, monitored, reported, and controlled; and
- that strategy is informed by and aligned with the Group’s risk appetite.

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. Within the parameters of Board approved Risk Appetite, high level policies, frameworks and principles, the BRC approves certain material risk policies.

2. Membership

- 2.1 The Committee shall comprise at least four (4) members, all of whom will be Non-Executive Directors whom the Board believes have, collectively, appropriate knowledge, skills and expertise to understand and monitor risk strategy and risk appetite. To ensure co-ordination with the work of the Group Audit Committee (“GAC”), the Chair of the GAC should be a member of the BRC and the Chair of the BRC should be a member of the GAC. Additionally, at least one (1) member of the Committee will be a member of the Group Remuneration Committee, and at least one (1) member of the Committee will be a member of the Group Sustainability Committee (“GSC”), and at least one (1) member will be a member of the Group Transformation Oversight Committee (“GTOC”).
- 2.2 Membership of the Committee will be reviewed each year by the Group Nomination and Governance Committee in consultation with the Chair of the BRC and changes as required will be recommended to the Board at that time. The review will be undertaken to ensure an optimal mix of expertise, competencies and experience. While there is no fixed term of membership, the general aim is to refresh the membership from time to time to ensure an appropriate balance between continuity and fresh perspectives. At least two members of the Committee will be selected on the basis of their potential to succeed the Committee Chair.
- 2.3 The Chair will be appointed by the Board on the recommendation of the Group Nomination and Governance Committee in consultation with the existing Chair of the BRC. The Chair will be responsible for leadership of the Committee and for ensuring its effectiveness in all aspects of its role. The Chair should also facilitate the effective contribution of all members.
- 2.4 Depending on the subject matter under review, the Committee may invite any other director, officer, employee or external adviser to attend any meetings of the Committee. The following shall be in regular attendance:
 - The Group Chief Executive Officer;
 - The Group Chief Risk Officer (“CRO”);
 - The Group Chief Compliance Officer (“CCO”);
 - The Group Chief Internal Auditor; and
 - The Group Chief Financial Officer.

¹ The scope of these Terms of Reference covers Bank of Ireland plc, its branches and all relevant subsidiaries. This includes the US Branch and the following material subsidiaries: J & E Davy Unlimited Company, New Ireland Assurance Company plc, Bank of Ireland (UK) plc and Bank of Ireland Mortgage Bank.

- 2.5 The Group Company Secretary or his/her nominee, as agreed with the Chair of the Committee will provide the secretariat function for the Committee. He/she will not be a member of the Committee. The Group Secretariat & Corporate Governance function will support the Committee.

3. Meeting operations

- 3.1 The Committee shall meet at a minimum on six (6) occasions throughout the year for the discharge of its responsibilities and ad hoc as required. The Chair of the Committee shall report to the Board on its proceedings after each meeting.
- 3.2 The quorum for meetings will be three (3) members, to include the Chair or alternate Chair. A duly convened meeting of the Committee at which quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable, by the Committee.
- 3.3 The Chair of the Committee or the Board may request a meeting at any time. Any other member of the Committee, the Group CRO or the Group CCO may also request the Chair to convene a meeting at any time. In the absence of the Committee Chair at a meeting, the remaining members present shall elect one of themselves to chair the meeting.
- 3.4 Meetings will be formal, with members attending in person or by Teams/ Zoom / conference call.
- 3.5 Matters requiring approval at any Committee meeting shall be decided by a majority of votes. Where there is an equality of votes, the Chair shall have a second or casting vote. Votes shall be recorded in the minutes. Where decisions are unanimous, they shall be recorded as such in the minutes. Dissensions shall be documented in the minutes in terms acceptable to the dissenting person.
- 3.6 Save for agreed exceptions, to ensure the provision of timely information to the Committee, the agenda and supporting papers will be circulated to each Committee Member at least five (5) clear business days in advance of any scheduled meeting, excluding the day of the meeting.
- 3.7 Minutes of Committee meetings shall be circulated to relevant internal stakeholders for review within five (5) business days. Following this, they will be agreed with the Chair within ten (10) business days and submitted to a subsequent Committee meeting for approval. Copies of the approved minutes are then submitted to the Board as soon as possible for noting.

4. Key Responsibilities & Functions

Without limiting the generality of the Committee's purpose, the Committee has the following specified key functions and responsibilities, considering the recommendations of the Group Executive Risk Committee ("ERC"), the Asset and Liability Committee ("ALCO") or one of their appointed committees on items as detailed hereunder which are relevant to the Group.

Risk Frameworks

- 4.1 Review and recommend annually to the Board for approval the **Group Risk Management Framework**, which incorporates the Group's approach to risk management and reflects the Group's risk culture.
- 4.2 Review the **ongoing effectiveness of the Risk Management Framework** semi-annually or as required.
- 4.3 In partnership with the GAC, conduct an annual review of **the Internal Control Framework** to ensure it effectively covers all **material** financial, operational, reporting and compliance controls.
- 4.4 Review and approve annually the **Group Compliance Annual Functional Plan** and the **Group Regulatory Compliance Monitoring Plan**.
- 4.5 Review and recommend the **Group Regulatory Compliance Framework** and the **Group Compliance Mandate** on a triennial basis.
- 4.6 Review and approve the **Group Second Line Risk Assurance Plan** on an annual basis, ensuring it includes assurance over all Principal Risks and is effectively coordinated across legal entities.

Risk Identification and Assessments

- 4.7 Review and approve annually updates to the **Risk Library**. Interim updates shall be approved by the ERC, and notified to BRC at the following meeting via the CRO Report.
- 4.8 Review & challenge the Company's assessment and measurement of **key current and longer-term risks**, at least annually, including outcomes from the Risk and Control Self-Assessment process.
- 4.9 Provide oversight on the overall approach management is taking with regard to **ongoing and future compliance responsibilities** of the Group, as reported through the CCO Report.
- 4.10 Review and approve on an annual basis the **Financial Crime Risk Methodologies and Assessments** including Group Anti-Money Laundering and Countering the Financing of Terrorism, and Sanctions.
- 4.11 Jointly with the GSC, ensure that **ESG risks** have been integrated into the overall Group Risk Management Framework and key risk management policies and processes. On a triennial basis, review the Double Materiality Assessment jointly with the GSC.
- 4.12 Review the **risk implications of any update to the Group Strategy or changes to Investment Allocation decisions** and advise the Board accordingly.
- 4.13 Review & challenge the **risk assessment of a due diligence appraisal of any acquisition or divestment activity, or any other item reserved for Board decision** and advising the Board on their findings.
- 4.14 Review and recommend to the Board/Court for approval **securitisation transactions**, including those which intend to achieve Significant Risk Transfer.
- 4.15 Review & Challenge, on an annual basis, the **alignment between all material financial products and services offered to clients and the business model and risk strategy of the Group**, taking into account the risks involved, and the alignment between the prices assigned to and the profits gained from those products and services.
- 4.16 Provide the Group Remuneration Committee with appropriate **risk related input to the annual review of Group remuneration policy**. This includes, but is not limited to, the Material Risk Taker identification process or any adjustments to the Group's bonus pool to reflect risk management performance.
- 4.17 Jointly with the GAC, review and challenge, as appropriate, **Asset Quality** as an input into the evaluation of the Group's impairment charge, the quantum of impairment provisions and the defaulted loan balances at year end. This includes a review of the **Group's Large exposures**.
- 4.18 Review and recommend to the Board for approval any Board Approved **Individual Lending Discretions**, as required.
- 4.19 Review and recommend Country limits that are outside the Country risk guide-points to the Board / Court for approval.
- 4.20 Review and recommend reinsurance country risk limits outside of reinsurance country risk guide-points to the Board / Court for approval.
- 4.21 Review and approve **reinsurance counterparty risk** to be assumed by New Ireland Assurance Company plc where the proposed counterparty limits are in excess of delegated discretion.
- 4.22 Review and challenge, at least annually, the Group CRO's assessment of Distributions to ensure compliance with regulatory requirements and alignment with the Group's risk appetite.

Risk Appetite

- 4.23 Review and recommend to the Board annually for approval the **Group's Risk Appetite Statement and any proposed amendments to limits**.

- 4.24 **Review all breaches of Group Risk Appetite**, challenge progress against risk reduction plans to bring the position back within appetite, and escalate to the Board within agreed timeframes.

Risk Policies

- 4.25 Review and recommend or approve as appropriate **all risk policies and any related frameworks according to the agreed delegation outlined in the risk policy register**, which is approved by the Committee.

Stress Testing & Scenario Analysis

- 4.26 Review and recommend to the Board for approval the **Group's Internal Capital Adequacy Assessment Process report, and supporting documents**.
- 4.27 Review and recommend to the Board for approval the **Internal Liquidity Adequacy Assessment Process and supporting documents**.
- 4.28 Review and recommend for approval to the Board the **Group Recovery Plan** and any supporting documents.
- 4.29 Review and recommend for approval to the Board the annual key Single Resolution Board **Resolution Planning submission**.

Risk Monitoring & Reporting

- 4.30 Provide oversight of the Group's risk profile, to include:
- a) **Review and challenge of the risk profile** against Board/Court approved Risk Appetite limits, and Management² Reporting Metrics;
 - b) Monitor the **current status of and outlook for all material risks** facing the Group through review of the **CRO update, Board Risk Report, CCO Report, annual MLRO Report**; and
 - c) Perform **deep dive risk reviews** into risk types and key business lines, as deemed appropriate by the Group CRO and Committee Chair.
- 4.31 Review & Challenge the Group's **Operational Resilience profile**, including the recommendation of a compliance self-assessment and other key documents to the Board annually for approval.
- 4.32 Advise and support the Board regarding the **monitoring of the Group's overall actual and future risk appetite and strategy**, taking into account all risk types, to ensure that they are in line with the business strategy, objectives, corporate culture and values of the Group.
- 4.33 Thematically review and challenge, as appropriate, any Group level findings rated "Needs Significant Improvement" or worse arising from Second Line Risk Assurance activities, and consideration of the related remediation plans. This includes the noting of similar findings at a material subsidiary level. This also extends to Third Line or external audit findings with similar ratings, in the event implications arise from a risk management and oversight perspective.
- 4.34 Review progress on **Risk Mitigation Programmes** and other material regulatory interactions.
- 4.35 Monitor that a sound and consistent **Risk Culture** is embedded and supports the Group in making informed decisions.
- 4.36 Consider issues escalated from time to time, including those raised by the ERC, ALCO, RMC or directly by the CRO or CCO.

² Management metrics are executive management metrics developed by 2LOD risk officers. These metrics are assigned limits and warning triggers to enable management to take action and reduce exposure where necessary.

Oversight of Material Subsidiaries and branches

- 4.37 Review and challenge, at least annually, an update on risk matters from the **US Country Manager and Material Subsidiaries** and note the minutes of the material subsidiary Risk Committee meetings.

Group Risk Function

- 4.38 Review the **adequacy and effectiveness of resources within the Risk and Compliance functions** following review by the Group CRO.
- 4.39 Review and challenge the 2LOD view of Risk Management Approach **and maintenance of an effective risk management system** that is proportionate to the nature, scale and complexity of the risks inherent in the business.
- 4.40 Provide advice to the Board in relation to the **appointment, replacement or dismissal of the Group CRO**.

Governance

- 4.41 **Review and approve the Board Risk Committee Report for inclusion in the Annual Report.**
- 4.42 Review and challenge annually proposed changes to the **Risk Management Notes** contained in the Annual Report.
- 4.43 Review and approve the Committee's **minutes** and note those of the ERC, ALCO and RMC.
- 4.44 Approve the **establishment or dissolution of sub-committees, appointed committees and working groups under the Committee**, including approval of their respective Terms of References, to deal with specific risk issues and delegate authority to those committees and working groups as required.
- 4.45 Provide advice to the Board, where required, on the **appointment of external consultants and/or advisors** the Board may decide to engage for advice or support on risk matters.
- 4.46 Keep under consideration the appropriateness of reporting and consider **potential enhancements to reporting capabilities**.

5. Authority

- 5.1 The Committee derives its authority from the Board.
- 5.2 The Committee may investigate any matter falling within its terms of reference or any other area of risk within the Group calling on whatever resources (including external professional or legal services) and information it considers necessary to so do. It shall have access to adequate funding to enable it to discharge its duties.
- 5.3 The Committee is authorised to seek any information it requires from any employee of the Group to enable it to discharge its responsibilities.
- 5.4 The CRO will have a right of direct access to the Committee Chair, Governor/Chair of the Court/Board and to the Committee on a continual and unrestricted basis and shall meet twice annually with the Committee in the absence of management. The Group CCO shall also meeting twice annually with the Committee in the absence of management.
- 5.5 The Committee may invite any Director, Executive or other person to attend any meeting(s) of the Committee as it may from time to time consider desirable to assist the Committee in the attainment of its objectives.
- 5.6 While appointed by the GEC or ERC, the Committee has oversight of the following Committees in respect of delegated risk matters:
- ERC
 - ALCO
 - RMC

- 5.7 The Committee will review any changes to the Terms of Reference of each of the above Committees and approve those of the RMC.

6. Reporting and Escalation

- 6.1 The Chair of the Committee shall report formally on key aspects of the proceedings of the Committee to the subsequent Board meeting and the minutes of the Committee should be tabled at the Board as soon as possible for noting and/or discussion as necessary.
- 6.2 Outside of the formal reporting cycle, the Committee shall ensure the Board is informed promptly of any matters of material concern, in line with the wider Governance Framework.
- 6.3 Decisions beyond this Committee's authority and matters which this Committee deems necessary for escalation will be escalated by the Chair to the Board as appropriate.

7. Ways of Working

Members, in carrying out their duties under these Terms of Reference, will:

- 7.1 Be entitled to rely on the integrity and expertise of persons providing information to the Committee and on the accuracy and completeness of such information.
- 7.2 Bring an enterprise-wide view to all deliberations.
- 7.3 Ensure that a 'customer outcomes' and risk management focus is applied in all decision making.
- 7.4 Where relevant, participate in established committees in a constructively challenging and independent manner, ensuring the views of key stakeholders and subject matters experts are sought, including the second line of defence.
- 7.5 Encourage an environment which ensures that colleagues take responsible risks aligned with business objectives, while safeguarding financial integrity.
- 7.6 As part of the Senior Executive Accountability Regime, the Chair of the Board/Court Risk Committee holds the Prescribed Responsibility for safeguarding the independence of the compliance function and for oversight of the function and the Chief Compliance Officer and the Responsibility for safeguarding the independence of the risk function and for oversight of the function and the Chief Risk Officer (Prescribed Responsibility 10 & 11). In performing its duties, the members will comply with all applicable legal and regulatory requirements, including the Common and Additional Conduct Standards under the Central Bank of Ireland's Individual Accountability Framework and the Senior Executive Accountability Regime.

8. Training and Induction

- 8.1 Committee Members shall be provided with relevant and timely induction and training, either individually or collectively, as appropriate. The Committee Chair, with support from the CRO and Committee Secretary will be responsible for ensuring this training is provided on an individual and collective basis, with appropriate other training provided by identified subject matter experts as required.

9. Performance Evaluation and Terms of Reference

- 9.1 The Committee shall, at least once a year:
- Review its own performance and submit a report to the Board;
 - Review the report on performance of the ERC, ALCO and RMC; and
 - Review the Committee's TOR, with any changes deemed necessary recommended to the Board.

10. Responsibility of Management

- 10.1 Management will ensure that all information relevant to the discharge by the Committee of its responsibilities, detailed above, is provided to the Committee (as requested by the Committee). Management will also ensure that matters of material concern that are relevant to the Committee's responsibilities are brought to the attention of the Committee promptly.