

Corporate Social Responsibility Report 2013

Bank of Ireland is playing a leadership role in enabling economic recovery and growth. We do so through practical support for our customers, both business and personal, and the communities in which they live and work. This report highlights the key elements of that support. As lead members of Business in the Community Ireland, we report our Corporate Responsibility activity under their four recommended headings of Marketplace, Employees, Community and Environment.

MARKETPLACE SME support

As economic recovery takes hold we have focused on building our market leading positions in critical growth and job creation sectors such as the Small and Medium Enterprises (SME's) and the mortgage market. During 2013 we further strengthened our commitments with a number of important initiatives.

Bank of Ireland Business Banking meets with over 2,000 Irish businesses and farm enterprises every week with around 500 per week taking out loan facilities to support them with areas such as cash-flow or to move their business to the next level.

Credit Clinics for Small and Micro Businesses

Our Credit Clinics Programme for both Business and Agri customers, designed to guide participants through the lending process and the fundamentals of cash flow analysis and working capital cycles, has been very successful.

Enterprise Town

In 2013, our twice yearly National Enterprise Programme delivered its most ambitious schedule of activities since inception. A unique feature of the programme is the tangible benefits it delivers for customers affording them the opportunity to showcase their business while deepening their networks and acquiring new skills.

An important new dimension to this year's programme, was the selection of Kells Co. Meath as a pilot "Enterprise Town". This initiative is designed to harness and support local entrepreneurship and endeavour. Based on the success of the pilot the bank plans to roll out the other towns on a national basis in 2014.

Other SME support initiatives include:- customer credit clinics, Enterprise Builder mentoring, online credit application advice, online cashflow model, use of our Enterprise Lounge facilities, and support for Credit Guarantee and Microfinance schemes. Comprehensive policies, procedures and solutions are in place to support SME customers in financial difficulty. Full details are available on our business banking website <http://businessbanking.bankofireland.com/>

Microfinance Ireland ('MFI')

MFI was launched in October 2012 with the aim of supporting micro enterprises that are experiencing difficulty securing credit. Bank of Ireland has promoted awareness of MFI throughout the branch network and have put processes in place to ensure that customers are referred to MFI where applicable.

Customer Training Day

Learningzone, our learning and development department, delivered a 'Customer Training Day' in our premises at Grand Canal Quay last July with 75 Bank of Ireland SME customers attending the event. The participants found the courses very helpful and interesting, and the opportunity to meet, network and learn with the other participants was an added bonus.

Mortgages

Bank of Ireland continues to undertake a range of activities to support home ownership and to restore consumer confidence. In October 2012, Bank of Ireland launched a €2 billion First Time Buyer and Mover Fund. On 24 July 2013, Bank of Ireland launched an additional €2 billion fund in response to existing and anticipated demand.

Bank of Ireland has made significant progress on the key recommendations from the Inter-Departmental Working Group on Mortgage Arrears report since its publication on 12 October 2011. We make a comprehensive suite of forbearance treatments and resolution arrangements available to customers to provide suitable solutions where their mortgage is sustainable over the long-term. Bank of Ireland significantly exceeded the Central Bank's published targets on proposing sustainable solutions to our customers during 2013.

Bank of Ireland Project Finance Ireland

Bank of Ireland retains a strong commitment to supporting project finance opportunities in Ireland across our core markets of infrastructure, energy and renewables. We have retained dedicated and experienced Project Finance teams who are focused on supporting these important sectors.

Bank of Ireland lead a syndicate of international lenders and European Investment Bank (EIB) on the N17/N18 Road PPP. This project, which links Gort to Tuam as part of the Atlantic Road Corridor, involves the design, construction, financing and operation of 52km of motorway. The project involved Bank of Ireland working with EIB, this time without the need for contingent support from the National Pensions Reserve Fund (NPRF). This is a positive reflection not only of EIB's perception of co-funding risk associated with working with Bank of Ireland, but also of their comfort with the experience of the Bank of Ireland Project Finance Ireland team and the value added by Bank of Ireland as lead bank on Irish project financings.

NALA Plain English campaign

To help improve our customer communications, we have recently bought lifetime Membership of the Plain English Campaign (UK) for the Group. A recent new Mortgage Arrears booklet has become the first Bank of Ireland document to achieve their Crystal Mark accreditation.

Customer Commitment

The Bank of Ireland Group is committed to providing each of our customers with the high level of service expected of us. A dedicated complaints function within Bank of Ireland is focused on placing the customer at the heart of everything we do to manage and resolve complaints. We believe that complaints give us a unique and valuable insight into the experiences of our customers. We have developed, and will continue to develop, better ways of working so we can learn from the complaints we receive and provide our customers with the best service possible.

When we receive a complaint, we will listen to you and understand the issue. We will then carry out a prompt, thorough and fair investigation. We try to put things right first time and we will tell you what we are doing to achieve this. Whatever the outcome of a complaint, we will explain why we have reached that decision and offer assistance to you in any way we can. Complaints performance data is published bi-annually on our Group Website.

Branch Network

Our commitment to our branch network - the most extensive of any bank operating in Ireland - our continued investments in those branches and our digital channels, underlines our recognition of the importance of enabling our customers to access the bank and its services conveniently and efficiently.

Dublin City University (DCU)

To reaffirm the commitment to investing in the youth segment, Bank of Ireland opened a new branch on DCU campus which will offer financial advice to over 15,000 students and staff in DCU over the coming years. With staff reaching out to the community and facilities available to the local community of students, staff and local businesses - there's a meeting room that is free to use offering free coffee and conferencing facilities, online banking and phone banking booths, a cash desk, foreign exchange, ATMs and cash lodgement machine

New technology

Bank of Ireland is focused on introducing and adopting new technologies and channels

to help make banking easier for our customers. Bank of Ireland continued to highlight these initiatives to our customers throughout 2013.

As part of Positive Ageing Week last September, Bank of Ireland partnered with Age Action to host a "Silver Surfer Day" in twelve of our branches. The branches held an event for older customers to familiarise them with the use of our new lodgement ATM's, Online Banking and other automated banking machines. Representatives from Age Action Ireland were also on hand to give advice and information on their supports for older people.

The latest enhancement to our Self Service device suite of products, a Lodgement ATM with bulk lodge and cash recycling capability, was launched during the year. This was a first for Ireland and the UK and ensures Bank of Ireland continues to deliver the most innovative and customer focused Self Service devices. Customers can now complete lodgements faster and in larger bundle sizes.

Employees

Learning Zone

During 2013 Learningzone provided a broad curriculum of over 400 development programmes to all staff supporting their individual development in line with business requirements. Our programmes are now delivered through a wide range of media including class room, web, iPhone, and conference calls. Our curriculum brings a blend of internally developed programmes along with programmes delivered in partnership with Irish, UK and US universities and business schools. We also support individuals in obtaining 3rd level education qualifications that are required to fulfil their role.

We are proud to have won 2 Irish Institute of Training & Development awards this year and value this external recognition for our service and validation of the Groups commitment to capability development.

Most Popular Graduate Recruiter 2013 in Financial Services

Bank of Ireland won the 'Most Popular Graduate Recruiter' award 2013. The award is determined by graduates throughout Ireland who vote for the companies they most want to work for. The student votes were collected over a 4 month period via the website gradireland.com and a series of campus campaigns, also organised by GRADIRL.

GRADIRL organise these Graduate recruitment awards on an annual basis whereby they highlight the opportunities available for students provided by Ireland's leading employers. Our award "The Most Popular Graduate Recruiter 2013 in Financial Services" reflects that BOI was the organisation in FS that students most want to work for.

This re-enforces the Group's brand in the Graduate market and also enters BOI into "Ireland's 100 leading graduate employers".

Investing in our Communities

Give Together

Our flagship community giving initiative, Give Together continues to make a tangible contribution to a wide variety of deserving causes. During 2013, Bank of Ireland employees have been involved in raising more than €2.4M for over 300 different causes. Side by side with these fundraising activities, 340 of our employees have taken their Give Together day to volunteer with causes that are close to their hearts. Since our Give Together initiative commenced in 2007 our people have been involved in fund raising over €22M for almost 1600 causes. In addition, employees participate in payroll giving schemes which donate a further €800,000 each year to causes both in Ireland and the developing world.

Learning zone training days

In partnership with Business in the Community Ireland, 232 representatives from 119 charity or community group

have participated in 22 different one-day courses during 2013. These courses These programmes are designed to develop the skills and capabilities of participants.

Learn to Earn

Bank of Ireland in association with Junior Achievement Ireland (JAI) and Young Enterprise Northern Ireland (YENI) continues to deliver its dynamic and innovative 5-week financial literacy programme, Learn to Earn, a course aimed at senior cycle secondary students aged 15-17 years. Learn to Earn consists of 5 modules, delivered by a volunteer from a local Bank of Ireland branch. The programme includes an opportunity for students to gain an understanding of the practicalities of everyday finances, and highlights the importance of saving and investing their money responsibly. Each student receives a Certificate of Achievement upon completion to recognise the time and effort students put into the programme.

104 Bank of Ireland business volunteers taught the Learn to Earn programme in 205 secondary school classes, across 125 schools throughout Republic of Ireland during the 2012-2013 School Year

In Northern Ireland, 61 Bank of Ireland business volunteers taught 256 sessions in 79 schools during the 2012-2013 School Year.

Taking Care of the Environment

We are in the closing stages of integrating our ISO14001 Environmental Management System in the Operations Centre in Cabinteely with our OHSAS 18001 Health and Safety Management System. This combined system will come into effect in February 2014 with the main objective of streamlining the process involved in implementing our environmental initiatives such as a 10% reduction in overall waste being generated and maintaining a 96% recycling rate.

Our Group Technology & Change and Operations Centres in Cabinteely have maintained their certification to the ISO50001 International Energy Management standard following an audit by our external auditors in August 2013. To date we have realised savings of approximately 5% in energy costs in these buildings which account for 14% of our overall energy consumption. Our total Group energy consumption is 3.5% lower than the 2012 energy use figure.

In November we launched a €75M home renovation fund to complement a government initiative in this area which has as one of its policy objectives upgrading the energy efficiency of residential homes.

Group Cycle to Work Scheme

The Bank supports the government led Cycle to Work Scheme – providing our employees with a number of opportunities during the year to sign up for the programme. In the five years since the scheme was introduced, 2,000 bikes have been purchased. As well as promoting greener commuting, the scheme also encourages employee fitness and health. We have recently installed 110 cycle racks across our sites to provide additional facilities for our staff who cycle to work. We also hosted ‘Cycle to Work’ days with an emphasis on both pedal bicycles and electric bikes in our large administration sites.