

A photograph of an elderly woman with short, grey hair, wearing a dark blue denim shirt. She is holding a large bouquet of purple flowers in a dark grey pot. The background is a blurred outdoor setting with green grass and a building. The text "Responsible and Sustainable Business Report 2021" is overlaid on the right side of the image in a white, bold, sans-serif font.

**Responsible
and Sustainable
Business Report
2021**

Bank of Ireland Group plc

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Independent Assurance

KPMG has provided limited assurance over selected Responsible and Sustainable Business key performance indicators which are identified by the following symbols in the report:

* – Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG’s limited assurance statement and page 107 for 2021 Reporting Criteria.

** – Indicator is prepared in line with Global Reporting Initiative (GRI) reporting criteria and is subject to Limited ISAE 3410 assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG’s limited assurance statement and page 107 for 2021 Reporting Criteria.



Introduction

Establishing Bank of Ireland's standalone Responsible and Sustainable Business Report

Welcome to Bank of Ireland's Responsible and Sustainable Business (RSB) Report 2021. This inaugural report presents the Group's combined efforts in 2021 to make a positive contribution to society through our 'Investing in Tomorrow' RSB strategy, while aligning to our purpose to enable our customers, colleagues and communities to thrive.

The structure of the report is informed by our 'Investing in Tomorrow' RSB strategy, launched in 2021, presenting our collective progress across three strategic pillars as outlined opposite.

While the Group traditionally included disclosures of our RSB performance in the Group's Annual Report, ongoing engagement with our key stakeholders highlighted the need for a standalone report to provide an in-depth appraisal of our performance against the objectives of our RSB strategy. Establishing Bank of Ireland's RSB Report supports the realisation of the following outcomes:

- Enhances how we communicate our progress in realising the Group's 'Investing in Tomorrow' RSB strategy.
- Refines our disclosures by considering our sustainability reporting roadmap including the Group's commitments to voluntary and regulatory standards and frameworks.
- Creates a repository of Environmental, Social and Governance (ESG) information for our stakeholders to communicate the Group's performance across the three pillars of our RSB strategy, informed by topics that are important to our stakeholders.

Focus Areas:

2021 Highlights:

Enabling colleagues to thrive



We will be a 'digitally able' learning organisation that values inclusion and diversity, reflecting society and our customer base.

- Digitally able
- Employability
- Inclusive development

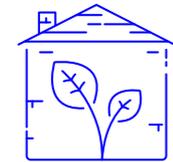
Enhancing financial wellbeing



We aim to empower people to thrive financially by enabling them to make better financial decisions.

- Financial capability
- Financial inclusion
- Financial confidence

Supporting the green transition



We are committed to working with our customers, colleagues and communities to support their transition to a resilient, net zero economy by 2050.

- Set science-based targets
- Provide sustainable financing
- Decarbonise own operations
- Manage climate-related risks
- Transparently report

45%* female senior leadership appointments (+4 percentage points y/y, Q421 51%)

76%* of open roles filled internally through career agility

26%* of colleagues undertaking All Colleague-Future (Digital) Skills Pathways, ahead of target and +11 percentage points y/y

65* Financial Wellbeing Index for Bank of Ireland customers, above the national average

6,037* Vulnerable customers supported

>171k customers targeted through behavioural campaigns to improve their Financial Wellbeing

€3bn increase in Sustainable Finance Fund to €5bn by 2024

€1.8bn* of Green mortgages drawn down since launch, 35% of ROI mortgage lending in 2021. New green mortgage propositions launched in UK.

88% reduction in absolute emissions from our own operations since 2011



Foundations

Underpinned by strong foundations which guide our commitment to being a responsible and sustainable business.

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Letter from our Group Chief Executive – Francesca McDonagh

Our world is facing unprecedented challenges including climate change, social inequality and a lack of financial wellbeing and inclusion. In addition, as the world was emerging from the COVID-19 pandemic, 2022 has brought war to Europe, with Russia's unacceptable invasion of Ukraine, whilst elevated inflation is causing cost of living challenges for many, with vulnerable groups most affected. One thing is clear; if we are to live in a more sustainable way, we need to do things differently.

We published our RSB strategy, 'Investing in Tomorrow', in 2021, with three core pillars focused on our colleagues, financial wellbeing and supporting the green transition. Today, we are proud to publish our inaugural standalone RSB report, significantly enhancing our disclosures and transparency for our shareholders and other stakeholders.

We have clear plans in place to enable our colleagues to thrive. We have an ambition to drive financial capability, inclusion and confidence to improve the financial wellbeing of our customers and wider society. We are also working to manage the risks, and leverage the opportunities, of the climate-related transition and we stand ready to support all of our stakeholders to do the same.

Customers sit at the heart of our business

Being customer focused is a core value for Bank of Ireland. As the economies in which

we operate moved through various stages of lock-down and reopening in 2021, we provided ongoing supports to customers. We adapted our branch network in response to their changing behaviours and banking needs. We continued to invest heavily in a wide range of digital banking services and ensured extensive access to local counter services through our new partnership with An Post.

We strengthened our position as the number one brand, leading advocate and thought leader for customer financial wellbeing in Ireland and became a founding signatory to the UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion'. The Wellbeing Index for Bank of Ireland customers at 65* is above the Irish national average and more than 170,000 customers were targeted through financial wellbeing behavioural campaigns in 2021. Behavioural science was used to positively influence 9,500 customers who were struggling with persistent debt on their credit cards, with 22% of customers taking corrective action to enhance their financial wellbeing.

We announced a €3bn increase in our Sustainable Finance Fund to €5bn and raised €1.3bn under our Green Bond Framework. We are Ireland's leading green mortgage provider with €1.8bn* drawn down since launch, and green mortgages accounted for approximately 45% of new Irish mortgage lending in Q4 2021. We also advanced €1.4bn* of sustainability-linked loans to corporate customers (+144% y/y); and we are the largest provider of wholesale finance in Ireland for electrically charged vehicles.

Colleagues provide human capital

Colleagues keep our organisation thriving by innovating and adapting to our customers' needs. In 2021, our colleagues went above and beyond to deliver for our customers – and each other – at every stage of the pandemic. Given the challenges posed by COVID-19, we maintained our emphasis on colleague wellbeing throughout the year and enhanced work-life balance. We also invested in female talent and ethnic diversity initiatives to support further progress on greater Inclusion and diversity (I&D). The percentage of female senior leadership appointments in 2021 was 45%*, an increase of 4 points on 2020.

We have a responsibility to support our communities

Communities are where we live and work and includes our stakeholders - our shareholders, regulators, governments and wider society. Throughout 2021, we supported economic recovery. We set out clear commitments to support collective action against climate change, assisted groups that work with migrants, and supported almost 100 community and arts projects through our Begin Together fund.

Let's work together and make the future a sustainable one

We made significant progress against our RSB strategy in 2021 across our three core pillars. We also enhanced our governance

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and sustainability disclosures, including the establishment of a dedicated Board-level committee. These actions improve the sustainability of our business model for shareholders, reducing investment risk, and for all other stakeholders.

However, we know there is much more to do. We have ambitious objectives for our colleague and financial wellbeing pillars, which build on the progress we have made to date. The net zero transition journey ahead will pose significant challenges for all our stakeholders. It also provides us with opportunities and getting this right is critically important for us all. For the planet there's no Plan B, so our commitment, for our customers, colleagues, and the communities where we live, work and do business, is to play the most constructive role we can to tackle this challenge.

Francesca McDonagh
Group Chief Executive



Letter from our Chief Sustainability and Investor Relations Officer – Eamonn Hughes

Bank of Ireland's RSB agenda is to make a positive contribution today, whilst also investing in the future. We aim to create a sustainable business model for all of our stakeholders.

We recognise the ever-growing expectations for increased action and transparency from our customers, shareholders, regulators and society. This inaugural standalone RSB report provides insights on our strategic approach, appraisal of our progress to achieve our purpose, and key focus areas that we plan to progress in the years ahead. We are focused on embedding RSB into the core strategy of the Group, to ensure responsible and sustainable business is an intrinsic part of who we are and the way we work every day, throughout the organisation.

Our ambition is clear

- Fulfill our purpose by enabling our customers, colleagues and communities to thrive.
- To use our balance sheet and resources to drive positive change for a better, fairer society and improve the environment.
- For stakeholders to regard Bank of Ireland as Ireland's national champion bank when it comes to its RSB strategy and implementation.

Supporting the Green Transition for our customers and communities

We recognise the major role and responsibility that the financial services sector, and Bank of Ireland, has to play in society's response to climate change. 2021 saw the publication of the government's Climate Action Plan for Ireland and the UK's net zero strategy. An ambitious strategy, it requires equally ambitious partners like Bank of Ireland to support these national efforts and assist the green transition of our customers and communities, while building the Group's resilience against any negative impacts.

Enhancing Financial Wellbeing

Financial health and inclusion have been central to Bank of Ireland's Financial Wellbeing programme. As founding signatories of the UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion', we are proud to be part of a group that is determined to show leadership on issues that are as important to us as they are for our customers.

Enabling Colleagues to Thrive

While our increasingly digital world brings huge opportunities, it also demands new skill pathways for colleagues to ensure they are equipped to deliver fully for customers. We want our colleagues to be proud they work in Bank of Ireland and we want new talent to be

attracted to an organisation that allows them to thrive and fulfil purposeful roles for our customers and communities.

2021 RSB highlights

2021 was another significant year in the Group's transformation, making material progress towards realising our ambition to enable our customers, colleagues and communities to thrive. Key highlights include:

- The Group continued to enhance its ESG reporting and climate disclosures, with the publication of the Group's inaugural RSB Report and second year disclosing against the Task Force on Climate-related Financial Disclosures (TCFD) framework as part of the Group's Annual Report 2021.
- In September 2021, Bank of Ireland signed up to the Partnership for Carbon Accounting Financials (PCAF), a collaboration of over 150 financial institutions globally, working together to enable the harmonised assessment and disclosure of greenhouse gas (GHG) emissions associated with finance for loans and investments.
- Our participation with PCAF complements our commitment to establish science-based targets (SBTs) for key asset classes with the Science-Based Targets initiative (SBTi). This will reinforce our support for Ireland's green transition and the UK government's climate plans.

- As a signatory to the United Nations Environment Programme Finance Initiative's (UNEP FI) Principles for Responsible Banking since 2019, the Group was proud to be one of the first banks in December 2021 to commit to supporting financial health and inclusion through its products, services and other measures by signing up to the UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion'.
- The Group introduced our future skills learning pathways to support colleagues to begin successfully transitioning into new careers and roles. These pathways serve to deliver against the Group's 'Being Digitally Able' commitment.



Letter from our Chief Sustainability and Investor Relations Officer – Eamonn Hughes

2022 RSB priorities

We have set clear objectives for 2022 across the three core pillars of our RSB strategy:

Supporting the green transition

- Refine the Group's climate-related processes and capabilities, including supporting colleagues with the necessary skills plus developing our climate-related data generation.
- Participation in the 2022 European Central Bank (ECB) Climate Thematic Review and Stress testing exercises.
- Submit our application to SBTi for approval of our science-based target pathways.
- Continue to offer an ever-wider array and scale of sustainable finance product solutions and advice for our customers, and
- Drive further improvements in the decarbonisation of our own operations.

Enabling colleagues to thrive

- Roll out of new digital careers experience platform to advance colleagues' ability to assess their own skills, seek feedback and mentorship and access personalised learning. This will include sustainability driven supports and training.
- Scale participant numbers across our programmes as well as graduate our remaining 59% People Managers through our 'You as a Manager' (YaaM) programme.
- Improve our understanding and measurement of the diversity of our colleagues.

Enhancing financial wellbeing

- Leverage behavioural science and digital tools, with the launch of personalised in-app capability to enable customers to better understand and manage their own financial behaviours.
- Through our 2021 Financial Wellbeing survey, we identified a clear gap in the financial confidence of women. We have launched a new programme dedicated to supporting women's financial confidence with a programme of activities set to run through 2022.



Eamonn Hughes
Group Chief Sustainability and Investor
Relations Officer



Bank of Ireland Branch, St. Stephen's Green



About Bank of Ireland

Our Purpose

Bank of Ireland's purpose is to enable our customers, colleagues and communities to thrive.

- Customers are at the heart of our business and always come first.
- Colleagues keep our organisation working, innovating and adapting to meet our customers' needs.
- Communities are where we live and work and include other local and global groups, such as our shareholders, regulators, governments, and partners.

Our Ambition

Our ambition is to be the National Champion Bank in Ireland, with UK and selective international diversification. A National Champion is a consumer champion, a driver of economic growth with a strong market share and brand position and an employer of choice. As we work to deliver on this ambition, we continue to enhance the Bank of Ireland experience for our customers, colleagues and communities.

Key Group-Level Business Highlights at a Glance

-  As at 31 December 2021, Number of staff (full time equivalents): 8,696 (2020: 9,782)
-  Branches: ROI: 169 (2020: 257)
NI: 13 (2020: 28)

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-  Loans and advances to customers (after impairment loss allowances): €76.3 billion (2020: €76.6 billion)
-  Sustainability-linked loans: €1.4 billion* (2020: €571 million)
-  Number of active retail customers in ROI: 2.2 million (2020: 2.2 million)
-  Gender ratio of new appointments to management and leadership levels: 45% female*: 55% male (41% female: 59% male in 2020)

The Core Values at the Heart of our Culture

Our purpose is supported by four key values which guide us in everything we say and do and these values are embedded in how we run our business. These values underpin our purpose as an organisation, as well as our culture that we seek to create for our colleagues and the way we engage our most important stakeholders – including our customers, investors and our communities.

Throughout 2021, we saw our values in action, informing and underpinning decision making across the Group.

Customer focused

We understand our customers well. We listen to them to ensure they feel valued and use our insights to consider how best to serve their needs. We take appropriate actions to deliver solutions to meet customers' changing requirements.

One Group, One Team

We know we work smarter when we come together behind our common purpose.

We learn from each other and share ideas to expand our thinking. We build an open, trusting and supportive environment. We foster diversity of thought, ideas and experiences to spark creativity and innovation.

Agile

We embrace change with an open mind and a can-do attitude. We respond quickly and proactively seek different perspectives. We challenge ourselves to look for new and simplified ways to efficiently deliver the best solutions for our customers.

Accountable

We are empowered to take ownership and trusted to do the right thing to support our customers, colleagues and communities. We lead by example and challenge ourselves and each other to do our best work at all times. We learn from our mistakes and celebrate our successes together.

Our values form the basis of the multi-year journey Bank of Ireland is undertaking to transform our culture. This will transform all our activities and behaviours, enhancing how we work together as colleagues and support our customers.

Our Strategic Priorities

As the 2018-2021 strategy concludes, the Group has made good progress, setting solid foundations across its three strategic priorities to transform the Bank, serve customers brilliantly and grow sustainable profits.

Our operating environment has changed significantly since we set out our strategic

plan, amplified by the challenges presented by the COVID-19 pandemic and other external factors, including low interest rates, intense competition, Brexit and the evolving regulatory environment.

Notwithstanding these headwinds, the economic fundamentals underpinning our strategic plan remain supportive. Our ambition to become the National Champion Bank in Ireland has progressed through the acquisition of Ireland's leading wealth and capital markets provider, Davy, and KBC Ireland's performing loan portfolios and deposits.

Our Global Business Footprint and Outline of our Business

Bank of Ireland has an operational presence across Ireland, UK, and internationally with offices in the US, Germany, France and Spain.

Bank of Ireland is one of Ireland's largest financial services groups and provides a broad range of banking and other financial services. The Group is organised into four trading segments and one support division to effectively serve our customers – Retail Ireland, Wealth & Insurance, Retail UK, Corporate & Markets and Group Centre.

Retail Ireland: Operating as one of Ireland's largest lenders with gross lending of €5.7 billion to the Irish economy in 2021, including targeted supports for businesses impacted by the difficult trading conditions. Serving more than 2 million personal and business customers across a broad range of segments and sectors, while offering them the choice to engage through digital, branch and phone



About Bank of Ireland

banking channels. Promoting their financial wellbeing by delivering a full range of financial products, services and propositions tailored to meet their needs, manage their current finances and to plan for the future.

Wealth and Insurance: A leading provider of life, pensions, general insurance, investment and savings products in the Irish market. The Group is the only bancassurer in Ireland operating through New Ireland and encompasses Wealth Distribution and Bank of Ireland Insurance Services. The Group, through New Ireland, sells a broad range of protection, investment and pension products to individual and corporate customers in the RoI.

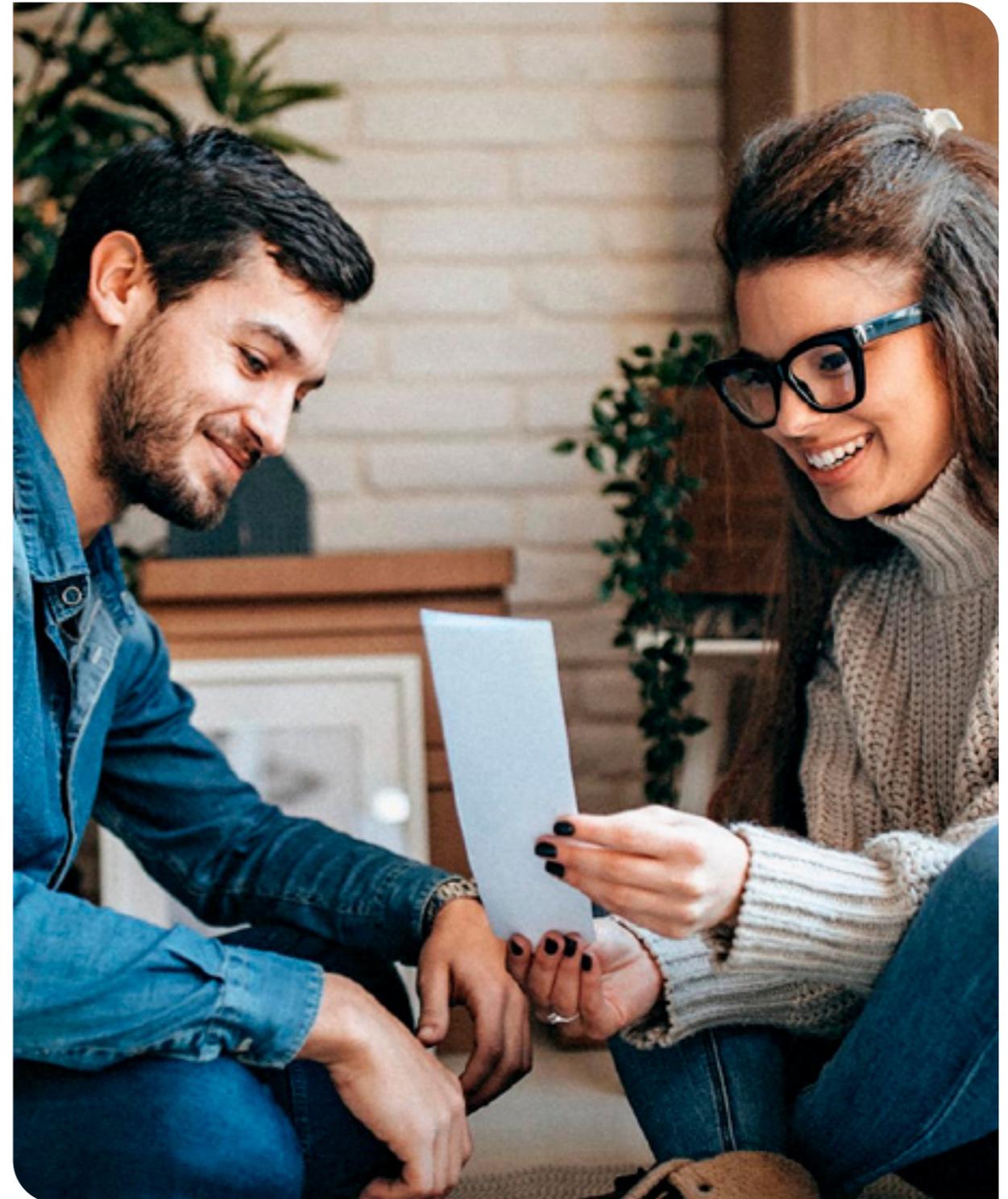
New Ireland's liabilities are predominantly unit-linked and it has a multi-channel distribution strategy, selling products through the Bank's branch network, the independent broker market and a tied agent channel (financial advisors).

Retail UK: Distributes consumer products via own brand and partnerships with trusted brands, Post Office and the Automobile Association (AA), and operates a full service retail bank in Northern Ireland (NI) as well as niche businesses in attractive segments, which include asset finance under the Northridge Finance and Marshall Leasing Limited (MLL) brands and FX via First Rate Exchange Services (FRES).

Corporate and Markets: Ireland's number one Corporate Bank¹ and customer treasury service provider incorporating the Group's corporate banking, wholesale financial markets, specialised acquisition finance and large transaction property lending business across Ireland, UK and internationally with offices in the US, Germany, France and Spain. Holds market leading positions in chosen sectors, including corporate banking, commercial real estate, foreign direct investment and treasury solutions.

Group Centre: Group Centre comprises the Group's central control functions, which establish governance and oversee policies and which provide and manage processes and delivery platforms for the trading divisions.

¹ Based on corporate lending information sourced from (i) publicly available Annual Reports for 2018, 2019 & 2020 for all Irish banks, (ii) Bank of Ireland analysis of its banking relationships with the top 500 companies from the 2021 Irish Times Top 1,000 companies list and (iii) Bank of Ireland analysis of its banking relationships with companies on the published listing of international companies setting up operations in RoI in 2021.



Responsible & Sustainable Business

Our Responsible & Sustainable Business Strategy

Behaving in a responsible and sustainable way is fundamental to achieving our purpose of enabling our customers, colleagues and communities to thrive.

In March 2021, we launched our first Group RSB strategy following an extensive strategy development process over the previous 18 months. This process included materiality mapping, impact assessment, examining industry trends, consideration of investors and regulators' evolving expectations and the expectations and requirements of our customers and colleagues.

Our RSB strategy has three pillars, built on strong foundations, as outlined opposite.

UN Sustainable Development Goals

Our strategic pillars align with a number of UN Sustainable Development Goals (SDGs), which are an urgent call for action by all members of the UN and responsible corporate citizens, in a global partnership.

As a pillar bank in Ireland, we are active partners in supporting the achievement of these goals.

See pages 16, 26, 40 and 75 for further detail on the SDGs aligned to our RSB strategy.



Enabling colleagues to thrive

-  **Being digitally able** – Developing skills and capabilities to support our ambition to be a digitally-enabled bank, while supporting a digitally able society.
-  **Employability** – Enabling colleagues, current and potential, to develop skills that allow them to enter, return and stay relevant and future-fit in a constantly changing world of work.
-  **Inclusive development** – Enabling every colleague to grow and develop as a person, while building an inclusive workplace which is more reflective of society and our customer base.



Enhancing financial wellbeing

-  **Financial capability** – Enabling people to know and do more – improving their ability to know the gaps to address and the actions to take.
-  **Financial inclusion** – Protecting our most vulnerable customers, including those in difficult circumstances.
-  **Financial confidence** – Enabling people to better understand their financial position and make better financial decisions.



Supporting the green transition

-  **Providing sustainable financing** – Through our core financing and advisory capabilities, enabling customers to transition to net zero and to develop and deploy low carbon technologies.
-  **Managing climate-related risks** – Building our own resilience by embedding climate related impacts in our decision making processes for our own operations, in lending and investment decisions and the advice we give our customers.
-  **Setting science-based targets** – Setting our portfolios and lending practices on a pathway aligned with the Paris Agreement and committing to setting SBTs across our portfolios and operations by the end of 2022.
-  **Decarbonising our own operations** – Making them net zero by 2030.
-  **Transparently reporting** – Committing to clear reporting on the progress we are making towards fulfilling our ambitions, and reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures.

Foundations

Underpinned by strong foundations which guide our commitment to being a responsible and sustainable business



2021 RSB Awards and ESG ratings

Our Sustainability-related Awards & ESG Ratings in 2021

2021 was a successful year for Bank of Ireland across several fronts, with recognition for our efforts and achievements from key organisations in both Ireland and globally.

- Chartered Institute of Personnel Development (CIPD) award for Learning and Development.
- 2021 'Age-Friendly Business Award', recognising Bank of Ireland as an age-inclusive employer.
- First Irish company to achieve Business Disability Forum (BDF) accreditation.
- The Group's national financial wellbeing campaign, the F-word, led to Bank of Ireland receiving the #1 ranking in the 'Brand Shout' tracking survey in July and being awarded JCDecaux's 'Campaign of the Month' in August.

As part of our commitment to transparently disclose our ESG performance, the Group engages with selected ESG rating agencies and benchmarks, which reflect performance for the financial services sector, and are considered by our investors, as part of their investment decisions.

The overview of our latest ESG rating scores is outlined opposite. Further enhancing our engagement with ratings agencies will be a key area of focus in 2022.

Agency	Rating Scale	2021	2020	
Sustainalytics	Scale of 0 – 100, with a lower score being more positive	20.6 Medium Risk	22.5 Medium Risk	The Group's score improved to 20.6 in 2021, with Bank of Ireland now in the top 21st percentile of banks globally, at the lower end of a 'Medium Risk' rating.
S&P Global	Scale of 0 – 100, with a higher score being more positive	49	44	An improvement of 17 points since 2019 and five points since 2020, placing the Group in the top 37th percentile group.
MSCI	AAA to CCC, AAA as best possible score	BB	BB	The BB rating remained consistent with prior year, with the Group making improvements in the areas of Privacy & Data Security and Corporate Behaviour in 2021.
CDP – Climate Change	A+ to F, A+ as best possible score	B	B	While the Group's CDP climate change score is unchanged at B for 2021, there was an improvement in 6 out of 11 sub category scores. The Group remained stable across the remaining five categories, with no reduction in scores versus 2020.



Our Memberships, Associations & Commitments

The ESG challenges facing us today require a collaborative response from organisations across society. Bank of Ireland has partnered with a number of national and international organisations to share experience and leverage expertise and knowledge.

Our Overview of our Mandatory Commitments

- EU Non-Financial Reporting Directive (NFRD)
- EU Taxonomy
- EU Sustainable Finance Disclosure Regulation (SFDR)
- Regulatory expectations on climate change as set out by the ECB, and the Prudential Regulatory Authority (PRA) for BOI UK plc
- Basel Committee on Banking Supervision

Our Voluntary Commitments

- The TCFD
- UNEP FI Principles for Responsible Banking (UNPRB)
- UN Principles for Responsible Investment (UNPRI)
- UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion'
- CDP (formerly The Carbon Disclosure Project)
- UN SDGs
- SBTi
- PCAF

- Business in the Community Ireland's Low Carbon Pledge and Elevate Pledge
- ISO 50001 Energy Management System and ISO 14001 Environmental Management System (EMS)

Bank of Ireland's Voluntary Associations & Memberships

- Business in the Community Ireland's Business Working Responsibly Mark
- Banking & Payments Federation Ireland
- Sustainable Finance Ireland
- Irish Banking Culture Board (IBCB). Oliver Wall, Group Chief of Staff, is a director on the IBCB.

Reporting Frameworks Adopted to Develop this Report

The disclosures in this RSB Report and the RSB disclosures of the Annual Report have been informed by the guidance of the GRI Standards, UN PRB and TCFD frameworks, as well as the regulatory expectations of the ECB and PRA. This includes:

1. Bank of Ireland's 2021 Annual Report providing an outline of our progress to:
 - Achieve the objectives across each of the pillars of our RSB strategy.
 - Integrate climate considerations into the Group's risk management processes and strategic response, in-line with the relevant regulatory framework set by the Group's regulators.
2. Our Green Bond Impact Report providing investors with an outline of the positive

impact the Group has had across the Green Eligible Asset Portfolio associated with our Green Bond Framework.

3. Our inaugural RSB report, which provides our stakeholders with a detailed overview of our progress towards the objectives associated with each of the pillars of our RSB strategy.

The RSB disclosures prepared across our 2021 reporting suite carefully consider the sustainability topics prioritised through our materiality assessment in 2020. These reflect the topics considered most important by our stakeholders, including investors, regulators, colleagues and customers.

The content and presentation of performance across our 2021 reporting suite is informed by the Group's sustainability reporting roadmap. This provides a structured plan to guide the Group's long-term RSB disclosure journey.

Our roadmap incorporates best practice associated with global sustainability frameworks the Group is committed to upholding. This includes the Group's commitments to the UNPRB to disclose our efforts to align the Group's RSB Strategy with the Paris Agreement, and report on how we manage the impacts associated with the products and services offered to our customers.

Our roadmap guides the Group's efforts to respond to the expectations associated with the relevant regulatory obligations applicable to our sector, business model and geographic footprint. These include the expectations of our regulators:

- Central Bank of Ireland (CBI)
- ECB
- PRA
- Premium listing status on the London Stock Exchange, in terms of the Financial Conduct Authority's (FCA) expectations

We acknowledge that this Report represents a step on the sustainability reporting journey, and will be further developed and refined over time in line with evolving regulatory, mandatory and voluntary requirements.



Determining our Material Topics

In 2020, the Group undertook its inaugural assessment engaging our stakeholders to determine the material sustainability topics which matter most to them. The results of this assessment informed the development of our RSB strategy as well as the focus for the Group's disclosures in our 2021 annual reporting suite that track performance to-date.

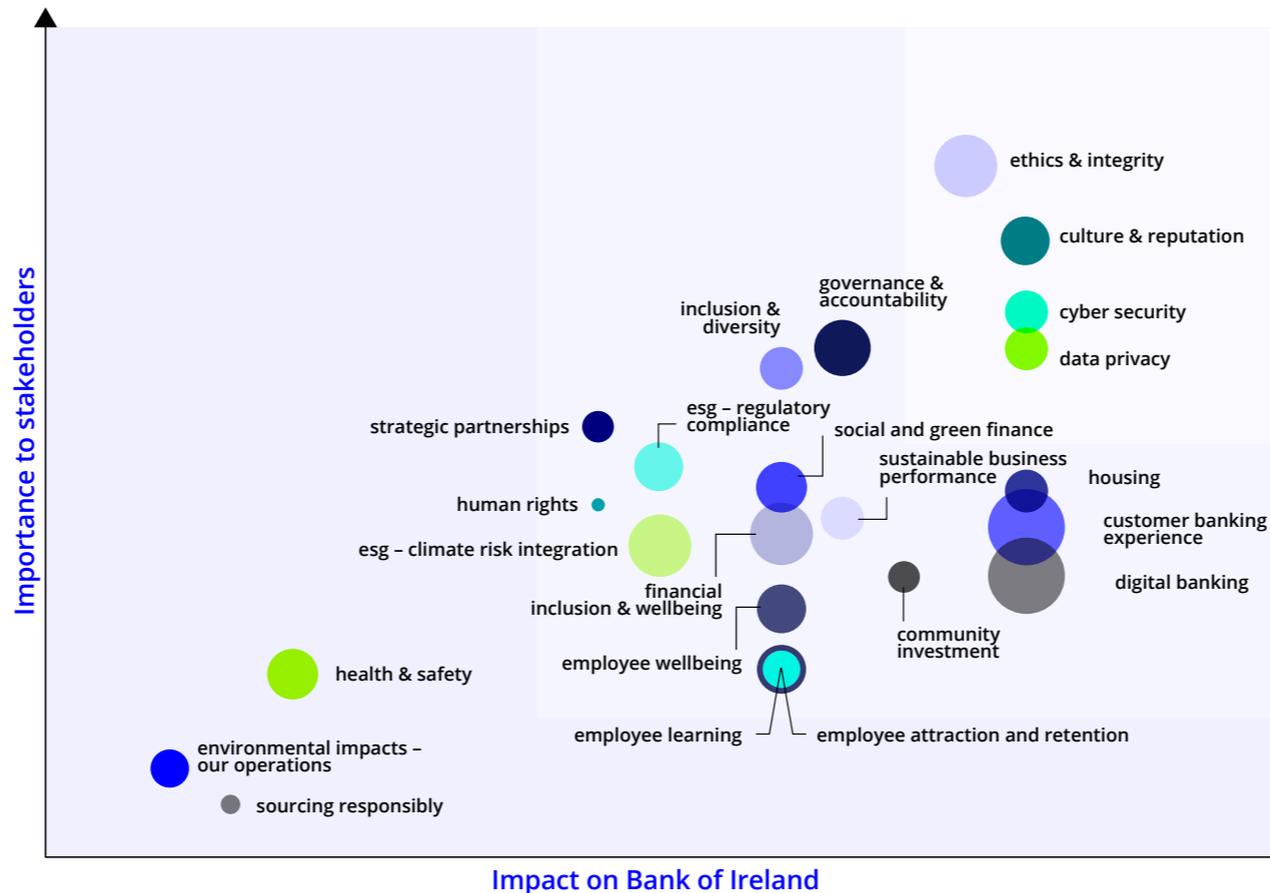
The Group adopted a four-step approach to undertake a materiality assessment, which is outlined in our 2021 Annual Report. We carefully considered a wide range of sustainability topics relevant to the Group and our stakeholders. This included evaluating regulatory and business developments, emerging trends in ESG reporting and compliance, industry trends and the Group's corporate strategy.

The Group leveraged an array of engagement mechanisms to seek the views of our stakeholders, including our customers, colleagues, suppliers, trade associations and NGOs among others. This approach helped us to understand the most important sustainability-related needs of our stakeholders, validate and prioritise them to determine our most material topics.

Results of our 2020 Assessment

The adjacent matrix presents an overview of our assessment of the sustainability topics that matter most to our stakeholders. The identified material topics represent significant opportunities for the Bank to positively impact through the delivery of our commercial strategy and engagement with

our stakeholders to realise our purpose to enable our customers, colleagues and communities to thrive.



Leveraging Our Materiality Topics to Inform Our RSB Strategy & Report Content

Our material topics informed the preparation of the Group's RSB disclosures across our 2021 reporting suite. Our disclosures communicate the Group's approach to addressing these topics and track our performance against these.

Further details of our approach to determining the Group's material topics can be found in our 2021 Annual Report.

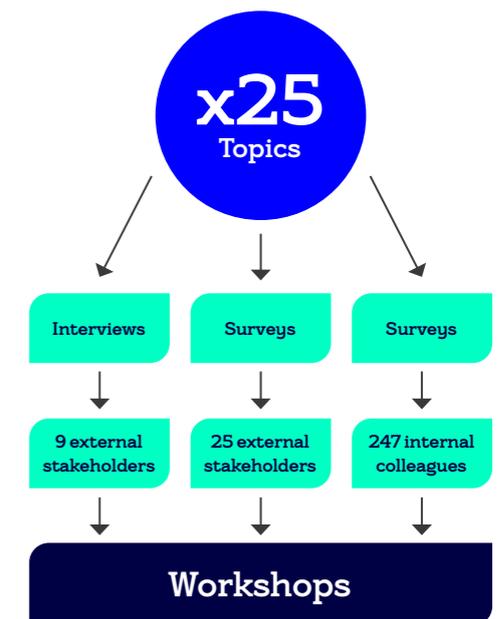
Our Ongoing Assessment of Material Topics

Consistent with approaches adopted globally to determine material topics, the Group plans to re-assess our material topics every second financial year, or in response to events that warrant a review of our material topics including, regulatory requirements, and changing stakeholder needs.

In 2022, we will conduct a materiality assessment refresh to inform our strategic thinking and ensure that our strategy continues to be aligned with the views and needs of our stakeholders.

The Group will also consider the key requirements associated with the evolving reporting regulatory landscape in the EU, pending the ratification of the Corporate Sustainability Reporting Directive.

Our approach to engaging stakeholders to understand their needs



Governance

The Board is collectively responsible for the long-term sustainable success of the Group and for ensuring there is a strong corporate structure in place. It provides leadership of the Group, setting strategic aims, within the boundaries of the Group's risk appetite and a framework of prudent and effective controls.

The Group Chief Executive Officer (CEO) is supported by the Group Executive Committee (GEC) which is composed of the Executive Directors and other senior executives who assist the CEO in leading the Group's day to day operations and in the execution of the Board-approved Group Strategy in line with the Group's Purpose. The list opposite reflects GEC membership on 23 June 2022, including new appointments during 2021 and early 2022.

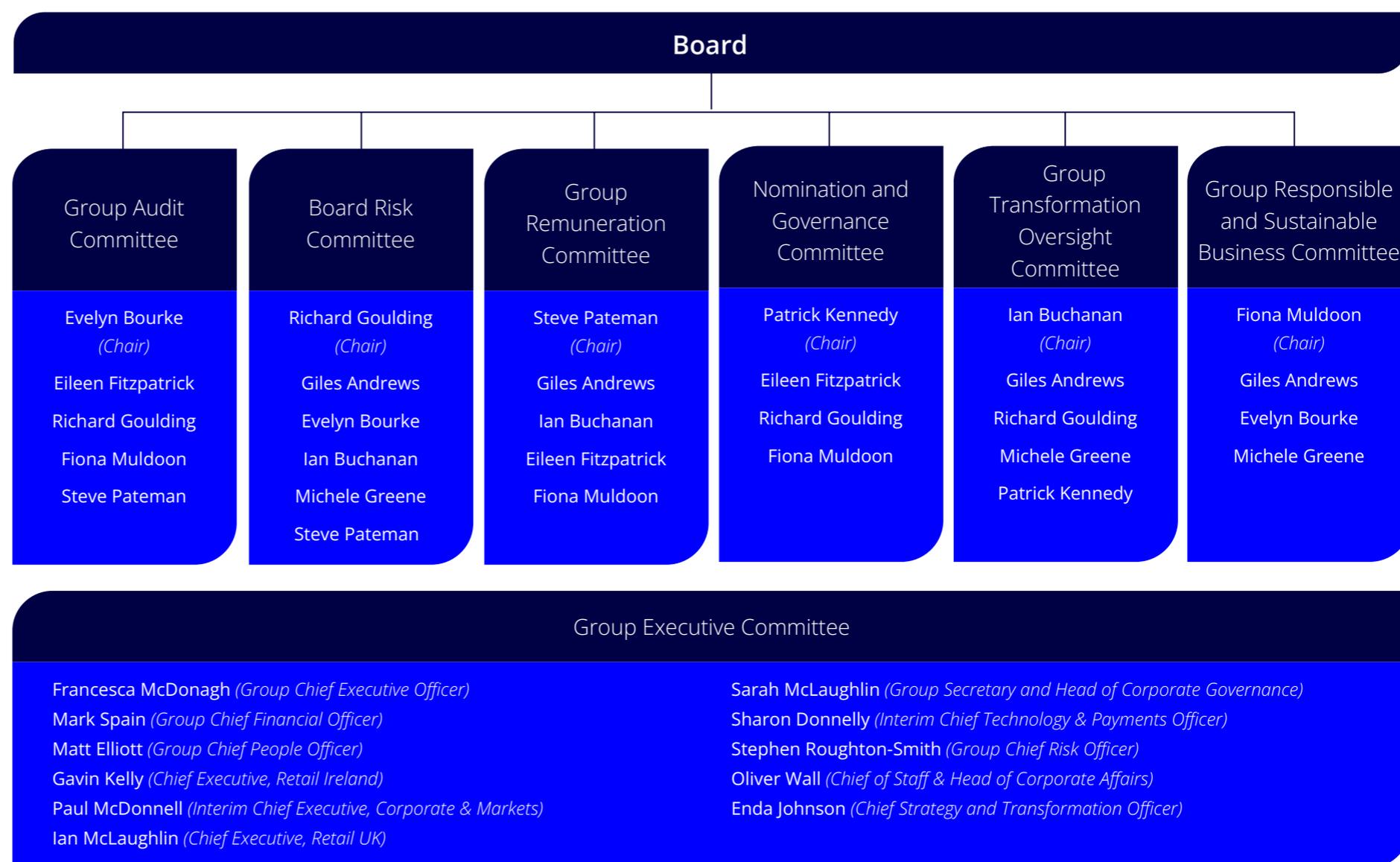
The Group's corporate governance standards are implemented by way of a comprehensive and coherent suite of frameworks, policies, procedures and standards covering corporate governance as well as business and financial reporting and risk management activities. These are supported by a strong tone from the top on expected culture and values.

The Board is supported by a number of committees, including the Group Nomination, Governance and Responsible Business (NGRB) Committee in 2021 and new Group RSB Committee from 2022 onwards.

RSB Committee

During 2021, reflecting the increasing importance of environmental and social activities, the Board approved the establishment of a new standalone Board level RSB Committee, which assumed responsibility for RSB activities from the NGRB Committee in February 2022. The new

committee provides oversight of the Group's RSB Strategy and monitors the Group's implementation of the UNPRB. The RSB Committee will report and make recommendations to the Board on all RSB matters, including the Group's actions on climate change.



Governance

The RSB Committee's responsibilities include:

- Oversight of the Group's RSB strategy having regard for the Group's key stakeholders, including shareholders, customers, colleagues, Government, regulators and the wider community
- Reviewing progress made against objectives and targets set under the three pillars of the RSB strategy 'Investing in Tomorrow', including progress against the ECB Climate implementation plan and climate target ambitions
- Overseeing and making recommendations to the Board on the proposed short and long-term objectives, and ESG metrics and targets
- Reviewing RSB disclosures in the Group's financial statements, the standalone RSB Report and any other external reporting on the Group's RSB strategy, including the Group's UN PRB commitments
- Ensuring that ESG risks are integrated into the overall Group Risk Framework and critical risk management processes in conjunction with the Risk Committee
- Reviewing and challenging sustainability policies of the Group, including the Modern Slavery Statement and Race at Work Charter

At an Executive-level, the new committee's oversight will be supported by the Group's newly appointed Chief Sustainability and Investor Relations Officer (CSIRO), who reports to the Chief Financial Officer.

Green Transition Decision Group

Following the publication of the Group's RSB strategy in March 2021, the Green Transition Decision Group was established, convening senior business and functional executives from across the Group to enable the execution of the 'Supporting the Green Transition' delivery plan.

The Decision Group provides the following support to the Group:

- Oversight of ECB Climate Implementation Plan & Green Transition Pillar of RSB strategy
- Oversight of roll-out of SBTs and provide input into issues and mitigation to risks that may arise in setting these targets

- Understanding and supporting delivery of the RSB reporting and disclosure
- Reviewing investment requirements and challenging accordingly
- Ensuring a coordinated approach between the central RSB climate team and customer/Business Unit teams
- Providing overall challenge, support, and steering delivery execution against the 'Supporting the Green Transition' pillar delivery plan
- Reviewing and approving end to end resourcing model and implementation/delivery approach

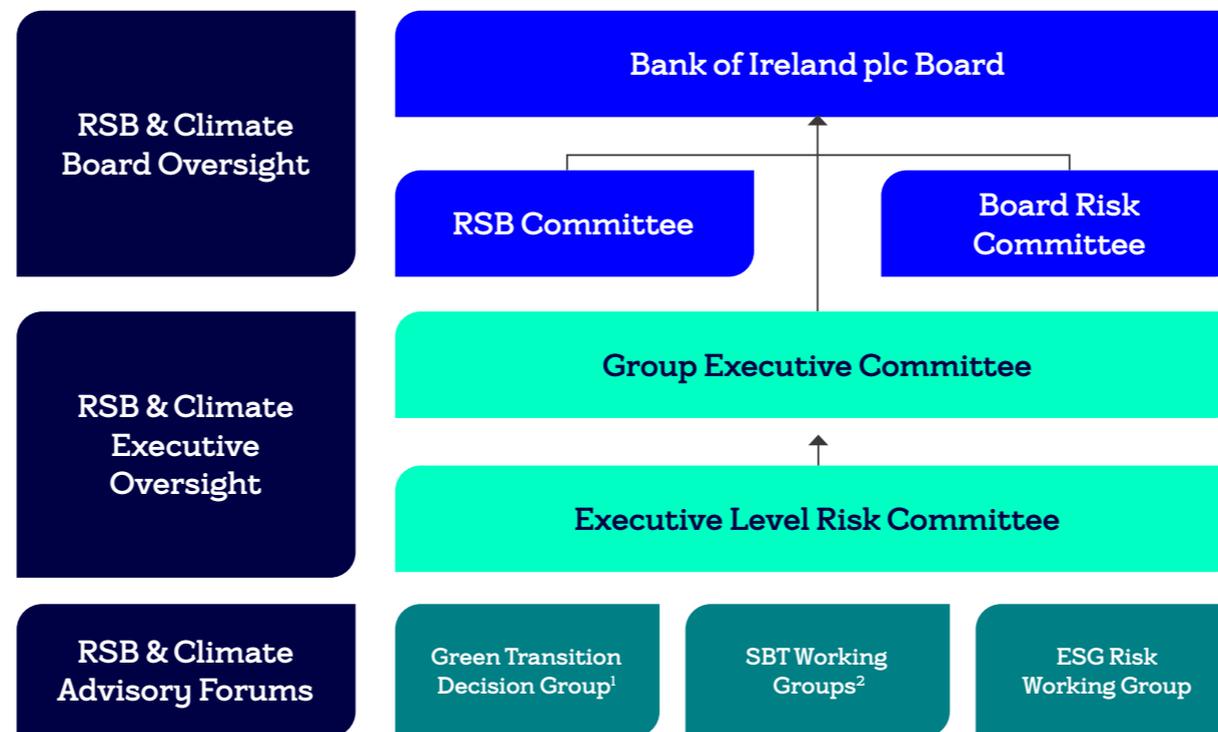
In 2021, the Green Transition Decision Group regularly updated the GEC on progress against Five-Point Climate Plan, including key programme metrics and milestones.

Shares and Ownership

All of Bank of Ireland Group plc's issued share capital comprising 1,078,822,872 ordinary shares of €1.00 each are listed on the Irish Stock Exchange trading as Euronext Dublin and the London Stock Exchange. All ordinary shares carry the same voting rights. There were no outstanding options on ordinary shares under employee schemes as at 31 December 2021 or 2020. As at 31 December 2021, New Ireland Assurance Company plc held 3,235,852 ordinary shares of BOIG plc as 'treasury shares' (2020: 5,076,259). The consideration paid for these shares amounted to €20 million (2020: €25 million).

State Support

Between 2009 and 2011, Bank of Ireland received €4.8 billion of support from the Irish State. In June 2021, the Minister for Finance announced their intention to sell part of the State's 13.9% remaining shareholding in Bank of Ireland. The shareholding is now below 3% and the State is no longer the largest shareholder in the Bank. Bank of Ireland is unique amongst Irish banks in being the only institution to have repaid the Irish taxpayer fully for support received during the financial crisis, which we did in 2013. Since then, through dividend payments and the ongoing sell-down of the State shareholding, the return to the Irish State has continued to increase, amounting to c.€6.5 billion as of June 2022.



¹ The Responsible & Sustainable Business Forum which operated in 2020, became the Green Transition Decision Group in 2021, with a revised terms of reference focused on the Green Transition.

² Working groups convened for the four key asset classes; mortgages, commercial real estate, electricity generation and corporate lending.



**Enabling
colleagues
to thrive**



Farha Fathima, Group Data & Analytics Office, pictured at the New Ways of Working collaborative work space at Bank of Ireland, Baggot Plaza.



Enabling Colleagues to Thrive

Responding to the Challenge

Our world is changing rapidly, and organisations need to reflect this in meeting the ever-changing needs of their customers, their colleagues and the communities they serve. To deliver our ambition and enable our customers and our communities to thrive, we must similarly enable our colleagues to remain relevant in an increasingly evolving and digital world. We appreciate that the Group does not exist in isolation. As other organisations respond to these challenges and compete in an increasingly competitive labour market, we need to ensure that we take the lead in developing relevant skills for today and the future.

Our Approach

Bank of Ireland is integral to the Irish economy and we will leverage this position to build a stronger society for everyone. In achieving our ambition of enabling colleagues to thrive, we will ensure that our customers and communities are equally well-positioned to take advantage of the opportunities presented within this societal transformation. We will achieve this through clearly defined strategies and targets across three focus areas:

1. Digitally able
2. Employability
3. Inclusive development

As the Group becomes a 'digitally able' learning organisation, we will support all our colleagues in building enduring careers.

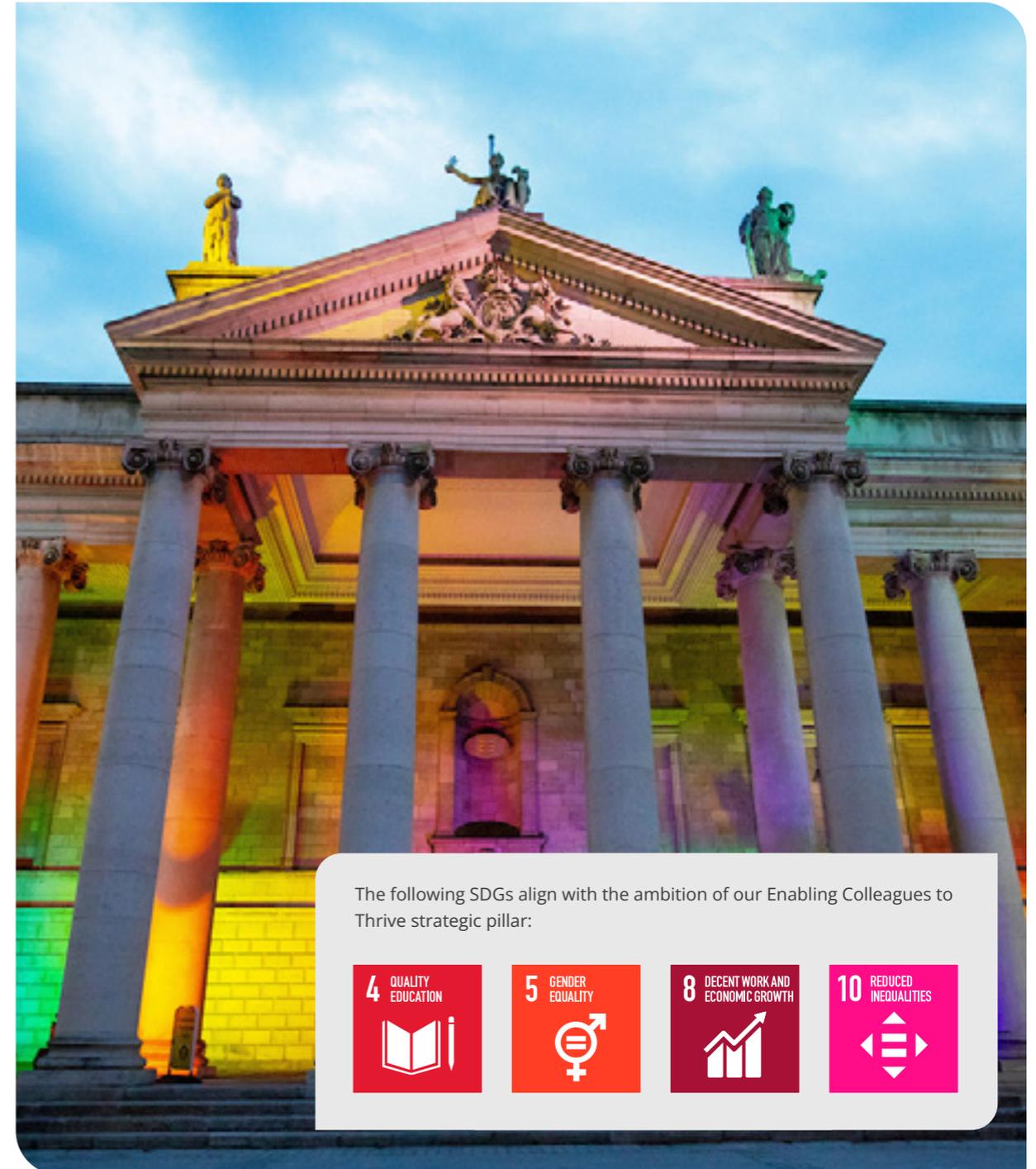
Through our Bank of Ireland Academy, we will provide opportunities for all colleagues to develop the skills they need for their roles today and empower them to upskill or re-skill for roles they aspire to hold in the future.

We will grow and strengthen our core skills, which enable us to serve our customers brilliantly and securely today while expanding our growth skills which will support a digitally able future.

We believe in achieving all of this through Inclusive Development. By enabling every colleague to grow and develop, both personally and professionally, we can build an inclusive workplace that is more reflective of society and our customer base and where everyone is capable of reaching their full potential.

Our commitment to learning and development extends to sharing our expertise with our wider communities. Through our Bank of Ireland Academy, we help our communities enhance their digital capability and find their way into the world of work. By developing people into work and developing our people at work, we can promote employability throughout society, and ensure our communities, potential colleagues, and colleagues remain employable, relevant, and future fit.

College Green branch illuminated to celebrate Pride



The following SDGs align with the ambition of our Enabling Colleagues to Thrive strategic pillar:





Enabling Colleagues to Thrive



Being Digitally Able:

Developing skills and capability to support our ambition to be a digitally-enabled bank, while supporting a digitally able society.

Highlights

- Launched Group-wide upskilling and re-skilling strategies, rolling out four All-Colleague pathways: data fluency, project management, business agility, and digital fitness
- Developed an innovative behavioural change platform to support digital fitness
- Our financial wellbeing coaches provided over 6.5k financial literacy hours to customers, colleagues and communities



Employability:

Enabling colleagues, current and potential, to develop skills that allow them to enter, return, and stay future-fit in a constantly changing world of work.

Highlights

- Partnered with Dublin City University, Ulster University, Fasttrack to IT, and Skillnet Ireland to support Early Careers' entry into the workplace
- Launched Bank of Ireland Academy to develop all our current and future colleagues



Inclusive development:

Empowering every colleague to grow by providing access to development that promotes personal and professional growth while building an inclusive workplace that is more reflective of society and our customers.

Highlights

- Launched two female talent programmes; Accelerate and RISE
- Launched an ethnic minority talent programme; RISE
- Made I&D training mandatory for all colleagues
- Received the 2021 'Age-Friendly Business Award'
- Became the first Irish company to achieve Business Disability Forum accreditation
- Launched our wellbeing strategy; Power Down & Recharge





Being Digitally Able

Responding to the Challenge

Our ability to attract, retain and grow our talent in this increasingly competitive labour market depends on our ability to meet the demands of an increasingly digital society. As we transition into a post-pandemic society, we recognise that the aspirations and expectations of our colleagues have also changed. We need to respond to this by prioritising investments in our colleague development programmes, supporting our colleagues to excel in their current roles and building new digital capabilities, beyond traditional banking skills, for the future.

In 2021, we conducted a Group-wide skills assessment, informed by extensive engagement with internal and external stakeholders, to understand where we should grow digital capabilities across our workforce. This assessment reported strong capabilities in traditional banking skills with gaps evident across the following priority areas:

- data fluency
- business agility and project management
- IT development and cloud
- robotics and automation
- digital customer experiences, and cyber security

To close the digital skills gaps identified, we launched a Group-wide upskilling and re-skilling strategy in 2021. This strategy aims to develop skill-specific talent pools across the Group, delivering enhanced digital experiences for our customers and greater internal career mobility for our colleagues. Through Bank of Ireland Academy and our All-Colleague and

Role-Based pathways, accessed through the Careers Lab, we will support our colleagues to build enduring careers and transition into in-demand, digital roles.

Our Approach

We partnered with an external training service provider to develop the pathways, taking into account colleague expectations alongside the needs of the Group. The pathways have been developed to launch in sequence, offering colleague learning and upskilling opportunities phased over multiple years.

- 1. All-Colleague pathways** – Self-service learning pathways to build competence at an introductory level (entry point) across the core capability areas of data fluency, project management, business agility, and digital fitness.
- 2. Role-Based pathways** – More targeted development pathways to create internal talent pools. Relevant industry certifications have been aligned to the pathways, stimulating greater internal mobility and enabling colleagues to transfer from traditional banking into in-demand, digital roles.
- 3. On-the-Job pathways** – A combination of on-the-job training and formal upskilling and certification.

The Group has set itself a cumulative target of engaging 40% of colleagues with one or more All-Colleague pathways by Q4 2024. Progress against this target is reported quarterly to the People Services Leadership

Team and Divisional stakeholders responsible for monitoring the programme’s progress, and performance is measured in the Group’s Objectives and Key Results reported as part of the Organisational Balanced Scorecard.

In addition to receiving positive feedback from colleagues, the successful delivery of these pathways has been recognised externally through various industry awards (e.g. CIPD, HR Champions Awards) and external accreditations.

Delivering Our Strategy

All-Colleague Pathways

All-Colleague pathways offer introductory-level programmes to grow capabilities in the four areas identified as priorities by the Group’s skills assessment. Colleagues accessing these programmes advance their digital skill capabilities to support their career ambitions for the future and serve customers brilliantly today.

The pathways are guided learning journeys of bite-sized digital content mixed with webinars, expert sessions, podcasts, videos, and curated learning playlists. Various external experts and Bank of Ireland subject matter experts host the content, guiding colleagues through the 8 – 12 week programme. To support the accessibility and utility of the content, the Group created a social learning hub where colleagues can ask questions, share experiences and access a range of supporting materials. The Group utilised a gamified approach, incorporating

badges, challenges, and gentle nudging techniques to engage and incentivise learners further. A potentially solo learning programme is transformed into a social learning experience for a virtual community through such mechanisms.

The pathways are designed to be accessed by colleagues at a time and place that suits them best. They are self-directed, using behavioural science techniques to support colleagues to flexibly engage with the materials. This inclusive approach helps our colleagues balance their personal responsibilities and professional ambitions.

“It allowed me to complete any module when it suited my schedule, which has been particularly busy over the past six months”.

By 31 December 2021:

Target: 20% colleagues on All-Colleague pathway by end 2021

Actual: 26%* colleagues on All-Colleague pathway by end 2021

New target: 40% colleagues on All-Colleague pathway by end 2024

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG’s limited assurance statement and page 107 for 2021 Reporting Criteria.





Being Digitally Able

All four pathways will continue to run in 2022, and we aspire to translate engagement with All-Colleague pathways into registration for the next stage, Role-Based pathways. A calendar of events, information hub, and self-registration portal will further support engagement and be available on the Careers Lab, our learning experience platform.

Role-Based Pathways

In 2022, we will continue to develop and pilot the next pathway in our phased approach; Role-Based pathways. This pathway will give colleagues who have completed an All-Colleague pathway the opportunity to receive further training and stretch assignments, alongside an industry or academic certification, in their selected area.

Role-Based pathways are being developed in business analysis, project management, data analysis, and cloud, prioritising pathways that respond to the digital skills gap assessment conducted in 2021. In consultation with our internal business stakeholders, we have selected these areas to enable successful pathway graduates to apply for entry-level roles in parts of the business with high demand for these digital skills.

Each pathway is between 16-22 weeks and is broken down into three phases: formal learning, examination, and a stretch assignment. A social learning community and a mentorship team will support the programme participants further.

Our On-the-Job training pathways commencing in 2023 will provide further support to colleagues transitioning into new roles.

All-Colleague Data Fluency pathway | Case Study

We are delighted with the early positive results coming from the pathways programme, particularly with the successful transition into new roles by colleagues undertaking the All-Colleague Data Fluency pathway. The Head of Group Data Management, recently recruited for positions in the Data Management Office where successful colleagues were all graduates of the All-Colleague Data Fluency pathway. **Cara McDermot, Data Policy & Standards Manager**, describes her experience with the All-Colleague Data Fluency pathway:

"In our increasingly digital world, and with the Group striving to become a digital relationship bank, I was eager to ensure I was adequately equipped to play my part. We live and work in a world of data, and the Data Fluency pathway provided me with a perfect introduction to this world.

I enjoyed the home-grown content and interactive sessions, where I gained a greater appreciation of the inner workings of Bank of Ireland and the ways we use our data. The associated LinkedIn Learning videos provided a wide variety of content, with my favourite presented by LinkedIn's own Chief Privacy Officer, Kalinda Raina. It's always inspiring to see women in positions of power, especially in the world of data!

One of our fundamental principles in Data Management is to treat data as an asset. I think the Data Fluency pathway can serve as a fantastic means to improve our understanding of the importance of data and how we can make it work for us. Since completing the pathway, I've undertaken additional learning with the Institute of Banking on Data Protection, read more books on data management and governance than I can count, and am now working for the Group Data and Analytics Office in Data Management."

Looking Ahead

After completing the Role-Based pathway pilots in 2022, Bank of Ireland will formalise a schedule of Role-Based pathways, offering them to colleagues biannually on the same basis as the All-Colleague pathways. By the end of 2022, we aim to have at least 120 colleagues successfully graduating from our Role-Based pathways.

Graduates from the Role-Based programmes who successfully secure entry-level roles within the Group will further accelerate their upskilling through relevant On-the-Job pathways.

We will partner with our internal recruitment team and hiring managers to co-build this phased approach to drive internal career mobility for pathway graduates. We recognise that developing award-winning upskilling

pathways is only part of the solution to addressing the digital skills gap. We also need to build internal confidence in our training and support our colleagues to carve out sufficient company time to invest in their learning and development.

We recognise the value that our upskilling approach brings to the Group and appreciate the role our Managers play in promoting learning and development within their teams. Through our YaaM programme, we will continue to develop our Managers to enable them to develop their teams by ensuring they create the right environment for all our colleagues to thrive.

We also continue to work to ensure colleagues that graduate from our skills pathways have every opportunity and are given every support they need to succeed in their digital careers. It will be a One Group, One Team approach to co-create the programmes that build the necessary skills and experiences to ensure that colleagues are equipped to build enduring careers and transition into new roles through how they develop "for the job" and then "in the job".





Employability

Responding to the Challenge

Our focus on 'Employability' centres around enabling current and potential colleagues to develop skills to enter, return, and stay future-fit in a constantly evolving world of work. To allow our customers, colleagues and communities to thrive, we need to meet their evolving needs and continue to invest in our workforce.

We know that our colleagues expect a career at Bank of Ireland to support them to realise their personal and professional ambitions. We empower our colleagues through a culture of remote and hybrid working and invest heavily in attracting and retaining our talent in a highly competitive labour market.

Through Bank of Ireland Academy, we provide our colleagues with the unique opportunity to constantly grow their core capabilities to remain future-fit in the world of work.

In addition to identifying core capabilities that the Group needs to build internally, we also recognise the importance of buying skills into the organisation.

The Group has therefore partnered with Dublin City University, Ulster University, Fasttrack to IT and Skillnet Ireland to provide accelerated learning opportunities and gateways into our workforce for interns, apprentices and female returners to work. Our best-in-class graduate programme brings in a diverse range of people from various academic, societal, and geographic

backgrounds. These new colleagues bring fresh perspectives and innovative ideas, challenging us to do better every day, build our internal resilience, and grow as a bank. The Group's Graduate Programme generates a talent flow for future managers and leaders, ensuring we have the right people to deliver on our purpose and commercial strategy.

Our Approach

Our 'Employability' approach centres on building our current talent and buying in talent from external pipelines. To support all our colleagues in growing their capabilities, we established Bank of Ireland Academy, a centre for career development. Bank of Ireland supports colleagues to grow their careers through three focus areas:

- Management Development
- Early Careers
- the Careers Lab

The Academy programmes are accessed through the Careers Lab, which connects to learning pathways, mentoring, stretch assignments and dynamic career paths.

Management Development

Bank of Ireland Academy provides our leaders with group-wide management and leadership development programmes. Our leadership programme, You as a Leader (YaaL), provides content on topics including digital, environmental, and societal challenges, fostering conversations amongst our leaders on the Group's wider role in society. Over 900 managers graduated

from our YaaM programme in 2021, with a further 45 completing the YaaM's external assessment through the Institute of Banking, achieving a level-7 professional qualification.

Early Careers

Our Early Careers programme, established in the second half of 2021, has successfully progressed through its proof-of-concept phases and is maturing in scale and impact. The Group aims to establish a leading model offering opportunities to access entry-level employment and promote diversity in the workplace.

Careers Lab

To better understand each colleague's unique skills and motivations, we have developed and launched a new digital platform, 'Careers Lab', available through Bank of Ireland Academy. Colleagues complete individual development plans in the Careers Lab and are provided with a personalised and dynamic career pathway. A full suite of tailored learning and development opportunities, including recommendations to learn on the job, learn from others, and learn through future skills-based training supports individuals to secure the role which is right for them. Through connecting individuals to mentors and a wider network of colleagues, the Careers Lab has facilitated a culture of mentorship and collaboration within the Group.

Delivering Our Strategy

To support the delivery of our 'Employability' strategy, we have developed a number of programmes which complement the priority focus areas of Bank of Ireland Academy.

Bank of Ireland Graduate Development Programme:

Bank of Ireland Graduate Development Programme is committed to developing our graduates to their full potential, both professionally and personally. The Graduate Development Programme offers Graduates a bespoke learning experience designed to accelerate their careers. Centred on the Group's values and future skills needs, the programme supports the following:

- Attraction and development of digital skills & capabilities for the future
- Gender balance in new hires
- Attraction of ethnic minority candidates
- Social inclusion through a partnership with the Association for Higher Education and Disability (AHEAD)

In 2021, the Group reinvigorated its approach to graduate recruitment. It incorporated a new end-to-end digital learning experience into the programme, empowering Graduates to grow their digital skills and capabilities for the future. Throughout this tailored learning journey, Graduates were encouraged to expand their network and commence on an exciting career pathway which aligned with their skills and goals.





Employability

Fast Track to IT (FIT) Apprenticeship: FIT offers greater access to employment for marginalised job seekers by enabling the unemployed and underemployed to acquire the digital skills and capabilities required to pursue professional careers in digital and digital-related sectors. Bank of Ireland is partnering with the FIT on their Cybersecurity Apprenticeship Programme, with apprentices set to join the Group's cybersecurity team in 2022 after completing their first semester of study on campus.

Internship partnerships with universities across Ireland: Bank of Ireland is working alongside University College Dublin, Dublin City University, University Limerick, and Trinity College Dublin to offer a wide range of internships for students in 2022. Our internships allow students to experience work aligned to their degree while building skills and capabilities to support their future careers. We are committed to creating an Early Talent pipeline through access to work, skills, and resources.

Trinity Centre for People with Intellectual Disabilities: We are proud to partner with Trinity Centre for People with Intellectual Disabilities (TCPID), which aims to promote the inclusion of people with intellectual disabilities in education and society. The Centre's ambition is to enable people with intellectual disabilities to develop their potential through participation in higher education programmes, learning opportunities, and professional training courses designed to fully enhance their capacity to participate in society as independent adults.

Digital Skillnet Women's Returner Programme: The Women's ReBoot Returner Programme is a technology sector initiative run by Skillnet Ireland. It supports female job seekers who have been out of the workforce for more than two years and now wish to reignite their tech careers. In 2021, we partnered with Skillnet to pilot the first-ever Women's ReBoot Returner Programme at Bank of Ireland. Participants were immersed in a re-skilling and upskilling 3-week training course before commencing a 12-week work placement with the Bank. Following a successful pilot, we will scale the Women's ReBoot Returner Programme by offering a range of opportunities across the Group.

Dublin City University (DCU) Access Programme | Case Study

Our objective across our Early Careers Programmes is to diversify and expand our pipeline by tapping into diverse individuals from various academic, societal, and geographical backgrounds to help us grow.

The DCU Access Programme provides students from historically under-represented populations with academic, social, and financial support to give them the chance to fulfil their potential and develop the skills and capabilities they need to pursue their desired careers. We see this partnership as integral to being a progressive and sustainable business; we know that extra support for those facing hardships can transform lives and provide a gateway to a better future. Together we are investing in the next generation of leaders through the educational, personal, and

professional support provided through the programme.

Partnering with DCU on the Access Programme has brought our RSB strategy to life by providing us with a way to engage at an early stage with talented DCU students who bring with them diverse perspectives, experiences, and fresh ideas to our business.

In 2021, Bank of Ireland partnered with DCU on their Access Programme, with three interns joining Group Risk, Wealth & Insurance, and People Services. Bank of Ireland has now invited these interns to apply to the next cycle of our Graduate Programme. In 2022, we will continue this partnership with the ambition to scale participant numbers.

colleagues to learn and connect, furthering our ethos of operating as One Group, One Team.

Looking ahead

The introduction of Bank of Ireland Academy, its technology, and the Group's external partnerships have paved the road to delivering our 'Employability' objectives. These objectives are part of the solution to creating a truly inclusive environment for all colleagues, enabling them to thrive.

In 2022, we plan to further promote awareness of Bank of Ireland Academy and the training and development resources available. We will scale participant numbers across our development programmes and work to further expand and diversify our talent pipeline, supporting all sectors of society to serve our customers better. By launching a Group-wide mentoring programme, we will continue to assist





Inclusive Development

Responding to the Challenge

We are committed to developing all of our colleagues. To this end, no matter who you are, what role you perform, and what your work ambitions may be, we want to provide the development and support needed to build an enduring career at Bank of Ireland. It's not just about developing our colleagues for the work they do now or in the future. At Bank of Ireland, we believe in providing our colleagues with access to development that promotes personal and professional growth as individuals, People Managers, and Leaders.

We believe that by enabling every colleague to grow and develop, we can build an inclusive workplace that is more reflective of society and our customer base. We aim to foster an inclusive, welcoming, and healthy working environment for all, where everyone is capable of reaching their full potential.

Through our 6 I&D focus areas of:

- accessibility
- gender balance
- inter-generational
- multicultural
- parents and carers
- 'With Pride' (LGBTQ+)

We provide dedicated learning opportunities, programmes, and pathways to catalyse the careers of targeted colleague groups and attract, promote, and retain diverse talent at all levels.

We champion inclusivity and individuality through our focus areas and through our approach to wellbeing. Wellbeing is about thriving as an individual, about being happy and healthy. For Bank of Ireland, our role in supporting and caring for colleagues' wellbeing has evolved in recent times. The COVID-19 pandemic is widely recognised as a defining moment for employers and colleagues. As the pandemic subsides and political and economic uncertainty emerges, challenges continue to remain. Our colleagues need us to stay focused on their wellbeing, particularly stress and strain and mental and financial wellbeing.

Our Approach

It is vital for colleagues that wellbeing is led from the top and for colleagues to feel that the commitment to their health and wellbeing is real and active. At Bank of Ireland, we have shared accountability at Board and Group Executive levels to support our objectives of developing all of our colleagues. Central to our culture at Bank of Ireland, we have a dedicated I&D team and a dedicated Wellbeing team who work in collaboration with stakeholders across the Group to deliver a market-leading I&D and Wellbeing proposition for our colleagues. These teams have received recognition for their achievements through various industry awards and external accreditations. To drive progress within our Wellbeing Programme, we have a Group Executive sponsor. For each of the 6 I&D characteristics, there is also an individual Group Executive sponsor

that works with their I&D Employee Resource Group to support them in delivering 'bottom up' events, support, education, and awareness.

Progress against our objectives and targets is tracked and measured at a senior leader level. A detailed implementation plan supports the achievement of these targets. The implementation plan outlines the investment, internal stakeholder engagement, and external support required to drive the delivery of our objectives.

In 2022, every colleague will have a goal included as part of their performance achievement to help support making the Group a more inclusive and diverse place to work. By measuring colleague contribution towards I&D within performance reviews, each colleague will feel empowered to embed inclusive development activities throughout the company. In addition, People Managers have specific measures which require each manager to create an environment that supports the wellbeing of their team.

Delivering Our Strategy

2021 was a big year for promoting Inclusive Development at Bank of Ireland. We launched two female talent programmes (Accelerate and RISE) and an ethnic minority talent programme (RISE). We made I&D training mandatory and embedded I&D into our mentoring and recruitment platforms. We were also the first Irish company to achieve BDF accreditation.

The **RISE Programme** targets junior women across Bank of Ireland, receiving over 570 applications for 225 programme spaces in 2021. Over a 9-month personal journey, this programme brings confidence and relevant support to enable and accelerate career success. We actively challenge our internal barriers to their success by supporting the participant's People Managers, facilitating their network development, and encouraging mentoring. All women who apply are supported in their career development through our Careers Lab and learning supports and are invited into our Emerge Community. The Emerge Community is a social community that facilitates career conversations with internal and external speakers, enabling and inspiring female colleagues.

"Excited to see Bank of Ireland supporting and encouraging females to grow and be successful. This will support and build female confidence to apply for roles that we sometimes talk ourselves out of!"

Colleague engagement survey responder, 2021.

The **Accelerate Programme** supports our high potential women to secure senior leadership roles within two years of programme completion. The year-long programme commenced in November with 270 applicants for the 67 strong cohort. This programme is multidimensional and includes individual and group coaching, peer learning, industry-leading plenary sessions, and support for all applicants





Inclusive Development

through the Emerge Community. A 'leader to leadership' series, supported by senior Bank of Ireland and industry leaders, including our board members, was run to expand further the network of leaders and mentors our high potential women could access.

"I find these ideas very challenging in some cases – making me examine my own motivations and challenge the limitations I place on myself. As usual, the opportunity to share ideas and experiences as well as encouragement and support with colleagues was very valuable."

Colleague engagement survey responder, 2021.

The Group signed up to the **Race at Work Charter** during 2020 and is committed to meeting the standards set out in that Charter, which is composed of calls to action for leaders and organisations to ensure their workplaces are tackling barriers that ethnic minorities face in recruitment and progression. Supporting equality in the workplace is the responsibility of all leaders and the Board has pledged its commitment to zero tolerance for any form of racial harassment, bullying or inappropriate behaviours from any source, be it management, colleagues, customers or contractors.

To measure the recruitment of diverse candidates, ethnicity data is monitored at application, shortlisting and hiring stages. The Group is committed to increasing

representation from underrepresented groups, the agreed target for 2022 is a 1% improvement in ethnic minority hiring.

The annual Open View survey measures colleague sentiment across all diversity characteristics, including ethnicity. Ethnic minority colleagues have significantly higher engagement scores (74% versus group score of 63%).

Power Down & Recharge

The cornerstone of our wellbeing strategy is Power Down & Recharge. Launched in 2021, it demonstrates the Group's ethos to promote and prioritise colleague wellbeing comprehensively. It is underpinned by our 4 Ws, Wellbeing, Workspace, Working Day and Workload.

Wellbeing

mental, financial, physical, and social wellbeing

Workplace

hubs, open access, hybrid, and flexible working

Working Day

creating healthy routines during and after the workday e.g. 'Take an hour' and 'No meeting Monday'

Workload

ensuring that employees sustainably distribute the workload

Show We Care | Case Study

During the pandemic, mental health was a significant challenge for many colleagues. Colleagues worked from home, managed home-schooling, and cared for relatives, while others worked in offices or branches and tried to keep physically safe from the virus. Feelings of isolation and loneliness were common, and in 2021 our People Managers required support and guidance on how to look after their teams' mental health. In response, we designed and delivered a virtual Mental Health Conference, 'Show We Care', for People Managers. From April to June, the conference was attended by approximately 1,900 colleagues, covering 80% of the People Manager population and providing attendees with the following information:

- A simple structure for having mental health conversations
- The key responsibilities of People Managers in supporting their teams' mental health
- Detail on where to source further support and expertise within the organisation
- How to deal with crisis situations

Virtual wellbeing programmes

While digital communication platforms provided a connecting platform during the pandemic, we also had to consider and provide additional support to our colleagues at risk of becoming marginalised, unwell, isolated, or disengaged. We strive to address mental health directly, especially in dire cases like suicide prevention training. Virtual programmes such as Couch to 5k, Coffee Roulette, Network Coffee Mornings

and expert sessions helped bridge the gap substantially. Equally, purely social and fun events such as evenings with musicians, comedians, and magicians brought both our colleagues and their families together.

Business Disability Forum

The 'Disability Standard' is a management tool developed by BDF to help businesses measure and improve their performance for disabled customers, clients, service users, colleagues, and stakeholders. Working with the BDF allowed us to understand in practical terms what 'good' looks like across Bank of Ireland, what is and isn't working, and what we needed to do to get it right. For the past two years, the Group's Accessibility Committee has introduced initiatives, policies, products, and services to improve our accessibility performance across the organisation. In January 2021, Bank of Ireland was accredited Bronze as a 'disability smart' organisation. We were the first Irish company to receive this accreditation.

SAP Self ID Campaign | Case study

As we continue to create a more inclusive and diverse workforce, we need to understand our colleagues' diversity better; where we are from, how we think, what we celebrate, our identities and what support we need, alongside a range of other factors. In December 2020, Bank of Ireland launched the SAP Self ID campaign for colleagues to update their information with strict confidentiality.

Currently, 47% of all colleagues have completed their SAP Self ID. Collecting this demographic data from SAP allows us to understand better





Inclusive Development

our workforce's diversity profile, which will inform central decision-making. The data will enable us to see if certain groups are under-represented and what additional support, if any, is required by colleagues. We will also improve our understanding and measurement of the diversity of our colleagues, assessing the results of our confidential Self ID campaign to inform the future development of our approach.

Minimum Education Requirements

At Bank of Ireland, we are transforming our organisation, culture, and our recruitment process. In 2019, we removed the Minimum Education Requirement as a standard application requirement. This ensured that we became a more inclusive employer, opening opportunities to talented people from all backgrounds.

Selection for vacancies continues to be based on a thorough assessment of the competencies, capabilities, skills, and experience relevant to the role. Through our recruitment experience, we know many talented individuals share our values, have great strengths and expertise, and a passion for delivering brilliant customer service, but are currently excluded from consideration. Removing this barrier has allowed these individuals to apply.

Relevant academic achievements will still be recognised, valued, and considered when assessing a candidate. However, we are now better positioned to attract the best people from the broadest possible talent pool, essential to the Group's continued transformation and growth.

Looking Ahead

There have been many challenges faced in delivering our goals to date. Macro events such as the pandemic and political disruptions have inspired new perspectives on what an optimal professional and personal life looks like and have demanded that we do more to support our colleagues. We continue to strive to help our colleagues navigate the uncertainties of the new hybrid ways of working and support our managers and leaders to role model a mindset which prioritises wellbeing and inclusivity.

Role modelling inclusivity was a big focus in 2021. We launched the first MyStory Women of Colour event at the end of the year, encouraging all colleagues to embrace inclusivity in their everyday actions. This series will become embedded as part of our 2022 MyStory series run throughout the year. In 2022, on International Women's Day, the Bank launched its augural Group Ally programme enabling colleagues to show their support in a visible, inclusive and powerful way. As 2022 progresses, we plan to build out the Group Ally programme to make it fully accessible for all colleagues, for example, LGBTQ+ allies, during Pride week.

To further drive our Inclusive Development agenda forwards, we will continue to develop our female talent through the Emerge, Rise, and Accelerate programmes. Almost 500 women are currently participating in these initiatives to progress their careers within Bank of Ireland and increase the representation and retention of women at senior levels.



Accelerate Programme participants attending a Networking Session



A photograph of a middle-aged man with grey hair and a beard, wearing a blue button-down shirt, sitting on a brown sofa. He is smiling and looking towards a woman sitting next to him. The woman has short brown hair and is wearing a dark blue cardigan over a white floral patterned top. She is looking at the man. They are in a well-lit living room with a wooden shelving unit in the background containing various decorative items like vases, framed pictures, and a lamp. A large cyan graphic element is on the left side of the image.

Enhancing Financial Wellbeing



Enhancing Financial Wellbeing

Responding to the Challenge

Financial wellbeing is about individuals and businesses having the knowledge, tools and confidence to manage their finances, so they can cover day-to-day expenses, plan for the future and cope with the unexpected. How individuals and businesses spend, save, borrow and plan can increase their resilience and financial wellbeing. At the most basic level, financial wellbeing is about having a good relationship with money.

A financially healthy nation has a positive impact on individuals, their families, businesses, communities, and the wider economy. We serve over 2 million personal and business customers, which uniquely positions us to drive the financial health of Ireland significantly forward.

In embracing our responsibility and opportunity, we aim to be the National Champion Bank in Ireland. A National Champion has a robust market share, drives economic growth, puts things right quickly when things go wrong and is recognised by customers as a champion of consumers and businesses.

Bank of Ireland's financial wellbeing commitment is to empower people to thrive financially by enabling them to make better financial decisions for themselves and for the people that matter most in their lives: their family, their business, and their community.

The national Financial Wellbeing Index results in 2021 revealed that national financial wellbeing struggled during the COVID-19 pandemic. Bank of Ireland Financial Wellbeing Index (August 2021) showed a drop from 66 (October 2020) to 65* for Bank of Ireland customers, while the national average fell to 64. While involuntary savings bolstered the 2020 index results during national lockdown measures, the Group expects that the 2022 Financial Wellbeing Index results will further erode given the rising cost of living and inflation.

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.

The following SDGs align with the ambition of our Enhancing Financial Wellbeing strategic pillar:





Enhancing Financial Wellbeing

Our Approach

The Group established its financial wellbeing programme in early 2019, seeking to embed it into the fabric of the organisation, delivering positive outcomes for customers, colleagues, and communities. The Financial Wellbeing steering committee consisting of senior leaders from across the organisation, such as retail, risk, corporate banking, global markets, group technology, and arrears, provides strategic direction to the programme on a monthly basis and reports to the executive sponsor, CEO of Retail Ireland. These leaders are responsible for receiving regular workstream updates from across our functions to continue to build financial wellbeing across the island of Ireland.

In December 2021, Bank of Ireland became the only Irish bank to become a founding signatory of the UNPRB 'Commitment to Financial Health and Inclusion'. This obliges us to define measures of success and share best practice approaches to progress financial health and inclusion, thereby encouraging widespread adoption across the banking sector.

In addition Bank of Ireland is co-lead of the working Group which is developing the frameworks which will be used to measure financial health globally by the United Nations (UN).





Enhancing Financial Wellbeing – 2021 Highlights



Financial capability:

Highlights

- Launch of the F-Word Campaign which ignited discussion across Ireland about finances, tackling a notoriously difficult conversation topic in an accessible manner
- Over 202k visits to the financial wellbeing online centre
- Over 13k secondary students participated in the Money Smarts programme and Challenge during the school year 2020/21. During this period the programme pivoted to online given the extensive school closures during COVID-19
- Our financial wellbeing coaches provided over 6.5k financial literacy hours to customers, colleagues and communities



Financial inclusion:

Highlights

- The Group as a founding signatory of the UNPRB 'Commitment to Financial Health and Inclusion' is committed to promoting financial health and inclusion through its products, services, and customer engagement
- Supported 6k* vulnerable customers facing challenging situations
- Bank of Ireland's Begin Together programme supported 98* projects and organisations through the allocation of €825,000. Recipient groups included those tackling social isolation and financial illiteracy, as well as those encouraging accessibility for vulnerable groups
- Global Chat, a Group financial inclusion initiative which promotes multiculturalism and diversity, enables customers to talk to colleagues in the language they are most comfortable with
- Customers of all ages were further supported to develop the necessary skills and confidence to access digital banking through a series of short, easy to follow video tutorials titled 'next step'

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.



Financial confidence:

Highlights

- Targeted over 171k customers through behavioural campaigns with practical steps on how they could improve their financial wellbeing
- Through a series of fraud campaigns that focused on protecting customer's financial wellbeing we have seen an increase of over 181% in visits to our Online Security Zone
- A new Senior Advisory Model launched in 2020 continues to go from strength to strength. The model involves Senior Advisors meeting customers where appropriate to complete a holistic needs review





Financial Capability

Responding to the Challenge

Financial stress can affect people at different times in their lives. Financial stress can arise from unpaid bills, debt, or money in general. A lack of financial knowledge and financial confidence is a leading cause of stress for a significant number of individuals and businesses, large and small, across Ireland.

Financial literacy is the primary component of financial capability. Being financially literate is the foundation on which knowledge, skills, and behaviours are built to allow individuals to confidently make sound financial decisions about their own spending, saving, borrowing, and planning behaviours. According to Standard & Poor's Global Financial Literacy Survey 2015, just over half of Irish people are deemed to be 'financially literate.' Over the past two years, the importance of financial resilience has been further highlighted by the COVID-19 pandemic and the ongoing escalation in the cost of living and rapidly rising inflation.

Our objective is to address this by empowering people to build their financial capability and take control of their finances. Enabling and empowering people with the knowledge, skills, and behaviours to manage their finances and make sound financial decisions is the key to financial wellbeing. By increasing their own financial capabilities, individuals and businesses can more easily identify the actions they need to take to transition from feeling overwhelmed by their finances to feeling more in control.

Bank of Ireland believes that financial wellbeing is a core life skill, and it is never too early to start building your financial literacy and capability. We offer our financial products and services in a transparent, fair, and accessible manner and have developed a number of financial wellbeing education programmes for primary, secondary, and third-level students. We strive to assist everybody, young and old, to build their financial capability.

Our Approach

Our colleagues, engaging with over 2 million customers and businesses on the frontline, are central to delivering our financial wellbeing and financial capability strategy.

In 2021, we delivered a dedicated financial wellbeing training programme to colleagues across our Branch network. The Group launched this web-based programme, in conjunction with our F-Word media campaign, to help ensure colleagues could confidently talk about financial wellbeing with our customers, empathise with their various needs, and identify practical solutions.

We're passionate about inspiring people of all ages to be curious about money and understand how powerful that knowledge can be in life. We have developed programmes collaboratively with teachers, financial wellbeing experts and other key contributors to build financial literacy from a young age. We're also determined to support all generations through our online Financial Wellbeing Centre. This platform helps everyone to plan for their futures, build their resilience and enhance their financial wellbeing through various tools and materials available at their disposal.

Delivering Our Strategy

Bank of Ireland delivers its strategy through a number of programmes and initiatives which target financial wellbeing at all stages of life, covering the six pillars of Financial Wellbeing:



Our financial literacy programmes are suitable for children from primary school age, right through secondary, and beyond into third-level education. These programmes are designed to take young students on a journey of financial discovery, growing their confidence on this important topic.

Primary-level: Talking Cents

The Group created the Talking Cents with Ollie Programme specifically for primary school children between the ages of seven and twelve. This free programme consists of a comprehensive mix of lessons and activities to help children develop positive and durable money management habits that are fun, engaging, and practical. Split into 6 easy-to-follow money lessons, each lesson is divided into stories, activities, and interesting facts, offering children the opportunities to discuss, reflect, and learn.

The lessons cover topics including the Evolution of Money, Needs and Wants, Savings and Spending, and Budgeting and Planning. With the six pillars of financial wellbeing at their core, these lessons can be used throughout the school year to support the primary school curriculum. Since September 2019 over 350 schools and over 10,000 students have registered to take part and participate in the Ollie the Owl primary school programme. We have also created a guide for parents and guardians, Talking Cents with Kids, encouraging them to explore these topics with children up to the age of 12. The content includes easy lessons and interactive games and activities,





Financial Capability

sparkling entry-level conversations which promote good money habits and general money awareness. By familiarising children with concepts like planning, saving, sharing, spending and setting goals, parents and guardians can set their children up for a lifetime of good money habits.

Second-level: Money Smarts Programme

Bank of Ireland's Money Smarts Programme is a virtual financial literacy and key life skills programme for secondary school pupils. It consists of financial literacy presentations, videos, key life skill workshops and practical activities, the student run School Bank and the Money Smarts Challenge financial literacy quiz. All the content is collectively designed to provide students with the necessary skills to manage their real life finances with confidence. The programme is delivered by a team of dedicated Bank of Ireland youth co-ordinators. The Money Smarts Programme is also focused on the six pillars of financial wellbeing.

Since September 2019, over 113,000 students have participated in the Money Smarts Programme, with an additional 36,856 alone registering to participate in the Money Smarts Challenge and Money Smarts Seminar. In total, the team has delivered over 290,000 financial wellbeing hours for secondary school students.

Money Smarts Challenge awards

Winner: Gold for Best Brand Experience. APMC Awards 2021

Winner: Gold for Best Virtual Event. APMC Awards 2021

Winner: Silver for Best Innovation. APMC Awards 2021

Winner: Gold for Best Innovation. IMC European Awards 2022

Winner: Silver for Brand/Loyalty. IMC European Awards 2022.



The Promotional Marketing Association



Third-level: F-Word Playbook

Bank of Ireland conducted research in 2021 that revealed that almost three-quarters of young adults (18 – 30 years old) claimed to be knowledgeable about their finances. However, despite scoring high for financial literacy, seven in ten also claimed to be worried about their finances. Responding to this gap in financial wellbeing, Bank of Ireland demonstrated further commitment to improving the financial wellbeing of this younger cohort by launching the F-Word Playbook.

The F-Word Playbook is a student planner designed in partnership with Irish design

house Jill & Gill. The planner itself is recyclable and made from recycled coffee cups. The Group further offset the carbon footprint from postage by planting 1,000 Irish oak trees. The planner contains helpful tips on budgeting, saving, managing day to day finances, managing stress, and encouraging sustainable living. The F-Word Playbook was designed to help students stay on top of their finances while in college and to teach them healthy financial habits as they transition into adulthood.

In 2022, Bank of Ireland's third level student campaign received the following recognition:

- **Nominated:** CSR/ Community/ Green Loyalty Programme of the Year – Irish Loyalty Awards 2022
- **Winner:** Best Integrated Marketing campaign – AIM Awards 2022



Your trusted Financial Coach

Building financial capability can start at any age. In addition to supporting the younger generations to build financial capability, we also support older generations. Bank of Ireland established a team of financial wellbeing coaches to deliver financial literacy support to customers, colleagues, and communities across Ireland. These individuals tour Ireland to deliver educational and

financial seminars, either digitally or onsite. In 2021 the team delivered 6,511 hours of financial literacy on the following topics:

- Overview of financial wellbeing
- Budgeting
- Saving sensibly
- Borrowing better
- Going green for your financial wellbeing
- Planning for home buying
- Pensions 101
- Women and pensions
- Legal protections
- Safeguarding your digital financial wellbeing

Money Smarts Programme for Secondary Schools | Case Study

As a bank, we have a responsibility to empower students to take control of their finances and prepare them for success by giving them access to the necessary information, tools, and real-life experiences¹. At Bank of Ireland, we are passionate about making sure we meet our responsibility in fun and engaging ways. Keeping in line with this view, the Group created the highly acknowledged and awarded Money Smarts Programme and Money Smarts Challenge, igniting positive conversations, developing sustainable money habits, and building life skills.

¹ Red C Research, July 2021 highlighted that students are looking for financial guidance





Financial Capability

Money Smarts lays the foundations for success | Case Study

Delivered virtually by a team of youth coordinators, Money Smarts grows the financial wellbeing of participating students through a series of presentations, workshops, activities, and events focused on the six pillars of financial wellbeing. The virtual Money Smarts Programme even has a fun, interactive financial quiz where students across Ireland put their new knowledge to the test in the Money Smarts Challenge.

To complement the challenge and bring financial wellbeing to life in an even more relatable way, a new Money Smarts Seminar brings celebrities and subject matter experts together to share their stories and experiences with students.

Delivering something of real value

Considered by teachers to be the No. 1 Financial Literacy Programme for Schools, the value of our programme is evidenced by 100% being happy to register again for the programme and refer another school to do so too¹.

We take feedback from teachers and students very seriously and continuously use their insights and values to help guide how this programme evolves. To keep delivering real value, we want to retain and further solidify the Money Smarts Programme as the No. 1 Financial Literacy Programme for Schools. We hope that through Money

¹ Money Smarts Programme Survey with Secondary Schools in Ireland, May 2021

Smarts, we can inspire a generation of secondary school students to take on both financial and key life decisions with greater confidence than any generation before them.

Nomination: Best Customer Experience. Irish Loyalty Awards 2022

Nomination: Best Customer Experience. AIM Awards 2022



Financial Wellbeing online centre

In 2021, our financial wellbeing online centre received over 202,000 visits for accessible finance related resources, articles, tools, and calculators. Customers can access, for example resources on budgeting, saving, using credit cards responsibly, and protecting family finances. The Group has developed online tools which include a mortgage repayment calculator and loan affordability calculator to help customers plan for their futures and build resilience. To ensure that our educational resources remain accessible, we have also developed a 'Next Step' video series which guides customers through online banking tutorials. Each video has captions and an Irish sign language interpreter, to ensure that no one is left behind in our financial wellbeing approach.

Financial Healthcheck

Our Financial Healthcheck tool provides a moment-in-time snapshot of a customer's

financial wellbeing. It is designed to help people assess their financial wellbeing in the present and how to plan best for their desired futures. This information is provided in the form of a score, based on eight multiple-choice questions, and is a valuable tool for assessing their current financial wellbeing and what steps they can take to improve it. To-date over 213,000 Financial Healthchecks have been taken by people looking to start or enhance their financial wellbeing journey.

Looking Forward

Given the variety of products available to consumers, maintaining financial capability in the face of significant growth in digital and cryptocurrency finance is becoming increasingly more complex. This evolution presents a number of challenges to the Group and our customers as being digitally capable does not necessarily translate into financial capability.

By the end of 2022, we aim to reach over 1 million people with messaging and insights which strengthen their financial capability and financial wellbeing.

Having ignited healthy discussions on finance through the F-Word Campaign, our focus looking forwards is to maintain this dialogue with and between our customers, providing them with access to interactive educational content and access to personalised digital tools. Even though we have effective mechanisms to build financial capability

among our young people and youth segments, we need to continue expanding our financial literacy supports for other segments, being cognisant that supporting people to make the best of their financial situation is particularly essential in the current economic climate.

At Bank of Ireland we want to empower people with the necessary knowledge to consider a wide range of financial products and services and have confidence in their own financial decision making.



Gael Cholaiste na Mara, Co Wicklow. Bank of Ireland Money Smarts Challenge Champions 2021 receiving their winning prize fund.





Financial Inclusion

Responding to the Challenge

Financial wellbeing at Bank of Ireland means supporting everyone to feel confident in their financial decision making and empowering everyone to build financial resilience. All financial products and services must be accessible and affordable to all individuals and businesses, especially society's most vulnerable and marginalised. Barriers to financial wellbeing not only extend to the most vulnerable and marginalised in society but can affect anyone. Barriers can include lack of knowledge and financial literacy, lack of official documentation, lack of access to products and services such as a bank account, or simply a psychological reluctance to engage with mainstream financial service providers. The 2021 Bank of Ireland Financial Wellbeing survey revealed a significant gender gap, with only 28% of women reporting that they were knowledgeable about financial matters compared to 36% of men.

Removing barriers that exclude people from participating in financial services enables them to improve their financial wellbeing and their future. The Group, as a founding signatory of the UNPRB 'Commitment to Financial Health and Inclusion', is committed to promoting financial health and inclusion through its products, services and customer engagement. It is also committed to supporting the financial, mental, and physical wellbeing of communities through the Begin Together Community Fund. This fund collaborates with the Community Foundation for Ireland (CFI) which enables us to focus our community investment on a wide variety of causes

within an overarching strategic framework. The knowledge, experience and reach of CFI provide invaluable support for programme design, delivery and evaluation.

Financial inclusion is at the heart of everything we do. The bank has appointed a financial inclusion lead who has input into product and service design, customer change and also reviews customer complaints as we seek to build inclusion into our products, policies and processes.

Our Approach

In 2019, Bank of Ireland launched a new Vulnerable Customer Unit (VCU) to provide enhanced support to vulnerable customers. This unit is fundamental to promoting financial inclusion and providing expert banking support to customers in vulnerable circumstances or situations, including age-related difficulties, cognitive impairment, financial abuse, illness and addiction. The VCU provides refugees and vulnerable individuals with access to basic banking products and financial information in over 20 languages. By the end of 2021, the initiative had supported over 19,000 customers since its establishment. A basic bank account is a current account that provides access to essential daily banking services and financially empowers customers who may be in a marginalised or vulnerable position, thus providing them with financial freedom, dignity and access to a better life for many. During the COVID-19 pandemic, the VCU provided dedicated support to customers over 65 and other isolated individuals with a dedicated

helpline. This helpline was received extremely positively by the 4,000 customers who called in.

In response to the unfolding humanitarian crisis in Ukraine, our VCU has recently extended its work to provide displaced Ukrainians with access to banking services and guidance on transferring assets.

The VCU staff are highly skilled and have received external training from experts for example in the following areas: Autism, addictions and bereavement. The VCU in turn provides training, support, and guidance to staff in branches and contact centres across Ireland, raising awareness of the bespoke needs of vulnerable customers and promoting proactive detection and effective intervention on a case-by-case basis.

In addition to supporting vulnerable customers through products and services, we also prioritise supporting the personal financial wellbeing journeys of all of our colleagues.

In 2021, we set up a monthly webinar, 'Your Finance Friday,' dedicated to promoting financial wellbeing among our colleagues. Within these webinars a range of topics such as budgeting, investing, and planning are delivered by internal and external speakers.

Delivering Our Strategy

Practical Support

In 2020, as part of innovating our services, the VCU introduced a Carers Debit Card to provide a safe and secure way for designated carers to manage the day-to-day living expenses of those in their care. The Carers Card gives trusted friends, relatives, and carers, controlled access to the accounts of the individual they are caring for. The VCU developed the Carers Card to alleviate some of the many financial obstacles carers often face when managing the money and expenses of other individuals. In the absence of formal arrangements such as power of attorney, it can often be difficult for carers to access cash for day-to-day expenses. To provide transparency and protection for both the carers and the customer, Bank of Ireland Carers Card bears the carer's initials as well as the customer's name and has built-in safeguards such as limits on cash withdrawals and daily monitoring by the VCU. To date, we have issued nearly 1,000 Carers Cards.

In July 2020, Bank of Ireland branches became JAM Card friendly. The 'Just A Minute' (JAM) Card allows people with a learning difficulty, Autism, or communication barrier to let others know in a discreet, non-verbal way that they need additional time or assistance to conduct their banking. Branch staff in the Republic of Ireland have completed training on how to recognise and respond to the JAM Card and the service has been promoted across the Group's branch network.





Financial Inclusion

Opening an Account

In May 2021, Bank of Ireland made it easier for international protection applicants to access everyday banking services by accepting alternative state-issued documentation as proof of identity and address when opening current accounts. The Group has also launched a new website hub offering practical guidance and support to asylum seekers and refugees on account opening, with summary information provided in 20 languages. The hub explains the types of bank accounts available, the documentation that is required to open one, and how to apply. Additional translation support is available from a volunteer panel of Bank of Ireland staff comprising speakers of more than 38 languages, including members of the Bank's Multicultural and Accessibility employee networks.

In 2021 we opened

841

basic bank accounts

(266 in 2020, 243 in 2019).

We expect to open many more basic bank accounts as we support displaced Ukrainians who need banking services and guidance on transferring assets.

Supporting all our Customers

In July 2021, Bank of Ireland launched the 'Next Step' video series, an initiative to give everybody the skills and confidence to access digital banking. The video series seeks to make digital banking safer and more accessible for customers of all ages. The series includes short, easy-to-follow video tutorials on how to get set up with digital banking and perform a range of everyday banking tasks, including checking your balance, ordering a statement, and managing standing orders. The videos are designed to give customers the reassurance and comfort of knowing exactly what to expect at each step before they do it in real life.

Bank of Ireland additionally has a suite of targeted initiatives dedicated to supporting our older customer base. Our Head of Seniors Segment represents the over 60s in terms of both proposition and service options, and we have appointed Age-Friendly Champions across our branch network.

Our personal and current account customers above the age of 66 enjoy transaction-fee free banking, and customers aged 75 and older can avail of a dedicated team of financial advisors to further consult with them on their financial needs and goals. We also have a dedicated telephone line to support senior customers available from 9 am to 5 pm Monday to Friday. After completing the accredited Age-Friendly programme, Bank of Ireland was awarded Age-Friendly status in June 2021.

Support Customers in long-term Credit Card Debt | Case Study

In February 2021, the Group used behavioural science to positively influence 9,500 customers who were struggling with persistent debt on their credit cards. The study was informed by research which indicates that certain customers underestimate the long-term impact of credit card misuse due to cognitive biases. The study centered on customers who typically made minimum or very low credit-card repayments over a twelve-month period.

Behavioural finance specialists supported the Group to use behavioural science to nudge customers into correct action. Practical advice was offered to customers to help them reduce their debt and save money in the long run. Options included increasing their monthly minimum repayments, making one-off payments to reduce their balance where possible, or even switching to a personal loan with a lower interest rate. These options were presented with illustrative examples, demonstrating the significant impact that simple changes can make in the long run. The results of this campaign clearly revealed how leveraging behavioural science could significantly improve the financial wellbeing of our customers. Analysis conducted shows that 22% of customers took corrective action, compared with only 11% of customers in the control group who received no communication. Results from this programme will inform future ways of engaging with customers to help them enhance their financial wellbeing.

Looking Forward

Our approach to financial inclusion will continue to identify, prioritise, and support the most vulnerable and marginalised people in society, ensuring they have access to banking services and the confidence to use them. We will continue to build financial inclusion into our products, policies and processes to support the development of inclusive customer propositions. A basic indicator of financial inclusion is whether a person owns a bank account. However, access to a bank account will not solve all of the financial inclusion challenges facing individuals. We will continue to broaden our understanding of financial inclusion and identify and take action on key barriers and put the necessary supports in place to create meaningful action either independently or in collaboration with other key stakeholders.

We need to continue strengthening our approach by also tackling issues of mistrust in mainstream banking services, making our products and services accessible, and simplifying products, services and communications for all our customers.

The growth in digital financial services can potentially further exclude the most vulnerable and marginalised in society. Building financial confidence and capability to digitally access these services is, therefore, a critical ongoing priority.





Financial Confidence

Responding to the Challenge

Individuals need to be empowered to manage their financial wellbeing in an increasingly complex financial landscape of multiple financial products and services. This constitutes managing their day-to-day finances and planning for future life events such as saving for retirement or buying their first home. Financial confidence enables people to understand their finances better and make better financial decisions. By building financial confidence, we empower people to trust their own decision-making and their bank.

Perceived risks such as online fraud and a lack of transparency can impact the level of trust and confidence people have in themselves and their banks. Financial capability focuses on enabling and empowering people and businesses with the knowledge, skills and behaviours to manage their finances and make sound financial decisions. Financial inclusion focuses on ensuring all financial products and services are accessible and affordable to all individuals and businesses, especially the most vulnerable and marginalised in society. Building financial capability and inclusion strengthens financial confidence.

A key priority for us is to strengthen customer relationships and build trust through offering personalised insights, advice, products and services to meet customer needs. We instil trust and confidence in our products through our commitments to mitigate cyber security events, prevent fraud and protect customer

data in everything we do. With a better understanding of their financial position and our strong focus on fraud awareness and prevention, we can help our customers make financial decisions they can be confident in.

Our Approach

Managing money and improving financial wellbeing requires a permanent behaviour change. Supporting customers to become more financially confident while dealing with deeply embedded behavioural norms and assumptions is a complex challenge. Understanding these dynamics can make financial wellbeing easier for people to achieve.

Behavioural science helps us understand why and how people make financial decisions and what works well. Recognising that one cannot achieve this level of behavioural change in isolation, we have collaborated over the last three years with behavioural science experts and the wider industry, to bring about a lasting movement in financial wellbeing.

We will continue to leverage behavioural science learnings by extending the reach of our behavioural campaigns and embedding further behavioural science expertise within the Group.

At the front line of our business, our colleagues are vital to promoting financial confidence amongst our customers. Therefore, we have redesigned a number of our key customer experiences and retrained our colleagues to support more personalised customer-led conversations. The key to this approach is being

customer-centric, providing a safe space for customers to clearly articulate their life goals, and providing a framework that supports prioritising those needs.

We have also worked hard to engage with business areas that develop customer-facing communications, collaborating to embed the principles of financial confidence into our marketing material. We have endeavoured to implement plain English, accessible text, and visuals to transparently and effectively present complex information.

We hope that customers can grow their financial confidence with us regardless of how they choose to interact with Bank of Ireland.





Financial Confidence

Delivering Our Strategy

Using behavioural science and building fraud awareness

In 2021, we ran two significant behavioural science campaigns focused on long-term credit card debt and to help consumers increase their financial resilience against unexpected financial shocks. We used behavioural science to positively influence our customers' credit card use and encourage short-term saving habits, helping them to build financial resilience against unexpected financial shocks. Results and learnings from both campaigns will inform future ways of engaging with customers to help them enhance their financial wellbeing. The Group's fraud awareness campaigns have continued with a 181% increase in visits to our Online Security Zone in 2021, with customers searching for information on everything from identifying fraudulent text messages to discovering how to stay safe online.

Supporting financial confidence amongst seniors

Life expectancy in Ireland has increased, and people are living longer. This affects the timelines of people's financial planning. To adequately prepare our customers, we launched a Senior Advisory Model for over 75s in 2020. The model involves the Group's Senior Advisors engaging with customers to complete a holistic needs review. The ambition of this model is to ensure that people have access to the right products and services with the proper safeguards in

place. Feedback has been highly positive, with customers rating it one of the highest-scoring customer experiences ever seen in the Group, citing it as friendly, helpful, and having genuine interest in their financial wellbeing.

Using digital tools to grow financial confidence

The key to supporting individuals' financial wellbeing is to make it easy for people. As a digital relationship bank, we understand the value digital technology brings, making financial wellbeing easier. By delivering more personalised insights, people can make permanent changes to their behaviour to improve their financial wellbeing.

Early in 2022, we leveraged our customer engagement platform, to build deeper connections with customers and deliver more personalised insights to support their financial confidence and wellbeing. Insights and content are provided via Bank of Ireland App, encouraging customers to, for example, take a financial wellbeing health check or review unclaimed tax benefits they may be entitled to claim. The In-App approach has significantly broadened our reach and engagement with customers, ensuring that our strategy to build financial confidence is inclusive.

In Q1, 2022, over

51,000
people

people took a financial health check as they started their financial wellbeing journey.

Using behavioural science to build greater financial resilience in a first-of-its-kind study | Case Study

In May 2021, as part of Bank of Ireland's commitment to improving the financial wellbeing of its customers, the Group utilised behavioural science to help consumers increase their financial resilience against unexpected financial shocks.

Research indicates that many households lack an adequate savings buffer to protect them from future financial shocks. Research also suggests that customers greatly underestimate both the chance of receiving such a shock and its potentially detrimental impacts.

Collaboration

The Group embarked on a significant national study, collaborating with the Competition and Consumer Protection Commission (CCPC) and the Economic Social and Research Institute (ESRI).

This behavioural study represents the first trial in Ireland and one of the first in Europe. The pilot involved over 160,000 customers

and incorporated several behavioural boosts and nudges designed to encourage customers to start saving for their 'rainy day'.

Our GoalSaver application form consisted of innovative 'pledge tools' and interactive calculators, while a series of communications issued infographics about financial shocks.

Results

Based on a robust evaluation by the ESRI, the results clearly demonstrate the positive impact that behavioural science can have on helping customers make more informed financial decisions.

As a result of the campaign, one-in-four (27%) significantly changed their behaviour and started saving more. The campaign also particularly resonated with lower income groups, with the savings uptake more than doubling for this cohort.

Customers who received behaviourally-informed emails were 20% more likely to open a savings account than those who received standard marketing materials. The conversion rate on the enhanced GoalSaver form was up 39.5% versus the standard form.

The CCPC has used these findings to develop a guide for financial providers on how they can encourage short-term saving habits and improve the financial wellbeing of their customers.

The Group is working to embed these learnings throughout its customer engagement strategy, with the enhanced GoalSaver form now live for all customers.





Financial Confidence

Support Women's Financial Wellbeing – Wanna Talk Finances? | Case Study

Our Financial Wellbeing national survey in 2021 revealed the significant gender gap when it comes to personal finances. According to the research:

- 28% of women feel knowledgeable about finances versus 36% of men
- Half of women lack confidence in money management
- Separate research for Bank of Ireland also showed only one in three women aged over 55 has a private pension

On average, women live longer than men, so they need more financial resources to maintain their quality of life through retirement. In addition, many will take several years out of the workforce to have and raise children, which reduces lifetime earnings.

In response to these insights in Q1 2022, Bank of Ireland launched a new webinar chat series 'Wanna Talk Finances?' to address a gender gap in personal finances.

We created a bespoke webinar series for women to talk about becoming financially confident, protecting themselves financially and legally, planning for future caring costs, budgeting, investing and retiring.

The 'Wanna Talk Finances?' series consisted of three webinars

'Becoming financially confident'

The webinar focused on getting started, money management, and confidence-building tips.

'Your future, your finances'

The webinar focused on the financial implications of women living longer on average, wills, and future caring costs.

'Saving, investing and retiring'

The webinar focused on how time out of the workforce reduces earnings, yet living longer takes more resources. It also focused on saving, investing and retirement options.

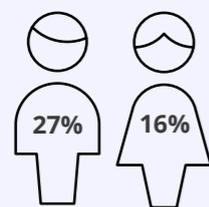
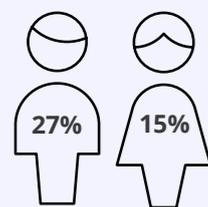
The constant change in the external socio-economic environment has been a permanent feature over the last few years. Against this backdrop, individuals and businesses have had to spend, save, borrow and plan for unprecedented futures and events. The overall strategic priority for supporting the financial wellbeing of people and businesses has not changed. However, we have had to adapt and evolve how we respond to supporting individuals and businesses at any point in time. During COVID-19, the focus was on putting supports in place to promote the financial wellbeing of people and companies, helping those who were isolating access products and services.

The current acceleration in the cost of living and inflation will require us to adapt once again.

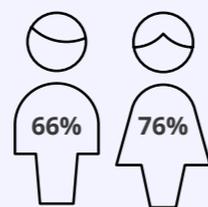
Men are more confident choosing investments or pensions without the help of a financial advisor

Investments

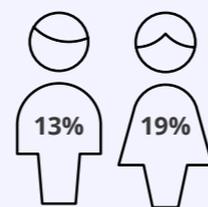
Pensions



Where financial advice is concerned, women are more likely than men to want guidance on savings



but they're also more likely to think they don't understand enough about finances to talk to a financial advisor



Looking forward

The Group's ambition to be a National Champion Bank will continue to lead the national discussion on financial wellbeing in Ireland, supporting our customers as they face existing and new financial challenges. We will continue to empower people to manage the everyday, plan for the future, and have the financial resilience to cope with the unexpected. We will significantly increase our reach by leveraging behavioural science, digital tools, and customer engagement platforms, developing advanced personalised in-app capabilities to help them understand better and manage their financial behaviours. Digital tools will enhance our reach to ensure we engage with as many people as possible.

It is likely that the 2022 national financial wellbeing index will show erosion of savings accumulated during the COVID-19 lockdown period as individuals and households struggle to combat rising costs. Bank of Ireland will therefore focus on supporting customers during this period, highlighting practical hints and step to take back control and protect their financial wellbeing.

There are currently profound structural changes taking place in the retail banking landscape in Ireland which has created unprecedented volumes of account migration. Bank of Ireland is focused on supporting all consumers and businesses during this period to ensure they receive the support and service they need as their financial wellbeing is important to us.



**Supporting the
green transition**





Supporting the green transition

Supporting the Green Transition

At Bank of Ireland, we understand the vital role we can play in facilitating the transition to a low-carbon economy. In line with our ambition to be the National Champion Bank in Ireland, our strategy to support the Green Transition and deliver an ambitious decarbonisation strategy in line with Irish and UK government climate agenda is a key priority. We are committed to working with our customers, colleagues, and communities to support the transition to a resilient, net zero economy by 2050.

The Green Transition pillar of the Group's RSB strategy focuses on ensuring the products we deliver to our customers are financially robust in the face of climate change and directly support the decarbonisation of our loan portfolio, and our economy.



Pictured at the launch of the Bank of Ireland Woodland Nature Credit are John Beckett, Founder, Forestry Partners, Imelda Hurley, Coillte Chief Executive, Paul Flynn, Chief Operating Officer Markets, Bank of Ireland and Pippa Hackett, Minister of State at the Department of Agriculture, Food and the Marine, Spokesperson for Land Use & Biodiversity





Supporting the green transition

Bank of Ireland's Five-Point Climate Plan

Bank of Ireland continues to make progress in achieving our strategy through the application of our Five-Point Climate Plan:

	PROVIDING SUSTAINABLE FINANCING	MANAGING CLIMATE-RELATED RISKS	SETTING SCIENCE-BASED TARGETS	DECARBONISING OUR OWN OPERATIONS	TRANSPARENTLY REPORTING OUR PROGRESS
OVERALL AMBITION	Facilitate a transition to net zero through our core financing and advisory capabilities, enabling customers and deploying low carbon technologies.	Integrate best practice climate risk management practices aligned with regulatory guidance, into a Group approach on lending, investment, and advice, ensuring resilient and impactful products.	Align our portfolios and lending practice with the low carbon ambitions of the Paris Agreement by setting science-based targets across portfolios and operations by the end of 2022.	Enhance the resilience of Group infrastructure to long term climate impacts and reduce emissions by decarbonising our own operations by 2030.	Commit to clear and transparent reporting of progress made towards fulfilling ambitions and climate risks, aligned with key frameworks such as the TCFD.
MACRO DRIVERS	Delivery of national climate plans in Ireland and the UK.	Increasing focus on risks driven by climate change and progression of risk management practice informed by regulatory guidance.	Alignment with decarbonisation goals of the Paris Agreement.	Obligation to reduce the negative climate impact of our physical footprint and deliver our products and services in a sustainable manner.	Need to report on our progress in supporting the green transition to our stakeholders in line with the TCFD framework.
KEY ACTIVITIES IN 2021	Continued to refine and deliver sustainable finance products to customers.	Developed the Group's understanding of climate-related risks and their integration into key risk frameworks.	Developed the baseline for science-based targets for the delivery of targets in 2022.	Continued to actively drive a reduction in the operational emissions of the Group assets and practices.	Continued to define key reporting metrics aligned to major frameworks.
AMBITIONS FOR 2022	Incorporate climate objectives and targets into the Group balance scorecard performance assessment. Continue to develop the suite of green finance products offered to customers.	Continue to integrate ECB regulatory requirements into risk management approaches following the 2022 ECB climate stress testing exercise. Further integration of climate risks into key risk management frameworks.	Set binding science-based targets for key asset classes.	Further reduce operational emissions in line with the Group business and climate strategies.	Progressively work to refine the suite of climate metrics adopted to monitor the Group's progress on key climate related performance areas.

As a critical measure of progress, Bank of Ireland has aligned its work and ambitions with the guidance of the TCFD across governance, strategy, risk management and reporting against metrics and targets. The five-point plan makes up a core aspect of these elements, and as such,

Bank of Ireland has integrated this with TCFD reporting. The TCFD table on page 51 lays out further ambitions and details of the work being undertaken across these areas. The Group's second TCFD report is available in the [2021 Group Annual Report](#).





Supporting the green transition

UN Sustainable Development Goals – a Key Priority

The UN SDGs are an urgent call for action by all members of the UN and responsible corporate citizens in a global partnership.

As a pillar bank in Ireland, we are active partners in supporting the achievement of these goals, as well as the country's low carbon transition commitment to help realise the Paris Agreement.

Through the Green Transition pillar's Five-Point Climate Plan, Bank of Ireland is actively contributing to three specific SDGs:



Affordable and Clean Energy

Sustainable Finance

- Through sustainable finance, Bank of Ireland directly finances the development of renewable energy assets, providing reliable and increasingly low-cost energy.

Risk Management

- We progressively align our lending strategy with a more sustainable future while adhering to Bank of Ireland's **Corporate Banking RSB Exclusion List**.



Sustainable Cities and Communities

Sustainable Finance

- Green mortgages and sustainable transport finance enable our customers to create sustainable, low-pollution built environments.

Risk Management

- In seeking to reduce exposure to climate risk, we ensure customers can build the future they want without the consequences of climate change damaging their finances.



Climate Action

Sustainable Finance

- The sustainable finance we provide drives the decarbonisation of our economy.

Decarbonising Operations

- By reducing our own emissions, Bank of Ireland not only encourage others but also reduce our environmental impact.

Science-Based Targets

- By aligning our emission reductions across our business with the Paris Agreement, we commit to genuine climate action.

Risk Management

- By incorporating climate risk management into core processes, we drive climate action from the inside, both for the benefit of our customers and the development of our business.

Transparent Reporting

- By actively and transparently reporting our progress, we hold ourselves, and allow ourselves to be held, accountable for delivering the expectations of our customers and regulators.





2021 Highlights – Supporting the Green Transition

Progress of the Five-Point Climate Plan

The Group made good progress against the Five-Point Climate Plan in 2021. Key achievements are outlined as follows:

1

Provide sustainable finance:

- In 2021, the Group announced a €3 billion increase in its Sustainable Finance Fund, increasing it to €5 billion by 2024.
- The Group's Green Bond Framework financed €1.3 billion of eligible projects.
- Bank of Ireland provide a suite of green loans and interest rates to encourage and reward home owners and businesses to be more energy efficient. These include a green interest rate discount for borrowers buying or building energy-efficient homes, and a green home improvement loan for energy-efficiency retrofits for older properties. Businesses, including farmers, also benefit from reduced rates for investment in energy-saving improvements.
- Bank of Ireland Finance was the largest provider of wholesale finance in the RoI market for electrically charged vehicles (ECV), both battery and plug-ins, in 2021.
- In 2021, the Group supported financing the construction of Cloncreen Windfarm and launched the Woodland Nature Credit.

2

Manage climate-related risks:

- Progress has continued by embedding climate-related risks in our decision-making processes for our own operations, lending and investment decisions, and the advice we give our customers.
- Initiation of scenario analysis exercises to identify key physical and transition risks across timelines to integrate results into bank risk management capabilities.
- In 2021 we developed and started implementing a comprehensive multi-year climate action plan to implement climate risk management according to regulatory guidance.
- Bank of Ireland prepared an inaugural disclosure (see the 2021 Annual Report) against the EU Taxonomy, disclosing the proportion of taxonomy-eligible and non-eligible activities related to the environmental objectives of climate change adaptation and mitigation.
- Our Wealth and Insurance business, New Ireland Assurance Company plc, became a signatory of the UNPRI in 2021.

3

Set science-based targets:

- The Group became a member of PCAF, a global partnership of financial institutions working together to develop and implement a harmonised approach to assess, attribute and disclose GHG emissions associated with portfolios of loans and investments.
- The Group's SBTs programme made significant progress in 2021, calculating baseline financed emissions for key asset classes such as mortgages, electricity generation, and auto finance.
- A review of the Group's Scope 1 and 2 GHG emissions was also undertaken to set a baseline for setting our operational SBTs.

4

Decarbonise our operations:

- We have achieved an 88% reduction in absolute Scope 1 and 2 emissions since 2011, and a reduction of 31% on the 2020 baseline.
- Supported by the Group's Flexible Working Policy, we continued to reduce the office space required across our footprint, achieving a cumulative reduction of 44% in the last four years.
- We expanded renewable energy use to almost 100% of electricity supply to operations in Ireland, NI and Great Britain.

5

Transparently report our progress:

- In 2021, we clearly defined and began to address our loan book's exposure to sectors potentially sensitive to climate change.
- Bank of Ireland has set out to define the key climate-related risks we are exposed to and report against these using market-leading frameworks, such as the TCFD.
- We are setting SBTs, aligned to SBTi's financial sector guidance and will report progress against these targets on an annual basis.
- We continue to report on our operational Scope 1 and 2 emissions reductions.





Sustainable Finance

The Landscape For a Green Transition

In November 2021, the Irish Government launched Ireland's Climate Action Plan 2021, aligned with the Paris Agreement, to guide the national green transition.

The Irish Government's agenda focuses on four key areas of the economy, critical to supporting the green transition:

1. Reach net zero emissions no later than 2050 and a reduction of 51% by 2030
2. Increase the proportion of renewable electricity (wind and solar) to 80% by 2030
3. Significant reduction in transport emissions by 2030, including by increasing EV uptake to almost 1 million EVs on the road by 2030
4. To retrofit 500,000 homes by 2030, installing 680,000 renewable energy heat sources in both new and existing residential buildings

The UK Government also published its net zero strategy in October 2021 including the following:

1. Reach net zero emissions by 2050 and a reduction of 78% by 2035
2. Fully decarbonise the power system by 2035 through the development of renewable energy projects, including a total of 40GW of offshore wind by 2030

3. Remove all road emissions at the tailpipe, requiring all cars to be fully zero-emission capable by 2035
4. Decarbonising heating to ensure that by 2035, no new gas boilers will be sold and 600,000 heat pumps are installed per year by 2028

With these policy intentions set, Ireland and the UK are on a significant economic adaptation pathway that will facilitate a rapid and targeted transition.

Bank of Ireland's Role

At Bank of Ireland, we understand the important role we can play in facilitating the transition to a resilient, low-carbon economy for the UK and the Republic of Ireland. We are also committed to working with our customers, colleagues and communities to support the transition to a resilient, net zero economy by 2050. We will support these groups by providing sustainable financing products and services, including green residential mortgages, renewable energy project financing and electric vehicle financing, supported by our green bond programme. We are providing innovative sustainable products such as the Woodland Nature Credits to aid the expansion of native woodland and enable carbon sequestration. Through this work, Bank of Ireland seeks to not only align with the national Climate Action plans in Ireland and the UK and the Paris Agreement, but also to provide tangible benefits to our customers in a more sustainable way.

Providing social and green finance to help make a positive environmental impact ranked highly across all of our stakeholders in the materiality assessment completed in 2020. The materiality assessment findings have significantly informed our RSB strategy and our approach to supporting customers through our core financing and advisory capabilities to enable them to transition to net zero and develop and deploy low carbon technologies.

Through the provision of sustainable financing, Bank of Ireland is able to independently and directly drive progress towards a green transition. The Group's renewable energy financing allows the expansion of renewable electricity in Ireland, delivering progress against its goal of reaching 80% renewable electricity by 2030, as well as the ambition to reach net zero by 2050. Our green mortgages and home improvement loans provide the capital needed by our customers in order to decarbonise the built environment. Similarly, our EV loans allow for greater uptake of electric cars and subsequently the decarbonisation of this carbon-intensive sector, and contribute to Ireland's long-term goal to increase the uptake of EVs to almost 1 million vehicles in the private fleet by 2030.

Bank of Ireland has been providing sustainable financing for nearly two decades, since the Alternative Energy Requirement was introduced in 2004. As such, the Group has gained extensive experience to allow us to deliver products in a way that best supports

our customers. It has also allowed us to make sustainable finance an integral part of the products we provide to help our customers transition to a lower-carbon economy.

Our Approach

Notwithstanding Bank of Ireland's history as a provider of sustainable finance, we know there is still more to do. As such, the Group has identified three core objectives for this area:

- Continue to deliver and evolve sustainable and financially robust products in order to enable customers to transition to a sustainable world, while aligning the Group to the ambitions of the Irish and UK governments and the Paris Agreement
- Ensure that lending drives positive environmental, and social outcomes for our customers and wider society
- Help the Group to realise its SBTs, when set

Bank of Ireland provides a range of sustainable financial products, each of which is designed to deliver on these strategic objectives.



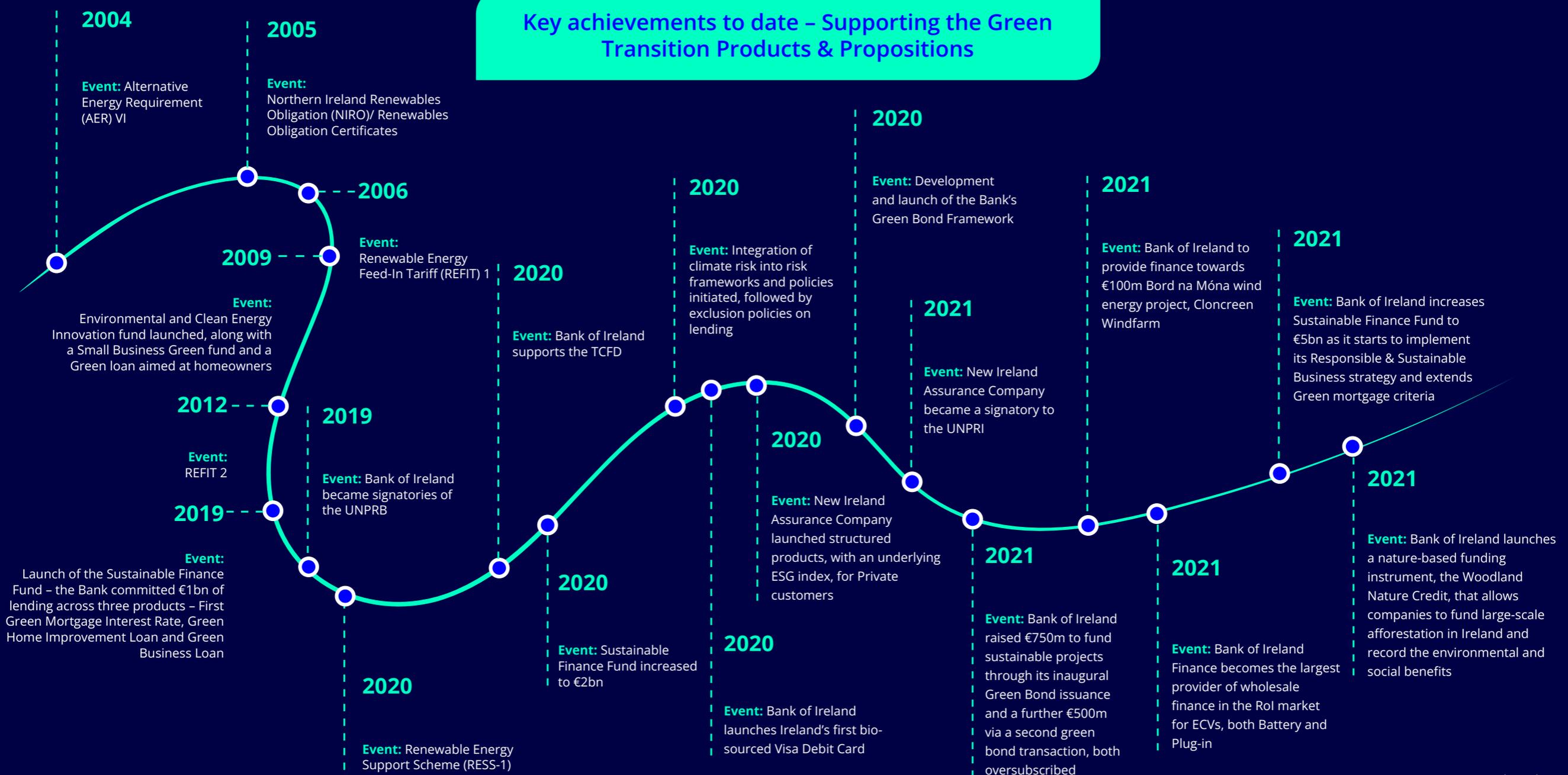


Sustainable Finance

For nearly two decades, the Group has provided financing for wind farms in Ireland. In 2019, Bank of Ireland led the way with the launch of Ireland's first green mortgage along with a suite of green home improvement loans and green business loans. Supported by the Sustainable Finance Fund,

these green loans and interest rates were introduced with the aim of encouraging and rewarding energy-efficient homes, retrofitting older properties, and bolstering SME and agricultural investment in energy efficiency and environmentally friendly processes.

Key achievements to date – Supporting the Green Transition Products & Propositions





Sustainable Finance

Sustainable Financing Governance

Bank of Ireland to date has established itself as a major provider of sustainable finance in Ireland. Sustainable financing at Bank of Ireland adheres to a number of internal and external standards. Internally, these adhere to the aims and objectives of the RSB strategy, as well as the governance structures put in place by the Group in order to minimise risk, such as board and executive management oversight. Under these governance and regulatory structures, the Group successfully delivers a suite of sustainable finance products. Principally among these are:

1. Green Bond Framework
2. Green mortgages and green home improvement loans
3. Green business loans
4. Sustainable project financing
5. Electric vehicle financing
6. Sustainability linked-loans

As noted previously, in early 2022, oversight of the Group's RSB and UNPRB commitments transitioned to a new RSB committee; from the Group NGRB Committee. Going forward, the RSB Committee will report and make recommendations to the Board on all RSB matters, including the Group's

actions on provision of sustainable finance. At an executive level, the new committee's oversight will be supported by the Group's newly appointed CSIRO.

The GEC has overarching responsibility for delivery of the Group's RSB strategy. The RSB committee and the GEC are supported by a number of working groups at a management level. In March 2021, the Green Transition Decision Group was established, convening senior business and functional executives from across the Group to enable the execution of the 'Supporting the Green Transition' delivery plan.

Sustainable Business Practices

RSB Sector Statement

Bank of Ireland Corporate Banking has externally published a **Responsible & Sustainable Business Sector Statement** clearly setting out its risk appetite for lending to potentially sensitive sectors, which we believe cause environmental and / or social harm to society and our communities. Applying to all corporate, non-property new lending, this exclusion list limits the corporate banking business to provide financing to customers who are deemed to engage higher environmental and/or social risk activities. The current portfolio is materially aligned with these arrangements and by embedding these exclusions at origination stage, the portfolio will continue to evolve in line with our RSB strategy.

Credit submissions and review papers are required to critically assess ESG risk factors and their impact on the financial condition of borrowers, in a similar manner to any business risk or financial input. Furthermore, any case considered a heightened ESG risk during initial review will be subject to enhanced review and consideration by an ESG Risk Forum during the credit process. Consideration of ESG risk takes place from the start of the investment process, ensuring that risk is minimised and subsequently aligned to high ESG standards. Similar procedures will be rolled out to other lending portfolios during the course of 2022 as ESG risk is fully integrated into the risk metrics of the Group.

In utilising this list, Bank of Ireland actively chooses to align its lending portfolios to the Paris Agreement, as well as Ireland's ambitions and climate risk frameworks. This will continue to be assessed as the climate agenda evolves further.

Keystone Sustainable Finance Products

Green Bond Programme

Following the publication of Bank of Ireland's **Green Bond Framework** in September 2020 and subsequent update in March 2021, aligned with our RSB Strategy, the Group has to date completed two successful green bond issuances. These issuances have raised a total amount of €1.25 billion and been oversubscribed more than three times.

In addition to the success of the bond issuances, Bank of Ireland considers the

impact delivered by green bonds as core to their purpose. Funds raised through the Group's green bonds are used to deploy funding to finance clean transportation, renewable energy and green buildings (both residential and commercial). They also adhere to the highest possible standard of regulations and framework alignment, thereby ensuring the impact the bonds deliver is in line with policy ambitions and to the benefit of our customers.

In March 2022, the Group issued its first Green Bond Impact and Allocation Reports which provide further detail on the projects financed through the Green bond Framework and their environmental impact. The Reports are available at **Green Bond Framework Reporting - Investor Relations (bankofireland.com)**

The Group's ambition is to be a regular issuer of green bonds and believes that the current size of the Green Eligible Assets portfolio of c. €4.1bn and our customers' appetite for green financing support this ambition.

Sustainable Finance Fund

In 2021, Bank of Ireland announced an increase in its Sustainable Finance Fund, bringing it to a total of €5bn. This represented an increase of €3bn to the previous existing fund. The fund covers Bank of Ireland's green propositions, including mortgages, home improvement loans and business loans. As at 31 December 2021, €1.8 billion had been drawn down from the fund (2020: €955 million).





Sustainable Finance

Green mortgages

As a main provider of mortgages in Ireland, the Group has a responsibility to deliver value to customers and to ensure the sustainability of those products. Green mortgages accounted for 35% of total Rol mortgage lending in 2021 and approximately 45% in Q4 of 2021. The Group also launched a green mortgage product in the UK business in 2021.

The Group is taking significant actions to ensure that the mortgages it offers are sustainable, including the integration of SBTs to reduce the carbon intensity of the overall mortgage book. Progressing towards our mortgage SBT will help shape our mortgage book to be in line with the decarbonisation trajectory of both national climate plans and the Paris Agreement, while continuing to meet the demand for green mortgage financing from our customers.

Bank of Ireland launched Ireland's first green mortgage in 2019 in response to customer demand and to support the national climate plan. In 2021, the Group extended the availability of its green mortgage to include customers switching from another lender and to include Building energy rating (BER) B rated properties, previously applied to BER A rated properties only. As at 31 December 2021, €1.8 billion* had been provided to customers in the form of green mortgages, where eligibility depends on buying, building

or upgrading properties with a BER of B3 or better.

In 2021 the green mortgage discount was increased from 0.20% to 0.30% helping customers enjoy a lower interest rate on their mortgage. Bank of Ireland customers also benefit from lower heating and electricity bills if they choose, or upgrade to, a sustainable, energy efficient home.

Estimated avoided emissions attributed to the Group's exposure to green mortgages for operational properties in 2021 is approximately 30,000 tCO₂e per annum, as reported in the Bank's Green Bond Impact Report 2021.

Green home improvement loan

The Irish Government's Climate Action Plan sets the goal of retrofitting 500,000 homes to BER B2 standard by 2030. Being one of the most cost-efficient ways of removing carbon from our energy system, this makes a compelling economic case for retrofitting homes and buildings. In addition to the benefits of upgraded homes, well insulated homes are comfortable, cheaper to run and bring health benefits. In support of the Climate Action Plan and the Government's retrofit ambitions, Bank of Ireland offers a Green Home Improvement Loan designed to fund energy-efficiency upgrades. The Green Home Improvement Loans accounted for 13% of total lending on overall home improvement loans by the Group during 2021.

Sustainable project financing

The Group has developed a mature and sustainable project finance asset book, of which it is proud. The growth of renewable energy in Ireland relies on it diversifying its electricity generation mix away from traditional forms of carbon electricity, such as coal and gas-fired power. The Climate Act 2021 commits Ireland to a legally binding target of net zero GHG emissions by 2050 and a reduction of 51% by 2030. To enable the continued growth of renewable electricity, the Irish Government introduced a Renewable Energy Support Scheme (RESS) with the aim of achieving 80% of our electricity generation from renewable sources by 2030.

In doing this, the Group has been able to directly drive the development and subsequent uptake of renewables in Ireland. Through this work, the Group has begun to contribute to the ambitious decarbonisation goals set out in Ireland's Climate Action Plan and the Paris Agreement. SBTs are also being developed by the Group in order to extend the impact of our lending book, tangibly reducing emissions.

To date, Bank of Ireland has provided financing associated with the development of at least 750 megawatts (MW) of renewable wind capacity across the island of Ireland. Going forward, the Group will continue to provide financing for renewable energy development in order to facilitate the achievement of national energy targets. As a result of Bank of Ireland's renewable energy loans to assets in operation, an estimated

approximate 21,000 tCO₂e per annum of emissions have been avoided, as reported in the Group's Green Bond Impact Report 2021.

Clonreen Wind Farm | Case Study

In early 2021, Bank of Ireland supported Bord na Móna with senior debt facilities to construct the Clonreen Wind Farm, a 75MW on-shore wind farm on Clonreen bog in County Offaly. The debt financing represented one of the first transactions under the RESS to utilise commercial funders.

With Bank of Ireland's support, Clonreen Wind Farm will make a significant contribution to the achievement of Ireland's 80% renewable electricity target by 2030. The wind farm is due to be built over an estimated 18 month construction period and, when operational in late 2022, it will provide approximately 55,000 homes with renewable electricity.

Pat Blount: Trailblazer drives a clean energy vision | Case Study

Pat Blount, a wind farm pioneer, has developed at least three sizeable wind farms across Ireland and is now focused on efficient energy storage and other renewable energy enabling technologies; the next evolution for renewable energy.

Driven by the belief that renewable energy can enrich local communities Blount built his first wind farm utilising the AER VI Irish Government support, as well as financing provided by Bank of Ireland. His subsequent two farms, also financed by Bank of Ireland,

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.





Sustainable Finance

took advantage of the REFIT 1 (2006) and REFIT 2 (2012) government schemes.

“I was one of the founding members of the Irish Wind Farmers Association (Meitheal na Gaoithe) which we set up following a meeting with the Irish Wind Energy Association, which was very keen to see Irish farmers involved in renewable energy. In the early days it was all about learning; how to go about planning, how to design a wind farm, how to interact with ESB, Eirgrid and the planning authorities. Bank of Ireland was very quick to recognise the potential early for smaller wind farm developments driven by landowners themselves. There was great foresight shown by the bank to focus on supporting smaller, local developers. Some of those small developers have since grown into sizeable developers over the years.”

“If you were to think about the impact of wind farms in Ireland, they have brought the price of electricity down. When the wind is blowing the price of electricity is about 10% cheaper. Globally, the impact of wind energy has been significant in limiting GHG emissions. Within local communities where wind farms are owned and operated by small operators, especially where the landowner has a

shareholding in the projects, income from those projects is being recycled five or six times within the economy.”

Pat Blount has been clear that the partnership and support of Bank of Ireland were integral to the success of a vibrant wind farming community across the country. He also stated that:

“the bank allowed us to make strategic commercial decisions that at the same time helped it to develop a deep understanding of the renewable energy industry.”

Mid-Clare Renewable Energy DAC | Case Study

Located 8km off the western seaboard and Atlantic ocean in County Clare, Cahermurphy Windfarm developed by Mid-Clare Renewable Energy DAC (MCRE) is a 7MW on-shore wind farm. The shareholders of the wind farm are all local to County Clare (including land owners) and the wind farm supplies 25,000MW/Hrs electricity of green energy to the Irish grid per annum, enough to power 8,000 homes.

“MCRE ran a funding competition given there was a number of local and international banks who expressed an interest in financing the project. During this process it became very evident that Bank of Ireland had an experienced team with a very strong understanding of the energy

market and what is required to fund one of these Energy Projects. Over the course of a number of meetings and site visits with the Bank of Ireland team it was clear to see their commitment to the Renewable Energy Sector and their desire to support a locally owned Renewable Energy project, such as our Windfarm. This was important to the MCRE board as our project was a contestable grid build and we required a funding partner who knew the complexities of this type of grid connection in the Irish market and who were committed to a successful completion of this initial phase of the project.

Bank of Ireland’s experience and commitment in this sector was shown as they supported us and enabled the successful construction of this wind farm, a support which continues now in the operational phase and the further development and expansion of the this exceptional Renewable Energy Project. The MCRE and BOI relationship continues to strengthen and grow as we look forward to enhancing the Local Renewable Energy industry in Co Clare and beyond.”

Pádraig Howard CEO, MCRE

Through partnerships with developers of renewable energy, Bank of Ireland has established a comprehensive understanding of the risks associated with these projects, as well as deep expertise on what they require. As such, Bank of Ireland is able to act as a trusted and effective partner to individuals and businesses in furthering the energy transition through good quality financial products and advice.

Accelerating EV Demand

Bank of Ireland is a key enabler of Ireland’s ambitions to drive the uptake of electric vehicles.

Although the share of diesel cars has fallen each year since 2015, the popularity of diesel remains strong in Ireland, having the highest share of new diesel cars sold in the EU at approximately 33% (2021). In 2015, the combined share of electric vehicles and hybrids was less than 2% of new car sales in Ireland. By 2021, this share had increased to almost 34%. Car manufacturers must also meet a revised CO₂ emission target of 95g/km per vehicle sold (averaged across all sales), a revised baseline that was set in 2021 and is set to reduce again in 2025. A proposal was tabled by the European Commission last July to reduce the 2021 baseline by 55% in 2030 and to legislate for a ban on the sale of new cars with internal combustion engines by 2035.

Bank of Ireland is at the forefront of funding the transport transition, providing finance to 13 of the current 15 car manufacturer



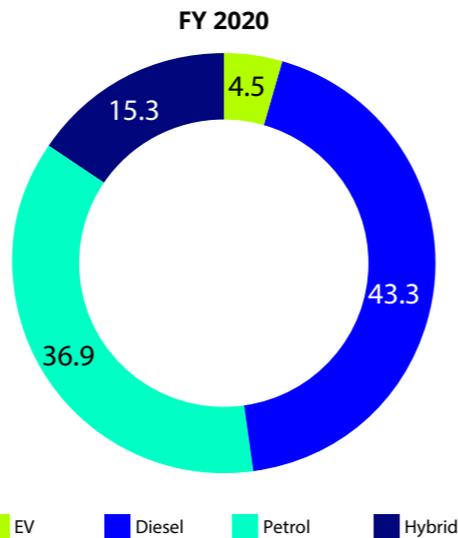
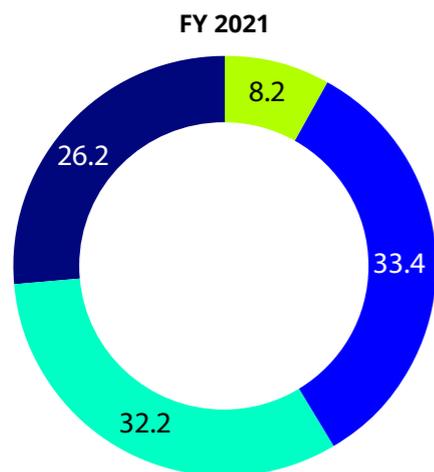


Sustainable Finance

franchises for their Battery Electric Vehicle (BEV), Hybrid Electric Vehicle (HEV) and Plug-in Hybrid Electric Vehicle (PHEV) ranges. This makes Bank of Ireland the largest wholesale finance provider for ECVs.

Decarbonising transport is vital in delivering on the Paris Agreement. By providing financing for the switch to electric vehicles, Bank of Ireland is directly enabling emissions reduction from one of the more carbon-intensive sectors. In 2021, the Irish Government approved the Electric Vehicle Policy Pathway Report, which targets the delivery of 180,000 EVs on our roads by 2025 and 936,000 by 2030. This supports Ireland’s Climate Action Plan target of a 51% reduction in transport emissions by 2030 and will be a key policy in meeting our national transition to a carbon-neutral society.

Fuel Trends 2021 vs. 2020



Bank of Ireland Finance also offers subsidised consumer finance through our franchise partners, further supporting the growth of EVs in Ireland. Given the Group’s strong position in this area, it is well-positioned to support this transition to green transport.

Green farming

Agriculture faces a significant challenge. It was directly responsible for 37.1% of national GHG emissions in 2020. Under Ireland’s Climate Action Plan, it is required to reduce GHG emissions by between 22% and 30%. Ag Climatise, the roadmap developed by the Department of Agriculture, Food and the Marine, clearly outlines the key actions the sector must take to address climate change.

Bank of Ireland is ready to support farmers to embrace these changes in the knowledge that much of what is being asked of them, will in the first instance, enhance the environmental sustainability of the farm but

can also contribute to improving overall farm profitability.

We are now beginning to consider and incorporate environmental key performance indicators of farms into our lending process, for example, stocking rates, fertiliser application rates and slurry storage quantities.

Bank of Ireland is supporting farmers with their investment in on-farm infrastructure that improves their overall environmental sustainability, such as additional slurry storage, solar panels, and low emission slurry spreading equipment.

In addition, we have recently partnered with Teagasc on the Signpost Programme, which aims to educate farmers on how to reduce the climate footprint of their farms.

Partnership with Teagasc Signpost Programme | Case Study

The Signpost Programme is a multi-year partnership led by Ireland’s Agriculture and Food Development Authority, Teagasc, with farms, industry and state agencies, who work together with a common goal of climate action. Proudly supported by Bank of Ireland, the programme aspires to:

- Reduce gas emissions from Irish agriculture
- Improve water quality
- Maintain and, in some cases, improve biodiversity
- Reduce costs and create more profitable and sustainable farming enterprises

Farmers are supported through a network of ‘Signpost Farms’ and Signpost Advisory campaigns that act as demonstration cases and showcase the way forward in sustainable farming.

Novum – global growth and demand for their unique green refrigeration offering | Case Study

Through the provision of sustainable finance to business banking customers, Bank of Ireland is able to directly support the development of innovative companies working towards a more sustainable future.

Bank of Ireland provided Novum with a Senior Debt Facility to fund a combination of building expansion, capex and working capital needs to support their growth, driven by the increased demand for their green refrigeration offering. For over 60 years, Novum, a customer of Bank of Ireland, has been redefining refrigeration technology for leading retailers of frozen food across the globe. Based in Dublin and with a long history of innovation, they have recently launched their award winning LEAP™ Technology, offering their loyal customers game changing green benefits in energy saving and retail space utilisation. Their global customers include the biggest players in frozen food such as Picard and Iceland along with well-known retailers Dunnes Stores, The Range, Musgraves, Carrefour, and Waitrose.

The award winning LEAP™ Technology developed by Novum offers a frost-free sustainable refrigeration solution with the following benefits versus existing alternatives:





Sustainable Finance

- A 37% reduction in energy costs when compared to the next best in class competitor
- Savings of 62.7 metric tonnes in CO₂ equivalent annually
- A reduction in food waste as a result of improved food integrity due to zero thaw cycles and packaging staying dry
- Reduced waste due to durability and reliability

Novum have seen an 80% adoption rate of this technology amongst frozen food specialists, helping companies they serve to materially lower their carbon footprint. The superior food integrity that results from the technology also allows businesses to deliver high demand and high nutritional value frozen food with minimal waste.

Bank of Ireland is proud to support and contribute to such organisations that develop and distribute sustainable technologies.

Sustainability-linked loan facilities

To support our corporate customers with their own green transition and carbon-reduction strategies, Bank of Ireland Corporate & Markets launched sustainability linked loans in the Irish market in 2019. These loans contain sustainability linked pricing mechanisms to support and incentivise customers to set up appropriate and sector-specific sustainability targets for their enterprises, and to reward them through margin reductions upon the achievement of these targets.

In 2021, sustainability linked pricing mechanisms were applied to €1.4 billion* of lending commitments to corporate customers, representing a 144% increase over 2020. Already in 2022 we have seen an increase in the number of customers looking to incorporate these mechanisms into their borrowing facilities, a trend we expect to continue with our customers across every sector looking for options to reduce their carbon footprints in line with Ireland's ambition to achieve a 51% reduction in Green House Gas emissions by 2030 and net zero by 2050. Bank of Ireland is focused and committed to being an integral part of the solution for our customers, with teams across all of our businesses pro-actively looking at further innovative options to support this transition.

ESG Advisory

A sustainable business is a better business. Bank of Ireland has a responsibility to develop and use sustainable finance products and advisory services to support our customers transition to a lower carbon economy. As a financial institution, Bank of Ireland can play an important role in supporting our customers by financing change and sharing knowledge.

Supporting customer education and awareness building is an important

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objective for Bank of Ireland in relation to sustainability. ThinkBusiness.ie is operated by Bank of Ireland for Irish business owners and managers who are seeking information, resources and help on a range of business topics, including ways in which the Group can actively engage and support the community at a local and national level in their transition to a lower carbon economy.

Supporting staff with the appropriate training is also important so that we can provide customers with the right knowledge. Bank of Ireland is working on launching specific sustainability training programmes to support staff who in turn can support customers. The Group also recognises further opportunities to assist corporate and SME customers to improve their sustainability profile. This will be a key focus for the business from 2022.

Green Business Banking Loan

The Bank of Ireland Green Business Loan offers discounted finance to businesses, including farmers, who want to implement energy-saving initiatives in order to reduce their carbon footprint and their costs; for example, LED lighting to replace fluorescent lights or more energy-efficient heating and cooling systems which can reduce reliance on oil and gas. In addition, Bank of Ireland provides access to support for our business customers in partnership with the SBCI.

In February 2022, the SBCI launched an Open Call for Expression of Interest to identify and select On-Lenders to deliver the SBCI SME

Energy Efficiency Loan Scheme (EELS). Bank of Ireland Finance have been approved for €50m of the SBCI EELS. The proposed €150m Scheme was created as a pilot to act as a catalyst and gauge the level of demand for such a product from SMEs. The pilot scheme, due to be launched in late June 2022, aims to help address the issue of under investment by Irish SMEs in energy efficiency projects. The Scheme is to support eligible SMEs to invest in energy efficient assets that will improve their energy efficiency and support the national objective of reducing carbon emissions.

Responsible investments

The Group's Wealth and Insurance division is a market leading life, pensions, investments and general insurance provider in Ireland. The Group is the only Irish-owned bank assurer in the Irish market. In 2021, the Group W&I subsidiary, and New Ireland Assurance Company plc, became a signatory of the UNPRI. To reflect the increasing importance of sustainability in investment decisions, action is now being taken to integrate ESG factors in investment due diligence processes and a review has been undertaken of the ESG credentials of W&I's strategic investment partners, which are all A+ rated.





Sustainable Finance

Green Card | Case Study

In 2020, Bank of Ireland launched Ireland's first bio-sourced Visa Debit card. The bio-sourced card is made from 82% bio-sourced renewable materials derived from field corn. When its lifespan is over, it takes just six months to break down unlike its plastic equivalent (PVC cards) which take around 400 years to decompose.

The card also features a new look and feel design in line with the updated branding of Bank of Ireland that took place earlier in the year. Other notable features include:

- All customer card details have moved from the front of the card to the back, helping keep customer details out of sight when using ATM or merchant services.
- Card numbers have been flat printed instead of the traditional embossed print, making the card more durable and decreasing the need for replacement.
- Inclusion of a notch on the bottom right of the card to help guide those that are visually impaired.

We want to put sustainability in the hands of all our customers and give them the opportunity to go greener in their daily lives. To date more than 150,000 second and third level customers have received bio-sourced cards, and these will be rolled out to all Bank of Ireland customers as we replace and update our cards from Q3 2022 onwards.

Woodland Nature Credit | Case Study

In June 2021, the Nature Trust, a joint venture between Coillte Nature and Forestry Partners, launched the Woodland Nature Credit. The transaction is targeted to deliver 200ha, comprising 600,000 trees, of new Irish native woodlands. This was the first time ecosystem services had been effectively securitised and this innovative transaction was structured and arranged by Bank of Ireland Corporate and Markets.

The project identified three distinct benefits – carbon sequestration, biodiversity uplift and amenity value to the public – which can be precisely measured in accordance with international standards.

The carbon sequestration value was projected using the Woodland Carbon Code, which calculates the sequestration value of a woodland over a 100-year period. In order to make this a marketable product, the time horizon was condensed to 25 years, with measurement and verification occurring five times over this period. Similarly, the biodiversity uplift is to be determined with reference to the UN's System of Environmental-Economic Accounting (SEEA), combining economic and environmental benefits that come from natural capital. The Contingent Valuation Method, a survey-based economic technique for valuing non-market assets, helps to measure amenity value.

Nature Trust will be obtaining assurance from KPMG over the product in the coming months. The product is compliant with the EU Taxonomy whilst meeting five SDGs. It also

utilises an independent scientific panel in place as part of its governance structure.

The €2 million transaction was purchased in its entirety by AXA Ireland as part of their net zero carbon strategy. The insurer intends to use the carbon credits towards offsetting the individual carbon emissions that its car insurance policy holders generate, and include this in both their reporting requirements and their product offerings to customers.

Following the success of this inaugural transaction, Bank of Ireland Corporate and Markets are working on an additional issuance involving planting 1.2 million trees and creating 400 hectares of new forests by mid-2022.

Additional nature-based financial mechanisms are currently being developed as interest in climate change and nature loss projects rises in response to increasing regulatory obligations and investor demand.

Opportunities – Looking Forward

Home retrofit, electric vehicles and business loans

The Irish Government have put in place a package of supports to make it easier and more affordable for homeowners to undertake home energy upgrades. The package includes a number of measures, including exchequer investment of €8 billion to help achieve the government target of 500,000 home energy upgrades to B2 BER standard by 2030.

The Irish Government's Climate Action Plan targets the deployment of 945,000 EVs by 2030, with 845,000 of these to be private passenger cars. There are currently over 45,000 EVs registered on Irish roads, requiring significant provision of financial aid in order to achieve electrification targets.

SME sectoral emission ceilings, to be published in 2022, will also give rise to an increasing market for green business loans to finance green transition through investment in new equipment and productivity / efficiency improvements.

Bank of Ireland, as an established provider of sustainable finance products, intends to continue to offer and build upon high quality products and propositions to encourage and reward energy-efficient homes, retrofitting of older properties, providing financing for the switch to electric vehicles and SME and agri investment in energy efficiency.





Managing climate-related risks

TCFD and Risk Management

Task Force on Climate-related Financial Disclosures

The Group understands the important role it can play in facilitating the low carbon transition, and we are committed to working with our customers, colleagues, regulators and communities to achieve a net zero economy by 2050 in Ireland and the UK, in line with Government actions. We also recognise the risks and opportunities that a transition to a low carbon economy and changing physical and climatic conditions pose to the Group and our customers. Central to addressing these is the alignment of the Group's disclosures with the recommendations of the Financial Stability Board's (FSB) TCFD, and related evolving expectations from our regulators, together with our voluntary commitments under the UNPRB.

In 2021, Bank of Ireland continued to make progress in strengthening our disclosures on the integration of climate considerations into the Group's risk management processes and strategic response. Our disclosures are prepared, taking into consideration the expectations of key regulators.

These include the CBI, ECB and the UK PRA. Our climate-related disclosures under the TCFD framework also support meeting the requirements of our premium listing status on the London Stock Exchange and the FCA climate-related disclosure rules.

Climate considerations are a core part of the Group's overall approach to managing risks across the business, as detailed in Bank of Ireland's RSB strategy, and across this report.

We have continued to drive progress on climate within the Group, evidenced by the key achievements in 2021 and priority focus areas for the forthcoming financial year outlined in the following table. Bank of Ireland's 2021 Annual Report also provides further details on TCFD related disclosures, which are summarised on the following pages.

Pat Blount, wind farm pioneer and climate change visionary





Managing climate-related risks

TCFD RECOMMENDED DISCLOSURE	BANK OF IRELAND 'GREEN TRANSITION' PILLAR ELEMENTS	KEY ACHIEVEMENTS IN 2021	RELEVANT DISCLOSURE AREAS	PRIORITIES FOR 2022
GOVERNANCE				
<p>Board oversight of Bank of Ireland's climate-related risks and opportunities.</p> <p>Management's role in assessing and managing climate-related risks and opportunities at Bank of Ireland.</p>	<p>Governance</p> <p>Oversight of all areas of Bank of Ireland by the Board, Group Executive Committee, RSB Committee, Board Risk Committee and others, in order to minimise the risk to customers and the Group, as well as drive the organisation forward in its green transition.</p>	<ul style="list-style-type: none"> Board oversight provides ultimate accountability over the Group's alignment with key regulations, as well as striving to meet the RSB strategy Board achieves this oversight through: <ul style="list-style-type: none"> Inclusion of climate change at Board level decision making through the implementation of the Climate Change Action Plan Monitoring of the Group's identification and management of climate-related risks and integration into strategic processes such as Internal Capital Adequacy Assessment Processes (ICAAP) Continued oversight of progress made on SBTs, resourcing, reporting and disclosures Communication with the NGRB and Board Risk Committee on progress against key climate commitments, such as the RSB Strategy and commitment to the UNPRB Communication with the GEC, which hold overarching responsibility for the delivery of the RSB strategy. Establishment of the Green Transition Decision Group, bringing together senior business and functional executives from across the Group to support and steer the Supporting the Green Transition pillar delivery plan Ongoing integration of climate-related risks into existing risk control frameworks and policies 	<p>2021 Annual Report, page 30</p> <p>Managing climate-related risks, pages 50 to 65</p>	<ul style="list-style-type: none"> The Board will continue to work effectively with the executive team in 2022 to create sustainable long-term value for stakeholders The Board has enhanced the Group's RSB governance through establishment of a standalone Board-level RSB Committee, which has assumed responsibility for RSB activities. The new committee will provide oversight of the Group's RSB strategy and will monitor the Group's implementation of the UNPRB Strengthening management capability is a key priority. Recently appointed, the CSIRO will continue to drive the Group's green transition





Managing climate-related risks

TCFD RECOMMENDED DISCLOSURE	BANK OF IRELAND 'GREEN TRANSITION' PILLAR ELEMENTS	KEY ACHIEVEMENTS IN 2021	RELEVANT DISCLOSURE AREAS	PRIORITIES FOR 2022
STRATEGY				
<p>Short, medium, and long term climate-related risks and opportunities identified across Bank of Ireland's lending portfolio.</p> <p>Impact of climate-related risks and opportunities on our businesses, strategy, and financial planning.</p> <p>Progress to evaluate the resilience of Bank of Ireland's strategy, taking into consideration different climate-related scenarios.</p>	<p>Providing Sustainable Finance</p> <p>Support our customers through our core financing and advisory capabilities to enable them to transition to net zero and develop and deploy low carbon technologies.</p> <p>Manage climate-related risks</p> <p>Build our own resilience by embedding climate related impacts in our decision making processes for our own operations, in lending and investment decisions and the advice we give our customers.</p>	<ul style="list-style-type: none"> As a signatory to the UN PRB, we have committed to aligning our strategy and practices with the Paris Agreement. In 2020, we defined our climate strategy, incorporating our Five-Point Climate Plan Initiated an assessment of climate-related physical and transition risks and opportunities posed in the short, medium and long-term to inform strategic planning. The findings of this are detailed on page 63 of this report and page 32 of the 2021 Annual Report Mapped the total loan book exposure to sectors most sensitive to climate change Carried out scenario analysis across three Networks for Greening the Financial System (NGFS) scenarios, namely the Orderly Transition (1.5°C), Disorderly Transition (2°C) and Hothouse world (>3°C), to assess the materiality of potential climate risk impacts and opportunities Integrated scenario analysis into the Group's ICAAP as a key step in the ongoing development of the Group's data, modelling and risk management capabilities Continued to offer a suite of green products to customers, including: <ul style="list-style-type: none"> The Sustainable Finance Fund, with €3bn added in 2021, increasing the fund to €5bn in total The Woodland Nature Credit, which supported planting of 600,000 trees/200 hectares of forest in 2021 	<p>2021 Annual Report, pages 31 to 36</p> <p>Managing climate-related risks, pages 50 to 65</p> <p>Sustainable Finance, pages 42 to 49</p>	<ul style="list-style-type: none"> Further work to incorporate climate objectives and targets into balanced scorecard performance assessments Continue the implementation of the Group's Climate Action Plan. Note, this overall action plan also incorporates the Climate Risk Implementation Plan for the implementation of ECB guidelines on the management of climate-related and environmental risks Continue to assess climate-related risks and opportunities through scenario analysis and stress testing, integrating findings into existing risk management frameworks Set binding SBTs against key elements of our balance sheet, aligned to the SBTi guidance Continue to develop the suite of green finance products offered by the Group, accelerating progress towards alignment with the Paris Agreement and resilience of both Bank of Ireland and our customers' future Further align Bank of Ireland's business practices with forward-leaning policies, including TCFD, UNPRB and the EU Taxonomy, as well as other emerging regulation/ industry practices





Managing climate-related risks

TCFD RECOMMENDED DISCLOSURE	BANK OF IRELAND 'GREEN TRANSITION' PILLAR ELEMENTS	KEY ACHIEVEMENTS IN 2021	RELEVANT DISCLOSURE AREAS	PRIORITIES FOR 2022
STRATEGY				
		<ul style="list-style-type: none"> - Development of green finance products, namely the provision of €1.8bn* in green mortgages, renewable energy financing and green transport finance. We also went beyond this to continue to support a broad range of customers, such as the agri sector, with finance to fund investment in on-farm infrastructure that improves their overall environmental sustainability such as solar panels and low emission slurry spreading equipment. - Continued to finance the development of renewable wind capacity • The Group's Green Bond Framework issued €1.3bn in bonds in 2021 • Began working to define SBTs, as discussed in this report on page 66 and 67 		
RISK MANAGEMENT				
<p>Our processes for identifying and assessing climate-related risks.</p> <p>Bank of Ireland's processes for managing climate-related risks.</p> <p>Integration of climate risk processes into Bank of Ireland's overall risk management.</p>	<p>Manage climate-related risks</p> <p>Build our own resilience by embedding climate-related impacts in our decision making processes for our own operations, in lending and investment decisions and the advice we give our customers.</p>	<ul style="list-style-type: none"> • Guided by the Group's ESG Risk Framework, climate risk is progressively being embedded into key risk processes, including ICAAP • Embedding climate risk considerations into key risk reporting, including the Board Risk Report and quarterly credit portfolio reporting, with an initial focus on credit risk across lending portfolios 	<p>2021 Annual Report, pages 37 to 39</p> <p>Managing climate-related risks, pages 50 to 65</p>	<ul style="list-style-type: none"> • Continuing efforts to mature the Group's climate-related processes and capabilities • Participation in the ECB Thematic Review and Stress Testing exercise and progressively developing capabilities and insights through climate scenario modelling • Continue to enhance Bank of Ireland's integration, and assessment of climate-related risks within risk frameworks and enterprise risk management practices

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Managing climate-related risks

TCFD RECOMMENDED DISCLOSURE	BANK OF IRELAND 'GREEN TRANSITION' PILLAR ELEMENTS	KEY ACHIEVEMENTS IN 2021	RELEVANT DISCLOSURE AREAS	PRIORITIES FOR 2022
RISK MANAGEMENT				
		<ul style="list-style-type: none"> Continued internal work to strengthen alignment with the requirements of the TCFD framework and ECB, such as further integration of climate risks into risk management processes. The Group continues to assess climate-related risks in the context of physical and transition risks across credit and operational, market and liquidity risks, among others. Identified risks are detailed on page 63 of this report and page 32 of the Annual Report Development of methodologies to monitor and measure climate risks on an ongoing basis, similar to other risk metrics, alongside partners such as the UNEP FI, TCFD Working Group and European Banking Federation Working Groups ESG Risk was incorporated into the Risk Appetite Statement as an initial step Bank of Ireland has published the RSB Exclusion List clearly stating the Group's risk appetite for lending to potentially sensitive sectors we believe cause environmental and/or societal harm Carried out a scoping assessment to understand potential climate risk impacts across lending portfolios, utilising UNEP FI methodologies and GHG baselining Developed a multi-year data and technology roadmap to support the delivery of data needed to meet the evolving climate assessment and management requirements 		<ul style="list-style-type: none"> Take necessary actions to mitigate the exposure of lending portfolios and other business practices to climate-related risks Introduction of a preliminary scenario analysis within the ICAAP 2022 process to increase the Bank's understanding of and insights into potential impacts of climate risk, including assessments on credit risk, market risk, and funding and liquidity risk





Managing climate-related risks

TCFD RECOMMENDED DISCLOSURE	BANK OF IRELAND 'GREEN TRANSITION' PILLAR ELEMENTS	KEY ACHIEVEMENTS IN 2021	RELEVANT DISCLOSURE AREAS	PRIORITIES FOR 2022
METRICS & TARGETS				
<p>Metrics used by Bank of Ireland to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>Bank of Ireland's Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emission disclosures.</p> <p>Targets set by Bank of Ireland to manage climate-related risks and opportunities.</p>	<p>Science-based targets</p> <p>Set our portfolios and lending practices on a pathway aligned with the Paris Agreement and to fulfill our commitment to setting SBTs across our portfolios and operations by the end of 2022.</p> <p>Decarbonise our own operations</p> <p>Make our own operations net zero by 2030.</p> <p>Transparently report our progress</p> <p>Commit to transparently report on the progress we are making towards our ambitions and reporting in line with the recommendations of the TCFD.</p>	<ul style="list-style-type: none"> Continued to develop SBTs for GHG emission reductions for our own operations and financed emissions, aligned with our commitment to the SBTi Segmented our balance sheet according to SBTi asset classes and developed baselines, in line with PCAF Standard for the finance sector, against which we will set our SBTs Ongoing measurement of the emissions financed by our business activities and actively seeking to reduce these Regular measurement, monitoring and disclosure of our scope 1, 2 and 3 emissions in our operations Commitment to a Group reduction in Scope 1 and 2 emissions intensity of operations to net zero by 2030. To date, we have achieved an 84% reduction per m² Expansion of renewable energy use to almost 100% of energy supply to operations in Ireland, NI and Great Britain Introduced key risk indicators (KRIs) for monitoring purposes, including exposure to industry sectors and geographies considered highly sensitive to climate-related risks, the carbon emissions footprint of lending portfolios, levels of sustainable financing and scenario analysis outputs 	<p>2021 Annual Report, pages 40 to 42</p> <p>Sustainable Finance, pages 42 to 49</p> <p>Decarbonising Operations, pages 68-73</p>	<ul style="list-style-type: none"> Progress work to refine the suite of climate-centric metrics adopted to monitor the Group's progress across key climate-related performance areas, including green lending, sustainable financing and EU Taxonomy eligible assets, in line with evolving reporting requirements Submit SBTs and gain approval from SBTi Communicate SBTs and how the Group strategy will help support meeting them Continue to develop data systems and metrics for the measurement and reporting of progress against climate targets (including SBTs) Continue to decarbonise our business through renewable energy use and energy efficiency Continue to expand sustainable finance product offerings to support the green transition





Managing climate-related risks

Assessing Risks and Opportunities

Bank of Ireland continues to progressively embed climate considerations into its risk management framework, Board oversight and decision-making. Key to this approach is the supervisory expectations on risk management and disclosure outlined by the ECB.

Bank of Ireland has framed its thinking around broader risk and opportunity identification in conjunction with guidance provided by the TCFD. Specifically, the TCFD categorises transition and physical risks, as well as opportunities, into distinct sub categories, as detailed below:

CLIMATE-RELATED RISKS	
Transition Risks	Policy and Legal
	Increased pricing of GHG emissions
	Enhanced emissions-reporting obligations
	Mandates on and regulation of existing products and services
	Exposure to litigation
	Technology
	Substitution of existing products and services with lower emissions options
	Unsuccessful investment in new technologies
	Costs to transition to lower emissions technology
	Markets
	Changing customer behavior
	Uncertainty in market signals
	Increased cost of raw materials
	Reputation
	Shifts in consumer preferences
Stigmatization of sector	
Increased stakeholder concern or negative stakeholder feedback	
Physical Risks	Acute
	Increased severity of extreme weather events such as cyclones and floods
	Chronic
	Changes in precipitation patterns and extreme variability in weather patterns
	Rising mean temperatures
Rising sea levels	

In terms of risk management, the ECB makes clear its expectations on integrating climate risks into company-wide risk management frameworks, within credit, operational, market and liquidity risk management procedures, as well as through the utilisation of the ICAAP. Across these risk types, the Group is expected to assess its exposure to climate-related and environmental risks on a quantitative basis through scenario analysis and stress testing. The ECB also outlines an expectation for the Group to publish meaningful information and key metrics on climate-related and environmental risks where deemed to be material, and the Group's exposure to climate-related risks.

In line with the Climate Risk Implementation Plan, which was submitted to the ECB in 2021, Bank of Ireland is progressively implementing a series of risk management procedures across the business to effectively measure, report and mitigate against the worst impacts of climate risks posed to the business. In doing so, Bank of Ireland aims to become both financially resilient and more sustainable through the alignment of its products with the transition goals of the Paris Agreement and ECB.

The Group has begun to do this by embedding climate risk management in the governance structure of the organisation, considering risks both from a top-down direction of business strategy and from the bottom up, with colleagues incorporating climate risk management in the day-to-day work of the organisation.



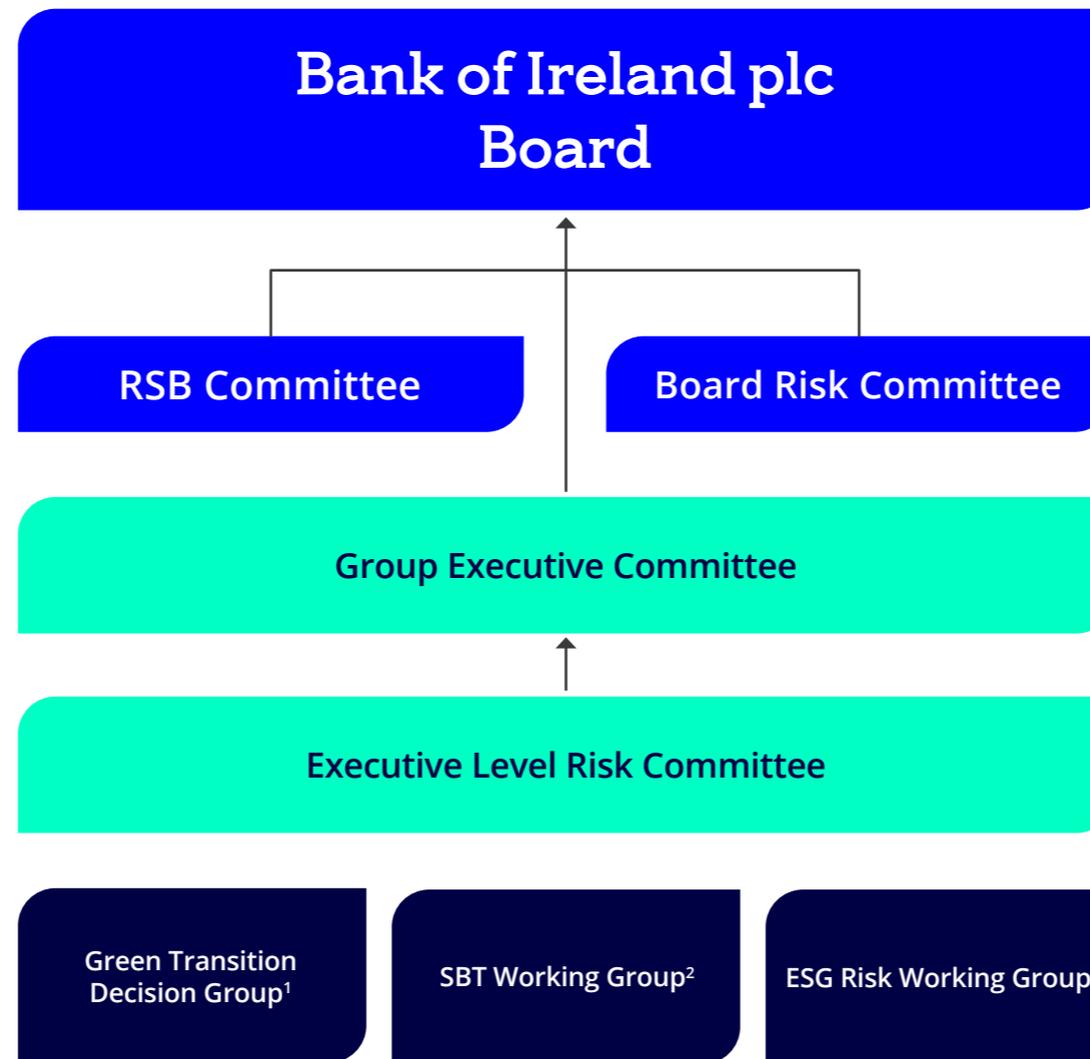


Managing climate-related risks

RSB & Climate Board Oversight

RSB & Climate Executive Oversight

RSB & Climate Advisory Forums



Bank of Ireland seeks to implement risk management in a top down and bottom up approach.

In doing this, Board level decision-making directs the overall trajectory of the Bank's direction of travel, ensuring that key issues are recognised across the business and are embedded in business practice. Most notably, this allows the Board and Executive Committee to direct the Climate Change Action Plan, as well as embed climate-related risks into the Group capital adequacy assessments, risk appetite and risk management framework.

The Group also recognises that our colleagues are our first line of defence in recognising climate-related risks and subsequently provide an invaluable perspective. The Group aims to empower colleagues with the information and resources they require to recognise climate-related risks and opportunities in their day to day work, as well as escalate areas of required change to be taken to Executive Committee and Board level decision makers.

The internal governance of Bank of Ireland creates an ecosystem for the identification and management of risks, embedding it into all areas of the business.

¹ Reflects the Responsible Business Forum from 2020, reconvened in 2021, as the Green Transition Decision Group.

² Working groups convened for the four asset classes.





Managing climate-related risks

Spotlight: ESG Risk Working Group

As per the Group Risk Framework, climate risk responsibilities extend across the organisation based on the three lines of defence approach. The impacts of climate risk can be seen through existing risk channels and require a matrix approach and integration across multiple risk frameworks. Climate risk is being integrated into existing risk control framework and policies. Within Group Risk, an ESG Risk Working Group brings together second line risk management from across key risk types (with the RSB team) to support an integrated approach to ESG management and climate-related risks within the Group. In doing this, Bank of Ireland is able to effectively manage climate risks when they arise, minimising the effect this could have on the Group and our customers.

Risk Types

In 2021, we began embedding climate and ESG risk considerations into key risk reporting, including the Board Risk Report and quarterly credit portfolio reporting. With an initial focus on credit risk, the measurement and monitoring of climate risk across our lending portfolios are incorporated into quarterly portfolio reporting considered by the Group Credit Risk Committee. KRIs presented for monitoring purposes include:

- Exposure to industry sectors and geographies considered highly sensitive to climate-related risks;
- The carbon emission footprint of lending portfolios;

- Levels of sustainable financing;
- Scenario analysis outputs.

In accordance with the expectations of the ECB, central to the climate risks identification are credit, liquidity, operational and market risks.

Credit Risk:

Credit risk can arise in the context of climate due to the risk of increased costs associated with physical and transition risks. These can impact the financial soundness of households and businesses, reducing their ability to service debt and resulting in impaired asset values. This, in turn, can result in financial loss to the Group through a higher probability of default (PD) and higher losses given default (LGD). Bank of Ireland is clear that transition and physical risks can affect the creditworthiness of our customers and the stability of our lending portfolios, as well as the value of assets in the short, medium and long term. These climate risk drivers can intensify risks to the Group and, subsequently, risks to our customers.

By identifying how physical and transition risks contribute to credit risk in the context of our lending portfolio, the Group aims to reduce the risk materially and protect the financial stability of the Group.

Bank of Ireland Corporate Banking has externally published a **Responsible & Sustainable Business Sector Statement** clearly setting out our risk appetite for lending to potentially sensitive sectors, which we believe cause environmental or social harm to society and our communities. Applying

to all corporate non-property new lending, this Exclusion List means Corporate Banking will not provide financing to customers who are deemed to engage in a defined list of excluded business activities. Credit submissions and review papers are required to critically assess ESG risk factors and their impact on the financial condition of borrowers in a manner similar to any business risk or financial input. These procedures are being adapted for an extension to SME commercial lending during 2022.

Bank of Ireland is actively incorporating climate-related financial risks into its credit risk stress testing exercise, including extreme climate events. The Board Risk Committee reviews the results of regular stress testing and of the ICAAP. Frameworks have been put in place to assess credit risk on this basis, and results from the initial analysis have been incorporated into ICAAP processes for 2022.

Funding & Liquidity Risk:

The Group has established a liquidity risk management framework, which encompasses the liquidity policies, systems and controls in place to ensure that the Group is positioned to address its daily liquidity obligations and withstand a period of liquidity stress.

Bank of Ireland is actively incorporating climate-related financial risks into its funding and liquidity risk stress testing exercise. The Board Risk Committee reviews the results of regular stress testing and the Internal Liquidity Adequacy Assessment Process (ILAAP) data. Frameworks have been put in place to assess funding and liquidity risk on

this basis, and results from the initial analysis have been incorporated into ILAAP processes for 2022.

Market Risk:

The financial instruments held across the Group are subject to market risk as the underlying companies and sovereigns may be subject to value erosion due to climate change. Bank of Ireland is actively incorporating climate-related financial risks into its market risk stress testing exercise. The Board Risk Committee review the results of regular stress testing and of the ICAAP. Frameworks have been put in place to assess market risk on this basis, and results from the initial analysis have been incorporated into ICAAP processes for 2022.

Operational Risk:

It is necessary for the Group to understand its exposure to climate risk from two perspectives: the first is in its lending book and other business practices, and the second is at the operational level. Operational risk arises from changing climate conditions that can result in disruption of service. Reducing our energy consumption and making positive choices regarding our energy sources helps the Bank's resilience to risks from the transition to a low carbon economy.





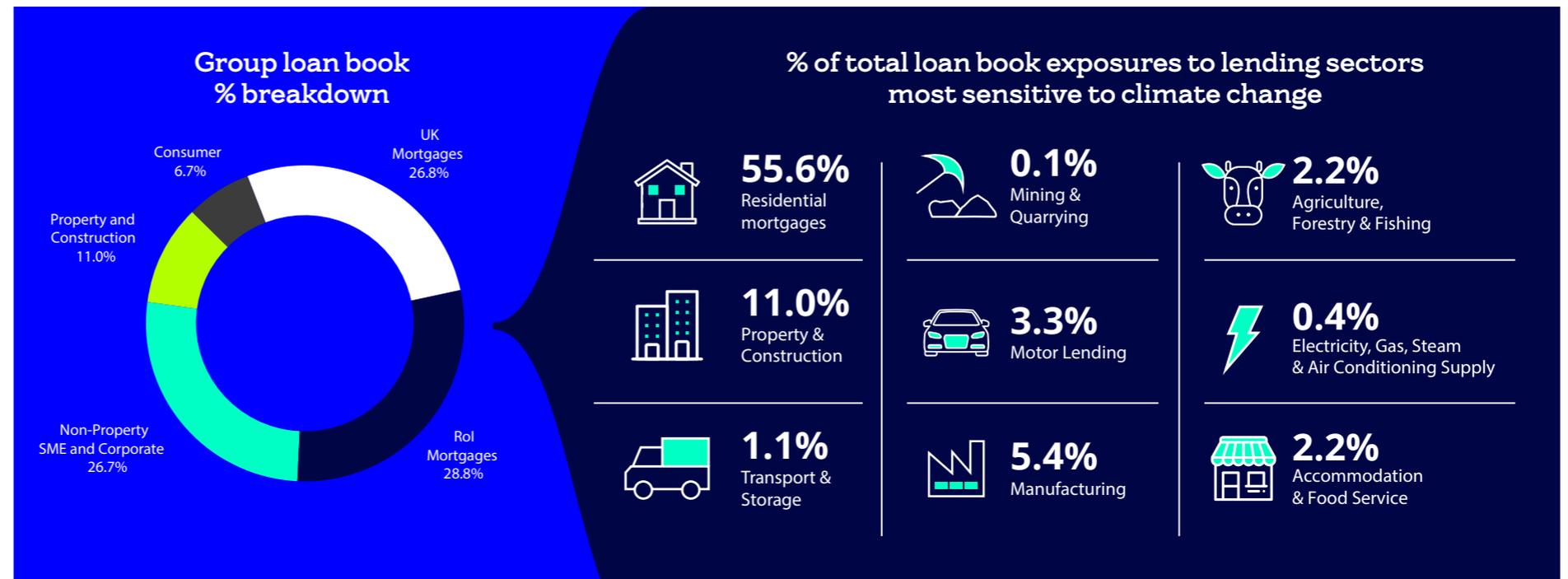
Managing climate-related risks

Risk Appetite

In 2021, a qualitative statement of appetite for ESG Risk was incorporated into the Group Risk Appetite Statement as an initial step, together with ESG credit exclusions outlined in the Responsible & Sustainable Business Sector Statement. Advancing our strategy to align our portfolios and lending practices on a pathway to the Paris Agreement objectives, risk appetite metrics will be set in due course that are consistent with the establishment of our SBTs across our portfolios and operations.

We have integrated climate KPIs into our strategic planning framework with a view to making achievements of the strategy measurable. In line with the SBTi, for key portfolios, the Group will set targets and timelines respectively and will track and monitor all subsequent progress therein. These activities form the foundation of future risk analysis and target setting activities, leading to mitigating activities for reducing future risks to the Group while also improving the Group's impact on the external environment. All metrics and targets are being developed in line with the SBTi's finance sector guidance to ensure consistency, accountability and achievability and will be cascaded down to the business units.

By incorporating climate change into performance, the Group encourages behaviour that is consistent with our strategy. In 2022, climate-related objectives will be included in the Group balanced scorecard performance assessments, along with Enabling Colleagues to Thrive and Enhancing Financial Wellbeing metrics, which are already captured.



Scenario Analysis

In line with expectations of the ECB, the Group has continued to increase its understanding of the climate-related financial risks and opportunities posed to the business strategy. One of the key methods adopted in support of this is the use of scenario analysis. In alignment with the TCFD and as part of the UNEP FI pilot Group, Bank of Ireland is carrying out scenario analysis over the short (< 3 years), medium (3-5 years) and long (> 5 years) term. Bank of Ireland is utilising NGFS data across three climate scenarios in order to produce an analysis of the materiality of climate-related financial physical and transition risks. Scenarios are detailed on page 60.

Each climate scenario provides a different view of the Group's potential exposure to physical and transition risks. As a result, outputs of the scenario analysis allow it to identify, quantify and measure the impact of different climate futures on areas such as credit quality of sectors, business strategy, lending portfolio and asset values, among others. In identifying key risks under different scenarios and time points, the scenario analysis informs the Group on the quantum of its risk, allowing it to adequately prepare by shifting its business strategy in terms of investment, lending, customer engagement and sector exclusions. The ultimate aim of carrying out scenario analysis is to make our customers, and hence the Group, more resilient to the impacts of a transition to

a low carbon economy and changing climatic conditions.

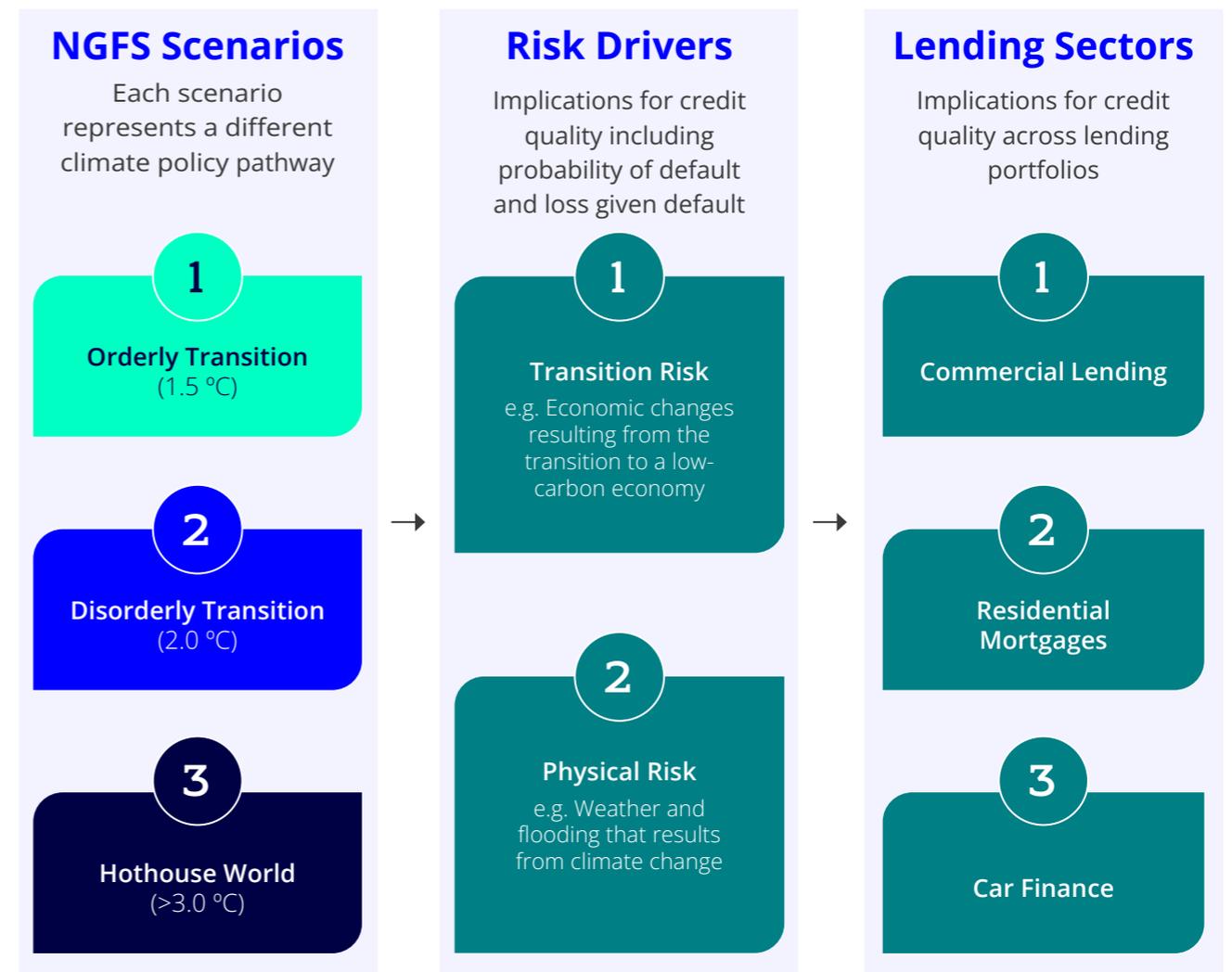
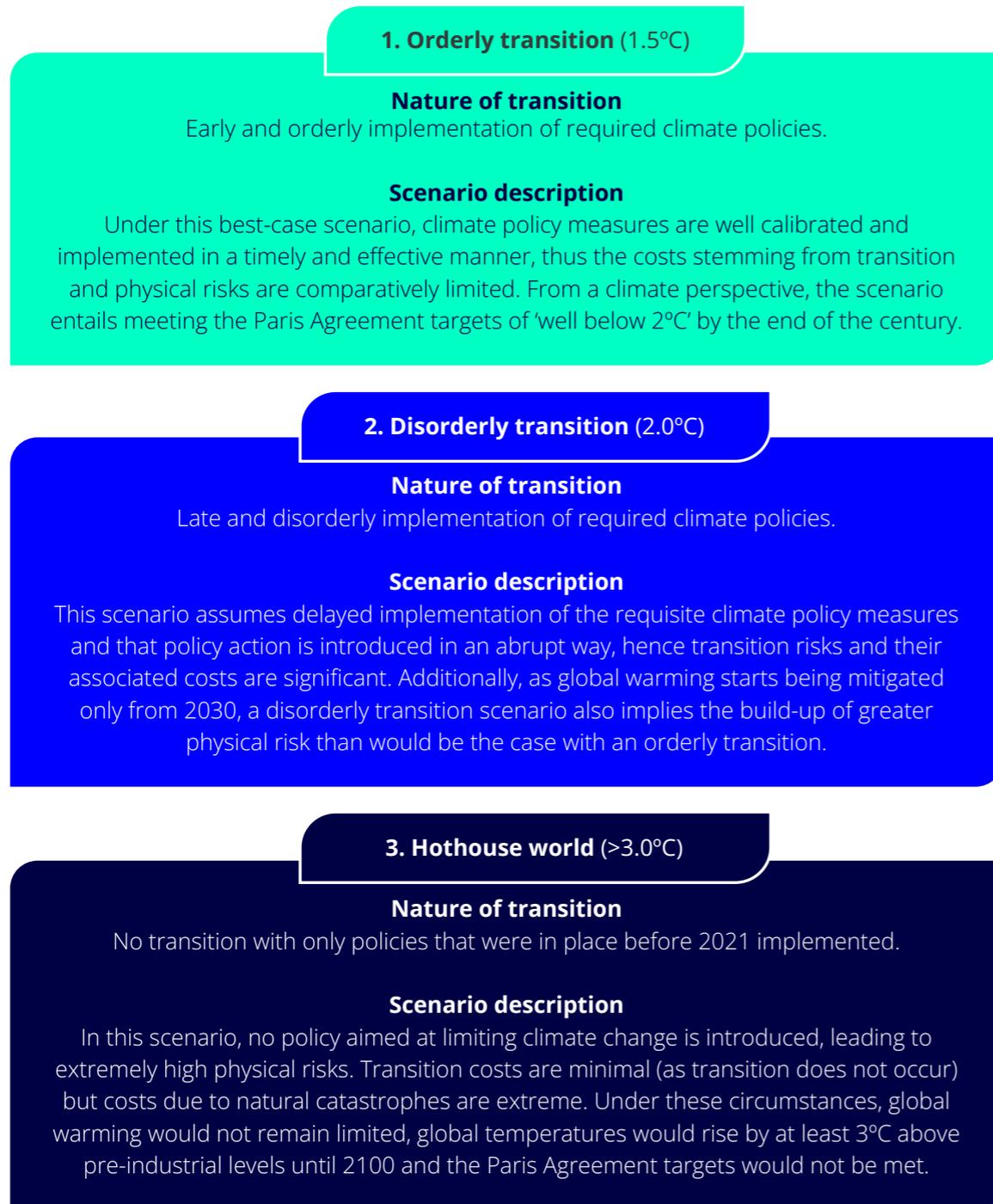
Bank of Ireland is currently examining the impacts of identified risks on our customer lending portfolio and balance sheet, including the impacts on our four key product segments – residential mortgages, commercial mortgages, project financing and car financing. Our approach to scenario analysis is summarised below.





Managing climate-related risks

Scenario Analysis Approach:





Managing climate-related risks

UK Mortgage Scenario Analysis | Case Study

The preliminary scenario analysis has considered the impacts of climate on residential mortgage credit quality arising from changes in property values due to energy inefficiency impacting future values (transition risk) and flood damage (physical risk). This analysis has incorporated the Group's climate scenario capability for the UK mortgage portfolio. This is the most mature implementation we currently have onstream. Scenario impacts at an individual property level are provided for transitional risk (Energy Performance Certificates (EPCs) energy rating remediation risk to existing property stock) and physical risk events (flood, subsidence and coastal erosion).

As a result of this work, Bank of Ireland is better able to account for risks posed to the mortgage portfolio and subsequently ensure that potential losses are incorporated in processes such as ICAAP. This also allows us to work closely with our customers in order to minimise the risk, improving the financial stability of both the Group and our customers.

Scenario analysis - UK mortgages

During 2021, the Group has further matured its internal framework to identify, measure and monitor the potential financial impacts emerging from climate risk on the UK Mortgages portfolio covering both physical (flood, subsidence, coastal erosion) and transitional (energy efficiency) risk perspectives.

Following an initial annual assessment in 2019, the Group worked with a third party, Landmark Information Group, to further understand climate-related risks to the mortgage portfolio. In partnership with Landmark Information Group, analysis of the UK's mortgage portfolio at individual property level has been undertaken in 2020 and 2021 including the impact of physical and transition risk scenarios anchored around the Paris Agreement commitments. Scenarios used to model the potential climate impact on the portfolio are as follows:

RCP ¹	Emissions scenario illustration	Increase in temp by 2100
RCP2.6	Significant global reduction	1.4 - 3.2°C
RCP4.0	All countries implement the Paris Agreement	2.1 - 4.2°C
RCP6.0	All signatories implement the Paris Agreement	2.5 - 4.7°C
RCP8.5	Business as usual (BAU)	3.4 - 6.2°C

The analysis considered the following:

- flood risk;
- subsidence risk;
- coastal erosion; and
- energy efficiency.

The results have not identified any significant portfolio concentrations. The analysis has also helped inform consideration of certain sensitivities in ICAAP scenario analysis and in the setting of early warning indicators to help monitor portfolio risks over time and take management action, as appropriate. The latest analysis shows that the incidence of cases with a corresponding physical climate risk has reduced since the last assessment made in 2020 and remains very low in materiality.

Flood risk

As of December 2021, 94% of our UK mortgage lending is on properties with low to negligible risk of a flood event.

Flood risk probability	Portfolio proportion
High: >5%	2.8%
Medium: >1%	3.7%
Low: >0.1%	7.4%
Very low: >0.01%	5.4%
Negligible: <0.01%	80.7%

Flood risk is expressed as the portfolio proportion with the probability of a flood event occurring by 2030 under the RCP8.5 scenario (BAU) which expects a temperature increase between 3.4-6.2°C by 2100.

Subsidence risk

Similarly, 91% of UK Mortgages portfolio relates to properties with low to negligible probability of a subsidence event occurring by 2030.

Coastal erosion

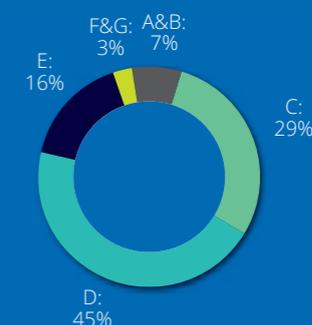
The coastal erosion risk exposure to the UK Mortgages portfolio is deemed negligible as less than 0.01% of our book shows a probability of an event occurring by 2030.

Transition risk - Energy efficiency

The Group is committed as part of our climate ambition to support our customers to increase their residential energy efficiency whilst encouraging the purchase of energy efficient properties. This is aligned with the government target for all properties to have EPC rating of C or above by 2035 where cost effective, practical and affordable. EPC data is available for mortgages amounting to €13.8 billion (66% of our mortgages portfolio in the UK). Currently, 36% of our book correspond to properties already in EPC ratings A to C.

The progress made in 2021 regarding the management of climate risk helped the Group understand the relationship between the current acquisition and retention strategy and the climate risk profile of the UK mortgage portfolio. The analysis also resulted in a suite of climate-related metrics being incorporated into monthly reporting during 2021 as well as specific metrics added to the UK Credit Risk Appetite for 2022.

Total England and Wales mortgages with EPC data available (EPC ratings A to G)



¹ Representative Concentration Pathways for greenhouse gas concentration trajectories adopted by the IPCC (Intergovernmental Panel on Climate Change). The pathways describe different climate futures, all of which are considered possible depending on the volume of GHGs emitted in the years to come.





Managing climate-related risks

Capital Adequacy

The ICAAP is a key planning process considered in scenario analysis for the Group. It facilitates the Board and senior management in identifying, measuring and monitoring the Group's risks and ensures that the Group holds adequate capital to support its risk profile. Given the long time horizon associated with climate change, scenario analysis is considered a key tool for informing strategic direction and risk management. The Group is developing scenario analysis capabilities on an iterative basis, leveraging improvements in climate data and methodologies as they become available. This process is beginning with the introduction of a preliminary scenario analysis within the ICAAP 2022 process, in order to increase our understanding and insights into the potential impacts of climate risk. This is a standalone analysis, separate from the standard ICAAP Base and Stress analysis, that focuses on longer term impacts to 2050, beyond the standard three-year time horizon of ICAAP. In carrying out this assessment, Bank of Ireland aims to quantify the impacts on capital reserves that may arise from potential climate risks and the impact of the mitigation actions through risk management and sustainable financing. In doing this, the Group adds resilience to its strategy and its impact on customers.

Climate Data

Data is key to understanding the climate risks posed to Bank of Ireland and the magnitude of those risks. In order to ensure the Group is well informed on climate risks, an ongoing collection of data supports our strategic scanning to:

- Understand risk exposure within our portfolios on an ongoing basis
- Monitor market developments and other external changes
- Observe how climate related risks affect our competitive landscape
- Oversee risks that are not already included in our business environment

Given the criticality of data to the climate risk management agenda, a multi-year data and technology roadmap has been developed for 2022 to support evolving requirements on an agile and iterative basis. The roadmap sees an initial focus in 2022 on aggregating a 'golden source' of data to support upcoming external and regulatory reporting requirements and to support progressive enhancements to internal risk management processes and reporting. This initial capability will be strengthened and the scope expanded to use ESG / climate data in front-end systems to aid credit and pricing decisions and support customers' transition plans. Initial scoping for future investment has been completed with key areas of focus for 2022, including ESG data acquisition and integration into regulatory reporting.

Furthermore, in terms of a national strategy on climate data, the Group contributed to Ireland's Sustainable Finance Roadmap published in October 2021, a government document to support the further development of the financial services sector in Ireland to 2025. A key pillar of the Roadmap is the application of digital technology solutions to the ESG data and risk management challenge,

with a number of initiatives, including building a sustainable finance data roadmap for Ireland, including all relevant parties in the data chain. This roadmap seeks to address:

- Access to data in situations such as building energy efficiency
- Prioritisation of climate-related data with subsequent phases focused on other environmental and social data
- An end-to-end data mapping exercise involving the relevant parties in the data chain with consideration of gaps for reporting requirements
- The need for an Irish data science innovation hub and its potential role in closing the gap between climate science, data and computer science and the financial sector

Managing Risk Through Our Three Lines of Defence

We believe great risk management leads to great customer outcomes. At Bank of Ireland, we follow an integrated approach to risk management. This means that all material classes of risk are considered and every colleague plays a role in managing risks. Bank of Ireland adheres closely to recognised risk management expectations. As part of this, the Group has established a three lines of defence risk management system, into which it is incorporating the consideration of climate risk. In line with ECB guidelines, we recognise that climate risk can drive and intensify exposure to risk across multiple channels. Due to the transverse nature of the risks, it is managed and

integrated within existing processes for principal risks such as Credit, Market and Operational, across the three lines of defence, as set out below. The intention is to manage climate risk as a risk type alongside the widely recognised risks within banking. Through this, Bank of Ireland creates a deeper resilience to shocks and prepares itself better to deliver high-quality products to its customers in a responsible way, even in times of economic difficulty.

First Line of Defence – The Business

Bank of Ireland considers colleagues working directly with customers, those in the front line business and those in supporting functions to be the first line of defence in managing risks to the Group. The Group is taking steps to embed climate risks in the risk assessments carried out by our colleagues, alongside traditional risks (such as credit and operational risk). Bank of Ireland seeks to empower its colleagues to carry out their roles to the best of their abilities and ensures it provides them with the knowledge and risk management tools to operate safely within the confines of the risk management framework and the risk appetite set out by the Board. Through this, colleagues are able to identify and manage risks wherever they arise. Colleagues are also able to escalate risks to accountable executives in the first and second line. First-line activities are coordinated and supported centrally by the RSB function in Group Finance.





Managing climate-related risks

Second Line of Defence – Group Risk Function

Our Group risk management function is the second line of defence in the management of risks. The role of the second line is to establish the limits, rules and constraints, policies and standards under which first-line activities shall be performed, consistent with the risk appetite of the Group, and to monitor the performance of the first line against these limits, rules and constraints. Bank of Ireland is ensuring that the risk management function of the business is adequately informed on climate risk management and has the resources it needs to effectively manage risks that arise, in line with ECB guidance. Second-line activities are coordinated and supported centrally by the Business, Strategic & Sustainability Risk function in Group Risk.

Third Line of Defence – Internal Audit

As the third line of defence within the Group’s Risk Management Framework, Group Internal Audit (GIA) provides independent, reasonable assurances to its key stakeholders on the effectiveness of the Group’s risk management and internal control framework. GIA seeks to positively influence risk management standards, ensure identification and remediation of issues and sharing of lessons learnt for the ongoing benefit of the Group and its key stakeholders.

Aligned to ECB expectations, Bank of Ireland has identified a number of key climate-related risks to date. These are outlined in the table opposite.

	CLIMATE RISK ASSESSMENT	TRANSITION RISK IMPACTS	TIME HORIZON	PHYSICAL RISK IMPACTS	TIME HORIZON
Key Risk Types	Credit risk	<ul style="list-style-type: none"> Borrowers’ ability to repay if operating in sensitive sectors (e.g. Energy, Agriculture). Changes in emission regulation or in user sentiment could affect asset value (Stranded Assets). 	Medium to long-term	<ul style="list-style-type: none"> Collateral depreciation leading to negative impacts on Loan to Value (LTV) (e.g. flooding). Borrowers’ ability to repay in sectors more sensitive to weather impacts like floods and storms (e.g. Agriculture). 	Medium to long-term
	Business risk	<ul style="list-style-type: none"> Credit ratings, returns and required levels of capital may be negatively impacted as a result of new capital expenditure and reduced repayment capacity of borrowers impacting on credit quality. 	Long-term	-	-
	People risk	<ul style="list-style-type: none"> The Group has to ensure that it has adequate and appropriate internal capabilities in place to address climate agenda. 	Short-term	-	-
	Operational risk	-	-	<ul style="list-style-type: none"> Extreme floods or storms at multiple locations impacting our business continuity plans with consequent impact to services we provide to clients (e.g. transaction processing). 	Medium to long-term
	Conduct & regulatory	<ul style="list-style-type: none"> Conduct: Failures in the design of ESG/ green products could lead to regulatory action, if there is a lack of transparency, misleading classification (greenwashing), or if clients suffer an unexpected loss due to climate risks. Regulatory: Failure to implement in a timely manner changes in the regulation (e.g. NFRD, SFDR, EU Taxonomy) could affect the Group’s profitability through regulatory action. 	Short to medium-term	<ul style="list-style-type: none"> Potential for regulatory action if physical risks impact our business continuity plans with consequent impact to services we provide to clients. 	Medium to long-term





Managing climate-related risks

In order to address these risks, Bank of Ireland is putting in place a number of actions:

Short-term (1-2 years):

- Integrating identified risks into risk management frameworks to inform the required business strategy
- Assessing the portfolio for exposure to identified risks
- Implementing the climate action plan within business strategy to minimise risk
- Putting SBTs in place to create a clear pathway for emissions reduction

Long-term (3+ years):

- Ongoing assessment of risks based on continually updated data and development of best practice
- Transparently reporting on progress made against key risk metrics and performance metrics

By identifying key risks, the Group not only ensures its own resilience, but is also able to manage the risks that our customers are exposed to. For example, if Bank of Ireland identified exposure of commercial customers to physical risks such as flooding, or weather disruption, it would then be able to work with customers to ensure that necessary mitigations are put in place to prevent excessive and unexpected costs. Similarly, customers may be able to utilise sustainable financing such as green home improvement loans to increase the energy efficiency of their homes and subsequently reduce their exposure to increased heating bills as a result of future energy policies as part of the transition.

Opportunities Identified to Date

In addition to identifying risks, scenario analysis also highlights opportunities of the green transition for Bank of Ireland. These opportunities benefit the Group as a business, but also our customers, as the products we provide facilitate their own transition to a sustainable future by providing the financing required to buy and improve their homes, run their businesses and transition to electric vehicles.

Opportunities

Home retrofit & electric vehicles

The Irish Government have put in place a package of supports to make it easier and more affordable for homeowners to undertake home energy upgrades. The package includes a number of measures including exchequer investment of €8 billion to 2030 to help achieve the government target of 500,000 home energy upgrades, to B2 BER standard, by 2030.

The Irish Government's Climate Action Plan target is for 945,000 EVs on the road by 2030, with 845,000 of these to be private passenger cars. There are currently over 45,000 EVs registered on Irish roads so the pace of uptake must increase over the coming years to achieve our fleet electrification targets.

SME

Sectoral emission ceilings to be published in 2022, will give rise to an increasing market for green business loans to finance green transition through investment in new equipment (e.g. low emission equipment / infrastructure and renewables) and productivity / efficiency improvements.

Corporate & Markets

Opportunities across sectors include:

- Growing market for sustainability-linked loan facilities;
- Emission offsetting requirements enhances position of alternative finance instruments such as Woodland Nature Credit; and
- Increasing portion of high-energy rated buildings in lending portfolios feeds into eligible asset pool for Green Bond issuance.

Renewables project finance

Rol has a target of 80% of energy mix to be renewables by 2030 – Bank of Ireland is a leading lender to the on-shore wind farm sector and opportunities exist in financing off-shore wind and utility scale solar farms.

ESG Advisory

Opportunities to assist corporate and SME customers improve their sustainability profile and propose clear roadmaps on transition implementation journeys.





Managing climate-related risks

EU Taxonomy

Starting the process for disclosure against the evolving EU Taxonomy requirements, Bank of Ireland disclosed in the 2021 Annual Report a breakdown of taxonomy-eligible assets on the balance sheet in 2021, in accordance with disclosure requirements for 2022. Our Taxonomy disclosures will continue to develop, as the requirements increase and data quality and availability improve.

The EU Taxonomy has six environmental objectives namely.

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control; and
- protection and restoration of biodiversity and ecosystems.

In accordance with Article 8 of the EU Taxonomy Regulation and the underlying Disclosures Delegated Act, the Group is required to disclose the proportion of taxonomy-eligible and non-eligible activities related to the environmental objectives of climate change adaptation and mitigation for 2021, for which screening criteria have been established under the delegated acts. The Disclosures Delegated Act came into force on 1 January 2022. As the EU Taxonomy is still being developed and only covers two of the six environmental

objectives, the Group does not yet fully utilise the taxonomy to inform its business strategy. Taxonomy-eligible activities illustrate the extent of the Group's activities within sectors covered by the EU Taxonomy. Consequently, the presented metrics below do not illustrate the Group's proportion of green assets because these require classification as taxonomy aligned activities. The below metrics are unaudited and have been prepared in line with available guidance to the best of our ability.

	AS AT 31 DECEMBER 2021	CONTENT OF REGULATORY METRIC
1. Taxonomy-eligible activities as a proportion of total covered assets	59%	Activities with Financial and Non-financial corporates subject to NFRD, households and local governments covered by the EU Taxonomy Climate Delegated Act divided by total covered assets.
2. Taxonomy non-eligible activities as a proportion of total covered assets	41%	Activities with Financial and Non-financial corporates subject to NFRD, households and local governments not covered by the EU Taxonomy Climate Delegated Act divided by total covered assets
3. Exposures to sovereigns as a proportion of total covered assets	12%	Exposures to sovereigns divided by total covered assets. Sovereigns include exposures to central governments, central banks and supranational issuers.
4. Derivatives as a proportion of total covered assets	1%	Derivatives in the non-trading portfolio divided by total covered assets.
5. Exposures to corporates not subject to NFRD as a proportion of total covered assets	31%	Exposures to entities not obliged to report under the NFRD divided by total covered assets.
6. Trading book as a proportion of total covered assets	1%	Exposures in the trading book divided by total covered assets.
7. On demand interbank exposures as a proportion of total covered assets	0%	Exposures in the on-demand interbank market divided by total covered assets
8. Total covered assets (€bn)	€90.7	Total assets excluding exposures to sovereigns and trading book. Total assets are defined according to the prudential consolidation of the Group.

Through alignment with the EU Taxonomy, the Group is actively assessing the risk associated with its products, as well as the potential impact lending may have on the environment. This allows Bank of Ireland to actively engage within the business to take measures to maintain the quality of its loan book. In doing this, the Group continues to improve its alignment with the long term strategies of the ECB, Irish and UK governments and the Paris Agreement.

Next Steps

Looking ahead to 2022, we plan to continue building on the good progress made to date, including:

- Integrating risk management further into both our business practices and our own operational preparedness
- Developing capabilities in data, scenario-based analysis and reporting
- Developing strategies to address specific risks that are identified in the scenario-based analysis
- Measuring and reporting the outcomes of risks assessments, as well as risk reduction measures
- Continuing to build our colleague capabilities on climate risks and emerging regulation





Science-Based Targets

Science Based Targets – Meeting Global And National Ambitions

Pre-empting a shifting policy landscape towards sustainability, the Group Board already laid the groundwork in December 2020, that would be needed to meet the expectations set out by the ROI and UK governments. The Group initiated a programme of work to set Bank of Ireland on a course to play a pivotal role in this transition, guided by the Group's RSB strategy. This was pivotal in the formulation and implementation of the Group's five point plan, which includes the setting of SBTs.

There are two key strategic objectives for our delivery of SBTs:

1. Align the activities of Bank of Ireland with the Paris Agreement through material reduction of our emissions, both operationally and within our business activities, such as our loan book
2. Play a strong supporting role in realising the aims of the national Climate Action Plans in Ireland and the UK, and supporting our customers to do the same, in line with our National Champion ambitions

To achieve these objectives the Group is committed to setting SBTs in line with, and ultimately approved by, the SBTi, in line with the SBTi's finance sector guidance as the most developed approach for financial services businesses to use.

Since work began in 2021, the Group has

made significant progress to embed the SBT programme into the individual business units. We achieved the first of our major milestones, through the publication in the 2021 Annual Report, of our baseline financed emissions for certain asset classes (residential mortgages, project finance lending to electricity generators and auto finance).

In defining financed emissions baselines for each product, Bank of Ireland has utilised in-house and public data sources, including relevant government data. In September 2021, Bank of Ireland signed up to PCAF. PCAF is a collaboration between more than 150 financial institutions worldwide to enable harmonised assessments and disclosures of GHG emissions financed by loans and investments. The calculation of estimated attributed emission intensities for asset classes has been undertaken in line with the PCAF's 'Global Standard for the Finance Industry'. This includes using the PCAF data quality score criteria to help understand the quality of data being used in these estimates, helping inform further data improvement strategies.

The Science Based Targets Programme

In order to align our products and business practices with the ambitions of Ireland's Climate Action Plan and the UK net zero Strategy, the Group has established a number of internal asset class working groups in 2021. These working groups are tasked with helping the Group to steer the SBT setting programme. The work of the

asset class working groups reflects strong collaboration between our business units and the Group risk management and finance functions, as well as the SBTi.

This programme will help us to set the emissions reduction targets and begin working towards achieving a substantial reduction in the emissions of the Group as a whole, as well as mitigating the unintended negative environmental impacts that may be associated with our lending products.

The process adopted by the internal asset class working groups intends to achieve the following in establishing a SBT for each of the product categories:

1. Define an emissions baseline for each of the four key asset classes identified by Bank of Ireland
2. Apply measurable targets for emission reductions that align with the trajectory of Ireland and the UK's climate ambitions and the Paris Agreement
3. Embed SBTs across our product strategies, as the basis of our future measurement and transparent disclosure of progress against these targets

Science-Based Targets initiative

The SBTi drives ambitious climate action in the financial sector by enabling organisations to set science-based emissions reduction targets. The SBTi is a partnership between CDP, the UN Global Compact, World Resources Institute (WRI) and the World Wide

Fund for Nature (WWF). The SBTi is the lead partner of the Business Ambition for 1.5°C campaign – an urgent call to action from a global coalition of UN agencies, business and industry leaders, mobilising companies to set net zero SBTs in line with a 1.5°C future.

An action plan guides the work of the asset class working groups to successfully develop our SBTs with the goal of submitting proposed targets to SBTi for review and approval during H2 2022.

The SBTi:

- Defines and promotes best practice in emissions reductions and net zero targets, in line with climate science
- Provides technical assistance and expert resources to companies who set SBTs
- Brings together a team of experts to provide companies with independent assessment and validation of targets





Science-Based Targets

Bank of Ireland chose to align with the SBTi to deliver upon its target setting commitment, given the SBTi's independence, rigorous framework and use of best in class scientific methodology including the widely recognised GHG Protocol. In addition, working with the SBTi brings important commitments with periodic review and independent validation of the targets and progress we are making.

In order to ensure targets deliver maximum value, Bank of Ireland is aligning its approach with the SBTi template that informs financial institutions on best practices. Specifically, Bank of Ireland will:

- Define a headline target that sets out which asset classes are included in targets and how much of the total portfolio is covered
- Define targets for individual asset classes that include the method used as well as specific target language
- Outline the actions the Bank will take to reach the headline and asset class-specific target(s)

Following target approval, Bank of Ireland will disclose actions and strategies taken during the year to meet targets, and disclose its progress against all approved targets going forward on an annual basis.

Bank of Ireland sees the reduction of the emissions footprint of its lending book and own operational emissions as a crucial priority. The Group has strived to ensure that its ambition to deliver SBTs remains on-track through close engagement with business units and specialist consultants. Its progress has been overseen and challenged by the Supporting the Green Transition Decision Group and the NGRB in 2021, and board-level oversight will continue through the new RSB Committee in 2022.

We continue to work against this plan and make progress across the key milestones. Key checkpoints within this include:

- Development of outstanding baseline values for other asset classes
- Target setting against appropriate and recognised scenario pathways
- Assessment of the commercial implications of the targets to be adopted
- Submission of SBTs for formal approval by SBTi by the end of 2022, ahead of the end of our two-year window allowed by SBTi for target submission from the date of the initial commitment
- Once formally approved, the Group will communicate our SBTs and how our wider strategy will help support the green transition, including our suite of sustainable finance products

Looking Forward

With the baselines completed for the majority of our loan portfolio, work is underway within our business units to develop the transition pathways and corresponding targets.

Our SBTs are helping to inform our commercial strategy, including the opportunities to develop new products and accelerate the development of our sustainable finance offerings. This will be vital to enable our customers to transition to the low carbon economy and provide a key tool in enabling the Group to assess its exposures to different asset classes and sectors through a climate and behavioural lens.

This will help Bank of Ireland play its part as a National Champion Bank to contribute toward supporting the transition to a low carbon economy, meeting the climate ambitions of Ireland, the UK and the Paris Agreement. It will also guide our customer engagement and proposition development towards enabling our customers to minimise their environmental impact.





Decarbonising Operations

Bank of Ireland is committed to enabling our customers, colleagues, and communities to thrive. To realise our purpose, we believe it is our responsibility to ensure that the financial services that we provide our customers are delivered in the most sustainable way possible.

Key to this is ensuring that we;

- carefully minimise the environmental impact of our operations,
- utilise key resources efficiently, and
- implement initiatives that support the decarbonisation of our facilities.

Through this, we can begin to increase the resilience of Bank of Ireland against the impacts of climate change.

Our Approach

Three key objectives guide our approach to managing environmental impact and decarbonising the Group's operations:

1. Adopting internationally recognised environmental and energy management systems to support the sustainable processes of our business
2. Sending a clear signal to customers by setting an ambitious target to ensure our operations achieve net zero by 2030
3. Investing in initiatives designed to reduce our environmental impact while enhancing the resilience of our business for the future

Bank of Ireland operates a large and diverse estate portfolio comprised of retail branches, call centres, data centres and office buildings. Our operations include facilities with varying degrees of energy performance and green credentials. The Group initially obtained ISO 14001 certification for one large administration site in Dublin in 2005, which subsequently extended to all Group locations in ROI, NI and the UK.

Building on our achievements, in 2012, we recognised the importance of implementing a management system dedicated to carefully managing our energy performance responsibly, laying the foundation for our journey to decarbonisation. Bank of Ireland sought certification across two of our largest and most energy-intensive sites, in line with the ISO 50001 energy management standard. Adopting this structured approach to our environmental and energy management enabled the expansion of this certification in 2018 across the entire Bank of Ireland estate of 242,601 m² located in Ireland and the UK.

Improving energy performance across our portfolio is key to reducing our GHG emissions and decarbonising our operations. We regularly engage with key stakeholders across our business, including the Group's Procurement and IT functions. These functions reflect critical partners who influence how we procure and consume energy across the Group's operations. We source our electrical supply almost exclusively from renewable energy providers, allowing our operations to address a significant source of GHG emissions across our estate.

Bank of Ireland's Chief People Officer is the executive sponsor of the environmental and energy management systems and ensures that adequate resources are in place for the successful operation of both systems. The Chief People Officer is also responsible for Group Property and ownership of the executive leadership committee and unifying teams across engineering. This ensures that the Group's building strategy aligns with the business strategy and that the governance structure of the Group fully integrates the decarbonisation of operations.



Bank of Ireland bio-sourced Visa Debit Card





Decarbonising Operations

Energy Management

Our ISO 50001 Energy Management System provides a framework to base our efforts on the 'Plan / Do / Check / Act' framework. Through this, Bank of Ireland is establishing energy management best practices, helping to develop the relevant systems, monitor and improve our energy efficiency and make a return on investment through a reduction in energy costs. The main drivers of this reduction are the identification and implementation of energy efficiency initiatives such as LED installation and variable speed drives for motors.

Our system supports the engineering and subcontractor teams responsible for monitoring our operations' energy performance, identifying inefficiencies, and implementing initiatives to minimise our environmental impact. These include changes to behavioural processes, building operations and infrastructure investments.

The ISO 50001 energy management standard also identifies opportunities for improvements to reduce energy consumption while also eliminating emissions through capital investments in initiatives such as large LED installation projects, development of solar energy systems, and upgrading of Building Energy Management Systems. Obtaining and maintaining external certification of our energy management ensures the Group is

compliant with EU Energy Directives (EAS and ESOS) requirements and thereby eliminates the need for an energy audit across a considerable part of our estate every four years.

Our Approach To Minimising Our Impact

The Group's ISO 14001 EMS is a systematic framework to manage the immediate and long-term environmental impacts of our operations utilised to deliver Bank of Ireland's products, services and processes.

The focus of the ISO 14001 system has been mainly on the construction and maintenance activities of the Group Property function. The development of the Group's ISO 14001 environmental approach established that most of the environmental risks lay within this area due to the nature of work, such as asbestos removal, demolition and handling of hazardous substances, among others. The Group has also begun to widen the stakeholder group to include procurement, marketing and print departments.

By operating our ISO 14001 system, Bank of Ireland provides stakeholders with assurance that a management approach based on international industry-specific environmental standards guides the Group's strategy to minimise its negative environmental impact.





Decarbonising Operations

Our Ongoing Programs Of Work

Throughout 2021, Bank of Ireland focused on four key initiatives that supported ongoing work to exercise our duty of care and achieve the objectives set out by the Five Point Plan to minimise our environmental impact and decarbonise our operations:

BUILDING HEATING / COOLING SYSTEMS OPTIMISATION

- Optimising temperature control by implementing operating hours set points across the building portfolio, matching energy use rigidly to business operating hours
- Minimising heating in vacant buildings to below human comfort levels, being set solely for frost / damp protection
- Adhering to strict heating and cooling policy for out of hours (OOH) activities across our operations, requiring approval of a control request from business leads to enable OOH heating and cooling systems
- Ongoing investment in Building Energy Management Systems to support regular monitoring of building performance and energy use to identify further optimisation and energy-saving opportunities

ELECTRICAL ENERGY MEASURES

- Operation of a property portfolio following the Group's ISO 50001 energy management system ensures a structured approach to maximise opportunities for improvement consistently across our operations
- Procurement of operational electricity supply from almost 100% renewable electricity sources
- Exploring the adoption of long-term energy contracting to secure directly from renewable source electricity in ROI
- Ongoing focus on the implementation of energy efficiency initiatives to support energy reduction

ELECTRIFICATION OF SPACE HEATING

- An ongoing programme is replacing and swapping-out oil-fueled boilers with electric heating systems. The policy requires reliance on oil-fueled heating for emergency power generation only (where technology transition may not be available)
- Replacement of gas-fired boilers with electric heating systems and gas-fueled commercial catering equipment to eliminate this emission source
- Cost-benefit evaluation of transitioning existing fleet vehicles to electric vehicles

INSTALL RENEWABLE ENERGY SYSTEMS

- Undertake installation of solar photovoltaic energy generating systems to diversify Bank of Ireland's utility demand, in conjunction with oil and gas boiler replacement programme

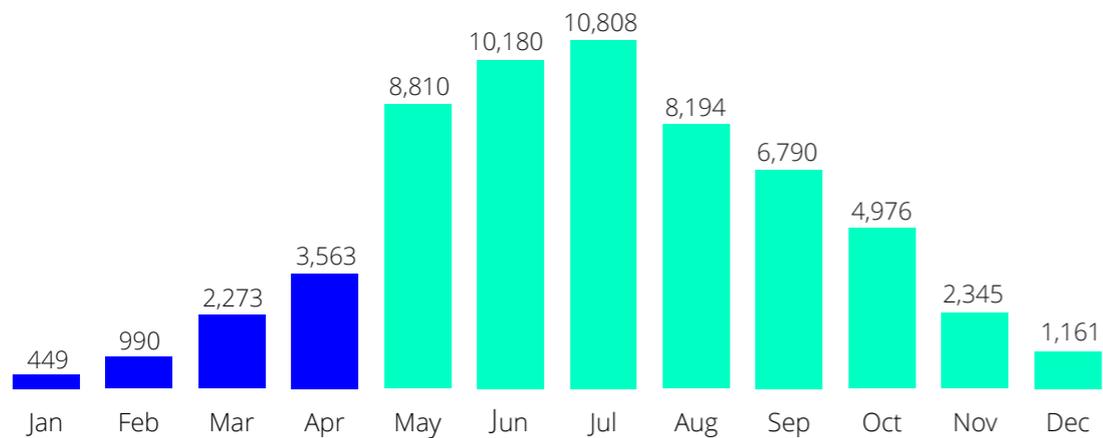




Decarbonising Operations

To further decarbonise energy usage by Bank of Ireland, we have looked to install energy assets on suitable company buildings across our portfolio. This has included the installation of a photovoltaic system in South Dublin. The graph below displays the annual performance of this system since the installation.

Power generated by photovoltaic system in 2021 (kilowatt hours (kWh))



Second system went live in May 2021

As a result of this project, Bank of Ireland has produced over 60,000 kWh of renewable energy which has resulted in the Group reducing its electrical consumption from the grid and thereby increasing the availability of renewable energy on the grid for other consumers.

In meeting our operational decarbonisation goals, Bank of Ireland intends to continue to assess opportunities to invest in further energy production projects to align Bank of Ireland with the emission expectations of the SBTs we set for ourselves and the expectations of the Republic of Ireland and Paris Agreement.



Beehives and Renewable Electricity System at Cabinteely Operations Centre





Decarbonising Operations

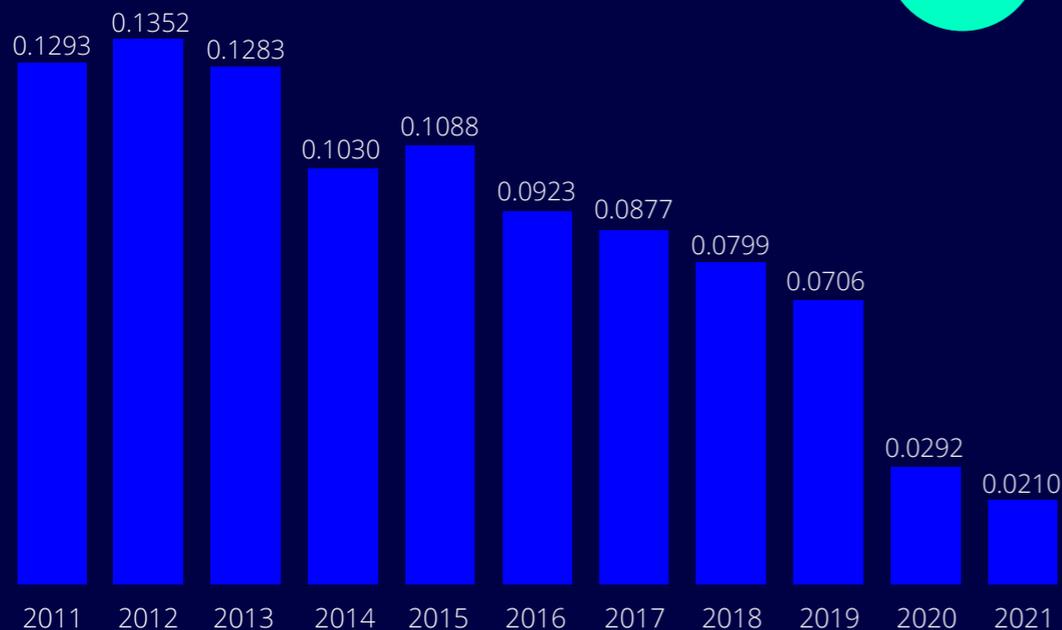
Overall, Bank of Ireland has made significant progress in reducing scope 1 and 2 emissions, reaching absolute emissions reductions of 88% since 2011, and a 31% reduction on the 2020 baseline.

CARBON EMISSIONS FROM OUR OWN OPERATIONS ¹			
METRIC	UNIT	2021	2020
Scope 1 <i>Fuel Consumption</i> **	tCO ₂ e	4,285**	5,579
Scope 2 <i>Purchased electricity (market based)</i> **	tCO ₂ e	22**	659
Scope 2 <i>Purchased electricity (location based)</i> **	tCO ₂ e	7,772**	10,000
Scope 3 <i>(material for own operations as set below)</i>	tCO ₂ e	557	2,203
Business Travel	tCO ₂ e	503	1,954
Waste	tCO ₂ e	29	32
Purchased Goods & Services	tCO ₂ e	25	217
% of electricity renewably sourced	%	100 ²	93

1 The preparation of our Scope 1 and 2 GHG emissions data is based on the application of the operational control approach and methodologies of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol).
2 Almost 100% of electricity is renewably sourced.

Bank of Ireland Group Reduction in Scope 1 & 2 emissions in tCO₂e/m² 2011-2021^{3,4}

-84%

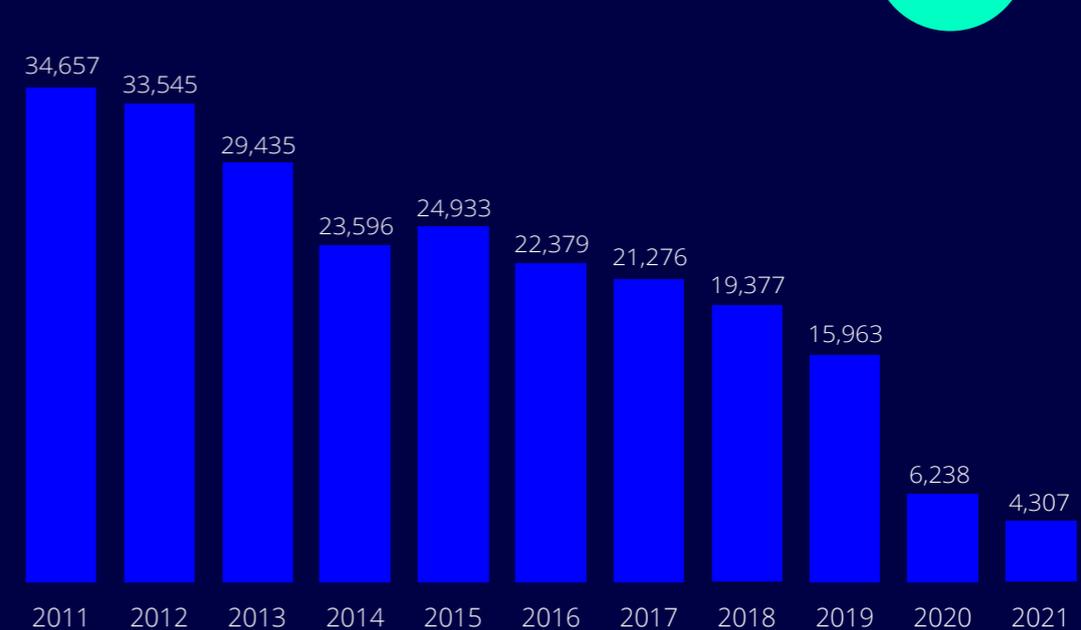


³ Graph includes market-based emissions only for Scope 2. Bank of Ireland switched to part-renewable electricity in 2020.

⁴ Scope 1 and 2 emissions for 2011-2020 were recalculated in the current year based on improved methodology in calculating emissions.

Bank of Ireland Group Absolute Scope 1 & 2 tCO₂e reduction 2011-2021^{3,4}

-88%



** Indicator is prepared in line with Global Reporting Initiative (GRI) reporting criteria and is subject to Limited ISAE 3410 assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.





Decarbonising Operations

Transparency – A Core Concept

In line with our Five Point Plan to transparently report on our progress, Bank of Ireland participates across several external energy & climate disclosure initiatives to disclose energy performance and emissions targets. These include:

- Sustainable Energy Authority Ireland – Large Industry Energy Network annual return
- CDP – annual return
- Business In The Community Ireland – Low Carbon Pledge annual return
- Central Statistics Office – Energy use survey annual return

Looking Forward

The Group has made notable progress in reducing emissions associated with its operations. The Group has achieved emissions reductions to date primarily through switching electrical supply to renewable sources and controlling fossil fuel-based space-heating systems.

Beyond this success, we acknowledge that we need to continue to address pertinent Scope 1 emissions across our operations and seek further improvements to achieve additional emissions reductions in line with our net zero targets. Management of our operations provides us with three key opportunities for further improvement:

- Identification of practical and implementable solutions to decrease our reliance on fossil fuel-based office space heating and standby power systems
- Efficient use of refrigerant gas for temperature management of office spaces and critical IT systems
- Transitioning our company fleet vehicles in line with the ambitions of our SBTs and the Group’s decarbonisation approach in line with the Paris Agreement

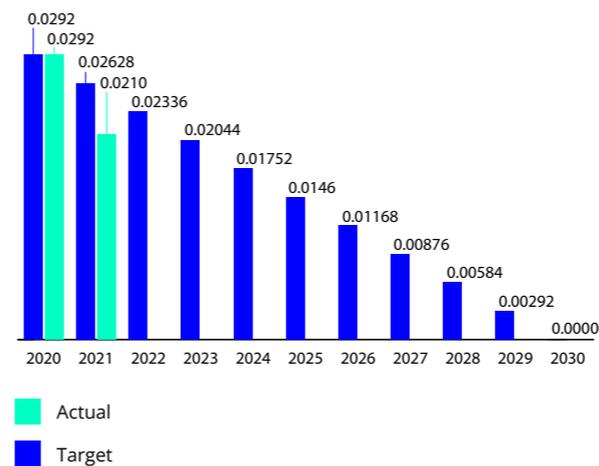
Bank of Ireland is developing plans to address these opportunities. The Group is planning a phased electrification of our fossil-fuel based space heating systems, further decarbonising our operations. The critical role of our standby power systems in maintaining the Group’s operations during power interruptions will require innovative solutions to achieve further decarbonisation of our operations.

Achieving net zero by 2030 in our own operations will require a cohesive and comprehensive plan spanning several areas of the organisation such that sustainable operations are entirely embedded in everything we do. This will include further investments and progress on eliminating fossil fuels from our space heating and energy-saving initiatives, expanding sustainability considerations in our sourcing and property strategies, raising colleague awareness, and integrating SBTs across the organisation.

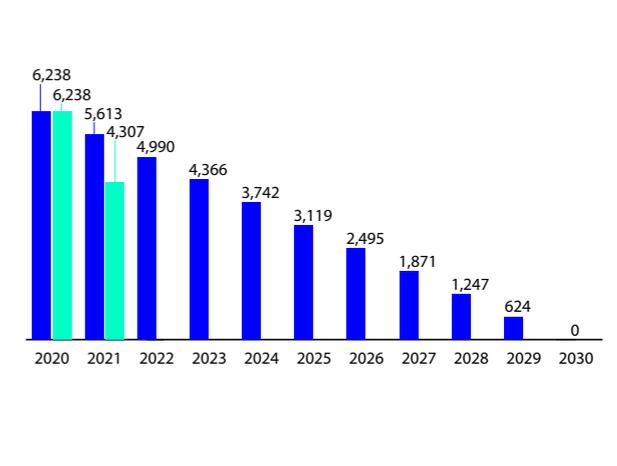
While the Group made significant progress in 2021, several opportunities continue to exist for further progress in the forthcoming year and the medium-term such as:

- Maintain certification of the Group’s ISO 50001 and ISO 14001 management systems across Bank of Ireland estate
- Strengthen internal stakeholder engagement across all Bank of Ireland functions on the role of the ISO 14001 EMS to ensure cohesive outcomes for the Group
- Review and refresh the Group’s property strategy to support the ongoing decarbonisation of our operations following the completion of the 2030 net zero target cycle
- Develop a complementary investment and resources plan for 2030, to deliver the ‘Net Zero for Operations’ strategic objectives. The transition from fossil-fuel based heating systems to electrical heating systems will help enable this transition and ensure energy efficiency
- Monitor and measure energy-use trends across operations to ensure progress against targets is maintained
- Engage with renewable energy providers in long-term contracts to secure supply either through PPA or ‘Guarantee of Origin’

Scope 1 and 2 tCO₂e/m² Target & Actual 2020-2030
Target 10% reduction year on year
28% Intensity Reduction^{1,2}



Scope 1 and 2 tCO₂e Target & Actual 2020-2030
Absolute Target 10% reduction year on year
30% Reduction^{1,2}



1 Scope 1 and 2 emissions for 2020 were recalculated in the current year based on improved methodology in calculating emissions.
2 Graph includes market-based emissions only for Scope 2. Bank of Ireland switched to part-renewable electricity in 2020.



Foundations



Thanks to Liquid Therapy, a Begin Together Grantee, children like Skye (pictured) are able to be themselves in the ocean through removing the barriers of inclusion.

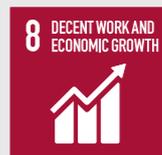


Foundations

At Bank of Ireland, we believe that everyone should have the opportunity to thrive. We deliver this vision through a culture inspired by our core values: Customer-focused, One Group, One Team, Agile, and Accountable. These values continually challenge us to do better every day and are intrinsic to how we responsibly and sustainably conduct our business. Whether we are investing in our communities, sourcing responsibly from our suppliers, or ensuring the health and safety of everyone we connect with, our values influence every strategic and operational decision we make.

Our RSB strategy focuses on three core Pillars: Enabling Colleagues to Thrive, Enhancing Financial Wellbeing, and Supporting the Green Transition. These are supported by Foundational topics which embody and promote our values. These foundational topics are crucial to delivering the strategic objectives of the RSB strategy as they integrate our RSB approach into the very heart of our business.

The following SDGs align with the ambition of our Foundational topics:



Begin Together Fund – Pictured at the Liquid Therapy Surf Centre in Co. Donegal are Barry Gallagher, Head of Bank of Ireland Donegal, Sligo and Leitrim, and Shane Browne, Customer and Service Manager, Donegal with Liquid Therapy volunteers and founder Tom Losey





Culture

Responding to the Challenge

Bank of Ireland is on a multi-year journey to transform our culture by reinvigorating its four core values as demonstrated in the Introduction section of this report, enhancing how we work together as colleagues and support our customers.

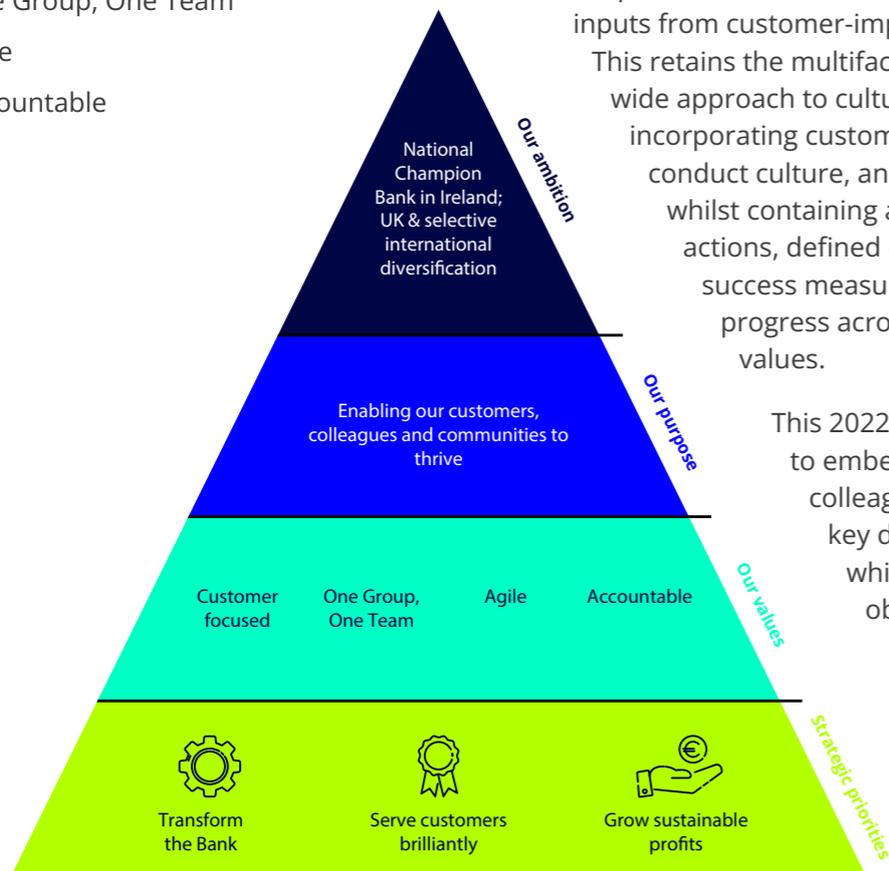
These four core values underpin the delivery of our ambition, help us to fulfil our purpose and achieve our strategic priorities:

- Customer-focused
- One Group, One Team
- Agile
- Accountable

Bank of Ireland first drafted its Culture Strategy in 2018, incorporating customer and colleague stakeholder expectations into its strategic development. In Q4 2021, the Bank reviewed and evaluated the Culture Strategy on its success in developing a culture of transformation where the voice of colleagues and customers were central in influencing future strategic and operational directions.

Following the successful conclusion of the 2018-21 Culture Strategy, in 2022, culture work stream leads and representatives across the Group's divisions developed the Group Culture Annual Plan, with significant inputs from customer-impacting divisions. This retains the multifaceted Group-wide approach to culture development, incorporating customer culture, conduct culture, and people culture, whilst containing a focused set of actions, defined outcomes, and success measures to evaluate progress across the Group's values.

This 2022 refresh continues to embed customer and colleague voices into key decision making while also setting new objectives:



1. Reinvigorate and further embed the four values within the Bank;
2. Address emerging risks and build on key progress and learnings from the 2018 – 2021 Culture Strategy;
3. Simplify how the Group will:
 - Plan cultural change through the identification of linked actions, outcomes, and success measures across the four values; and
 - Govern, oversee, monitor, report, and learn from cultural improvements.

Our Approach

The Group is aware that stakeholder expectations evolve. Therefore, we anticipate the 2022 Group Culture Annual Plan will need to be flexible in its approach to continue to react and respond to such expectations.

During the COVID-19 pandemic, Bank of Ireland demonstrated the flexibility of its 2018 – 2021 Culture Strategy by continuously assessing and adapting its customer-orientated strategy to respond towards heightened community focus and the clear potential for the Group to deliver a positive impact on the Irish economy and society. The

2022 Culture Plan's governance framework similarly supports the Group in responding to changes in its operational environment, internal and external developments, and new insights from stakeholders. Incorporating customer and colleague interest is within the DNA of the plan and subsequently in the heart of our organisation.

In addition to its flexible approach, the Culture Plan comprises a robust set of actions, defined outcomes, and success measures against the Group's core values. The team utilises a Culture Transformation Dashboard to track performance, using it regularly to report to the Board.

Customer and colleague expectations are accounted for through multiple channels and communication flows. In addition to providing monthly customer metrics and complete evaluations of Customer Experience Surveying, all customer-facing Divisions report to the GEC every month, communicating both highlights and challenges. Our Open View Survey includes a Culture Embedding Index and an Engagement Index measuring colleagues' sentiment on culture. Open View is an annual all colleague survey used to understand and improve the experience colleagues have when working at Bank of Ireland, measuring engagement, culture, leadership, risk, customer focus, and people management.





Culture

Delivering our Strategy

Delivering a more straightforward, digital and customer-focused bank

Launched in January 2022, Agile Ways of Working is a model where teams work collaboratively across the Group to create a work environment that breaks down silos and embodies our ethos of working together as One Group, One Team. Collaboration is based upon skillsets required, not where a colleague sits in the organisational hierarchy. This approach aims to achieve optimum outcomes for our customers and colleagues. Over the first half of 2022, Agile Ways of Working will lay the foundations for more effective ways of working, focused on delivering our customer objectives and marking the first step in a broader transformation that the Group is pursuing. By starting small with this team, early feedback will shape agile ways of working for the future of the Bank.

New Ways of Working (NWoW) is about enabling and empowering colleagues to work more flexibly and productively while still feeling deeply connected to the organisation and each other. The NWoW Programme aims to deliver end-state infrastructure that will transform the Group's workspace and enhance how technology is used on an everyday basis. These updates, underpinned by behavioural and cultural support, will empower colleagues to continue to operate successfully.

We create a company where people choose to work

Our people and values are the cornerstones upon which our culture and success are built. Through our Culture Reinvigoration and Engagement Plan, we aim to reinforce our colleagues' active and crucial role daily as they live out our purpose and values. We will invite leaders to role model our purpose and values, inspiring all colleagues to embody them in their day-to-day activities. The plan incorporates a communication campaign to refresh our Group's culture and support our strategy. The campaign will be tailored to the audience and leverage channel preferences to enable visible role-modelling and storytelling of our values.

We are a responsible employer

Bank of Ireland aims to identify, attract, develop, retain, and deploy high potential talent throughout our workforce, supporting minority representation and retention through diversity catalyst programmes.

To achieve these outcomes Bank of Ireland has developed several career pathways and programmes to support all of our colleagues to grow professionally. These programmes are further discussed in the Colleagues section of this report.

Our Performance to Date

In 2021, the Group undertook a closeout review of the Group's Culture Strategy 2018 – 2021, to inform the development of the 2022 Group Culture Annual Plan.

This review comprised of stakeholder and work-stream lead workshops to assess key areas of progress and opportunities for improvement within the next evolution of the culture strategy:

The assessment revealed progress across the following areas.

- Customer-focused outcomes: There has been strong delivery with clear, measurable deliverables across each customer-focused outcome. Metrics set in 2018 have seen performance improvement year on year with increasingly ambitious targets set in line with rising results.
- One Group, One Team outcomes: The Group's purpose and values have been successfully embedded across the organisation, evidenced by a Culture Index score of 75%, which is 21 points higher than when first measured in 2018. The Group's score on the Culture Index remains above the Global Financial Services Culture Index by 2 points. Engagement levels have risen substantially by 14 points, up to a score of 63%, since first being measured in 2017.

- Accountable outcomes: There has been a strong focus on performance achievement across the Group, with goals set based on strategic priorities.
- Agile outcomes: The Group launched a three year Talent Strategy to support Bank of Ireland's journey as a Digital Relationship Bank and introduced NWoW across the organisation to provide colleagues with more flexible working options.

Looking Forward

To advance the Group's ability to measure and report on progress within the 2022 Culture Plan, a Culture Transformation Dashboard has been established with performances across each of the core values regularly reported to the Executive Team.

2022 will see the dashboard streamlined, with success measures more succinctly aligned to the values-based Culture Plan and the Group's strategic priorities.





Business Ethics

Responding to the Challenge

As a Group, we are conscious that our choices and actions have a far-reaching impact. Therefore, the Group is committed to applying the highest ethical conduct and integrity standards in its business activities. Every employee and individual acting on the Group's behalf is responsible for maintaining the Group's reputation and conducting business honestly and professionally, demonstrating our values every day in everything we do.

Our Approach

The Board is committed to implementing effective systems and processes that foster high ethical conduct and integrity standards. This includes the Group's Code of Conduct and Conflict of Interest Policies, complimented by the Anti-Bribery and Corruption Policy and a policy on Gifts and Hospitality. These policies are reviewed and approved at the relevant governance body and outline the Group's position on identifying, preventing, and prohibiting bribery and corruption. These policies apply to all employees, including subsidiaries and all geographies, whether full-time, part-time, permanent or temporary, with every individual acting on the Group's behalf responsible for complying with the policy mandates.

Delivering Our Strategy

Code of Conduct

The Group's Code of Conduct provides practical guidance on the expectations for all colleagues when performing day to day roles, all in pursuit of upholding our values and culture. The code outlines various behaviours expected of all colleagues, especially delivering against our customer-focused value. By acting on the Code, and the behaviours within, we aim to create an efficient, customer-focused and responsible workplace with a mature culture that fosters growth for our customers, colleagues and communities.

All colleagues, including all subsidiaries and geographies, are responsible for fully understanding the Code and must complete dedicated mandatory web-based training annually. Whether full-time, part-time, permanent or temporary, graduate or director, all colleagues must fully understand the code and follow its letter, principles, and spirit. The Group completion rate for the mandatory 'Code of Conduct and Speak Up' web-based training for 2019 and 2020 is 99%, while the rate for 2021 is 98%.

Whilst we expect everyone in the Group to understand and follow the spirit of the Code at all times, the Code is not just about

knowing what the right thing to do is; it is about doing it. Doing the right thing for our customers and communities will help demonstrate compliance with the Code and its behaviours and standards, and deliver against our customer-focused value. The 'Code of Conduct Check' is a tool developed to assist at all levels of the organisation in driving consistent behaviours which align with our purpose and values. It poses a series of questions to help ensure a customer-focused lens and demonstrate group-wide teamwork, agility and individual accountability. This tool supports our employees not just in knowing what the right thing to do is, but to do it.

Anti-Bribery and Corruption Policy

The Group has a zero-tolerance policy towards bribery and corruption, whether as an initiator or recipient, including the facilitation of tax evasion. This policy outlines the standards applied by the Group to identify, manage, monitor and remediate bribery and corruption risks. The policy extends to all the Group's business dealings, commercial relationships and transactions in all jurisdictions in which it operates, and the Group's associated parties operate. The Group will not consider any business arrangements that involve bribery and corruption to be binding. All staff complete annual mandatory Anti Bribery and

Corruption training, with targeted training for certain roles, to promote understanding and adherence to the policy in everything they do. 97% of employees completed the Anti-Bribery and Corruption web-based training in 2020 and 2021.





Business Ethics

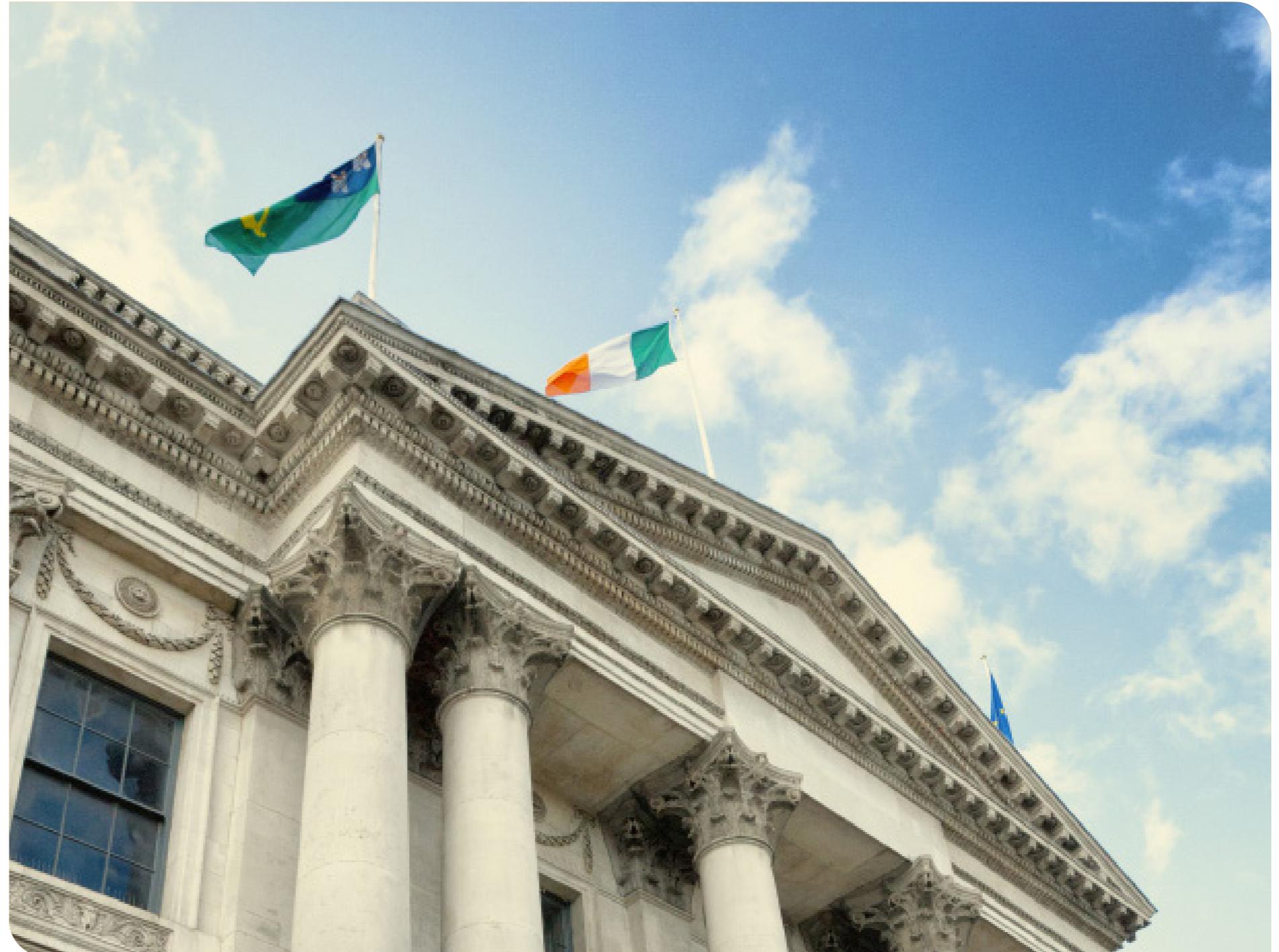
Gift & Hospitality Policy

It is imperative that all Group employees operate in a way that does not give rise to grounds for the suggestion of improper influence or conflicts of interest. In this regard, the giving and receiving of gifts and hospitality must be governed by the highest standards.

Gifts and hospitality should not be given or received to influence or create the appearance of influencing the recipient inappropriately. Such improper practices may be subverting applicable laws or regulations, reflecting unfair business practices, or unethical behaviour. The Group strictly prohibits its employees and others acting for or on behalf of the Group from soliciting or receiving bribes or unauthorised payments.

Looking Ahead

Business Ethics must remain non-static for the Group to continue to act with high standards and integrity whilst operating in a changing environment. The Group is currently reviewing the Group Risk Framework and associated policies, indicating our approach to align with changing industry regulations and best practices. This enables us to continue evolving our approach to business ethics in the future.





Human Rights

Responding to the Challenge

Respecting and valuing human rights in everything we do is central to conducting our business and engaging in our business relations in a responsible manner. We strive to identify and mitigate any possible activity associated with human rights abuses in our core operations, value chain, and network of influence.

Our Approach

We do not tolerate or condone any abuse of human rights, and through our policies and initiatives, we explicitly seek to respect human rights through all our practices. Our Modern Slavery Statement, Code of Supplier Responsibility and VCU are all central to our approach to protecting human rights and advancing progress against the UN SDGs.

Delivering Our Strategy

Identifying and reporting instances of human rights abuse is a responsibility we all carry. Effectively listening to reports of such cases and acting to mitigate them is crucial. To support identifying possible activity linked to human trafficking, through our Financial Crime Compliance unit, we have rolled out Human Trafficking Risk Awareness training to our colleagues. Our membership in Traffik Analysis Hub, a global data hub for intelligence on human trafficking across all industries and sectors, further helps us identify the warning indicators. Colleague awareness of our other policies is also supported by providing mandatory training

on the Group Code of Conduct and Speak Up Policy each year, as discussed further in Business Ethics.

Through the Group's Speak Up policy, we encourage all colleagues to report any concerns without fear of repercussion. Confidential advice from our dedicated internal Speak Up Team is available to any colleague who wishes to seek advice during this process.

While the Group is not operating in an industry which has a particularly high risk of modern-day slavery, a risk-based approach has been adopted to review supply chains within high-risk sectors. As part of our due diligence, suppliers are assessed across several key risk areas during the on-boarding stage, with suppliers providing highly critical services, depending on the Group, assessed annually. Our Code of Supplier Responsibility clearly sets out our ongoing expectations of all our suppliers as they conduct business with us. This Code promotes ethical business practices within our value chain and seeks assurances, where appropriate, from our suppliers, that they are operating in compliance with applicable laws and regulations regarding human rights. We expect our suppliers to adhere to our standards and work with us to monitor emerging risks and champion positive systemic change.

Looking Ahead

We will continue to raise awareness of our approach internally and support our colleagues to flag concerns at the earliest opportunity. We will also offer our managers further support and training to ensure that they are consistent with their management of suppliers and recruitment processes and are sufficiently equipped to handle reports of abuses within our sphere of influence.



Thanks to Sanctuary Runners, a Begin Together Grantee, migrants can meet new people and connect with their communities by running together.





Sourcing Responsibly

Responding to the Challenge

We are a signatory to the UNPRB, as conducting our business in a responsible and sustainable manner is fundamental to achieving our purpose of enabling people to thrive. The Group Procurement objective of sourcing responsibly supports this, ensuring we act ethically and responsibly when the Group sources goods and services from its suppliers. As a result, it is vital for our supply partners to share our values and ambition for creating a sustainable future. Recognising this and our ability to influence the value chain, we are committed to continuing to encourage and build RSB practices amongst our suppliers in the future.

Our Approach

Central to our approach to sourcing responsibly and creating a sustainable future with our suppliers is the Code of Supplier Responsibility, which builds on our internal values and outlines the standards that our suppliers must adhere to. Our Group Procurement Policy supports this code through ongoing supplier due-diligence activities using Financial Services Qualification System (FSQS), which evaluates supplier behaviours and capabilities regarding several sustainable business measures. The Group procurement team continues to review, strategise and adopt best practices in the responsible sourcing area. This includes reviewing and updating the Code of Supplier Responsibility to comply with the overall Group policy and strategy, alongside market best practice.

Delivering Our Strategy

The Code of Supplier Responsibility defines what we expect from our suppliers regarding responsible business practices and behaviour. This code builds on our internal values of accountability, customer focus, agility and teamwork and demonstrates the social, ethical and environmental standards we expect our suppliers to follow. The Code of Supplier Responsibility outlines the minimum expectations across seven key areas, including Human Rights; Health and Safety; Supply Chain; I&D; Business Integrity; Doing Business Responsibly and Environmental & Energy Management. The Group also encourages suppliers to aspire to meet specific standards, such as ISO 45001, on health and safety, and ISO 14001, on environmental management, and having specific internal policies such as an I&D policy.

The Code of Supplier Responsibility applies to all our suppliers. The Code applies to suppliers providing services to or on behalf of Bank of Ireland, suppliers' officers and employees, and third parties sub-contracted by a supplier. It is a requirement in supplier agreement(s) with Bank of Ireland to comply with applicable laws, regulatory requirements, and relevant Bank of Ireland Group policies which are cross-referenced in the Code.

Our Performance to Date

In 2021, we updated our Response for Proposal suite to ensure that sustainability is

a key measure and suppliers' responses are reviewed as part of the evaluation process. The Group continues to monitor supplier compliance as part of a due diligence process to our Code of Supplier Responsibility. The Group has also worked with third parties, such as Gartner and other procurement leaders, to provide insights and training to the Procurement team on areas within responsible and sustainable sourcing topics.

Looking Ahead

In 2022, the Group is planning to develop and monitor the progress of key performance indicators with our critical suppliers. Supplementing this, we are updating our contracts to include relevant contractual clauses and Key Performance Indicators to enable monitoring and compliance with our Group objectives. The Group also plans to build on the review of sustainability elements as part of the selection and evaluation process with our third parties. Finally, we are working alongside Helios to enhance the questionnaires covering responsible sourcing as part of the FSQS due diligence process.





Cyber Security

Responding to the Challenge

The Board approved the Group's cyber strategy in 2020. With increasing digitalisation, the nature, frequency and sophistication of cyber threats continue to evolve. We must respond to this by investing in and adapting our control environment and evolving our strategy to keep both customers and colleagues safe. This both contributes to fulfilling our purpose of enabling people to thrive, alongside preserving and enhancing trust in Bank of Ireland.

Our Approach

Led by our Group Chief Information Security Officer (CISO), we have a Group Information Security Function which tasks key focus areas of Cyber Security to specific teams.

The Cyber Resilience team are responsible for all independent testing, threat intelligence, and incident response. This ensures we are sufficiently prepared to respond to and recover from cyber incidents. Our ongoing actions to become a more data-led organisation will support continuous improvements in our speed of detection and response and our threat intelligence capability. Through our membership with the Cyber Defence Alliance, we are well-positioned to collaborate and participate with other members in our industry, strengthening our collective defence mechanisms in the face of cyber threats.

The Cyber Engagement team focuses on embedding a culture of security within the organisation, empowering colleagues and customers to proactively consider their cyber security-related risks. Our mandatory annual web-based training, which 98% of

colleagues completed in 2021 encourages our colleagues to consider their cyber security risks. Customers are supported with a dedicated security zone on our website, which is regularly updated with relevant cyber security articles.

We also focus on security by design. This ethos ensures that security matters are considered from the outset of all change initiatives, ensuring the design phase includes appropriate security controls such as logging, monitoring, identity and access management, network security, and data protection.

Delivering Our Strategy

The Group has formalised Information Security Policies and Standards, aligning with National Institute of Standards and Technology (NIST) principles. These apply to all colleagues, including contractors and support the integration of a culture of security within the organisation.

We have established a multi-year programme which prioritises initiatives which underpin the objectives of our Group Cyber strategy. The CISO ultimately sets the direction of this programme, and is accountable for the programme outcomes.

Looking Ahead

We will refresh our cyber strategy in 2022, ensuring we remain aligned with the business priorities and evolving technology strategies. Our focus on cyber resilience will continue into 2022 as we prepare for compliance with the Digital Operational Resilience Act (DORA), and our shift towards becoming a data-led organisation will assist us to further mature our response to, and recovery from cyber events.

Data Protection

Responding to the Challenge

Data Protection is a fundamental right which ensures that the privacy rights of individuals are protected at all times and the appropriate management of data protection and privacy supports the Group's purpose and values. At Bank of Ireland Group, we are committed to ensuring that the privacy rights and freedoms of our customers and colleagues are upheld at all times, protecting our customers' and employees' personal information and using it in a fair, transparent, and lawful way.

Our Approach

The Group's Data Protection & Privacy Policy framework, which is part of the Group's Compliance & Conduct Risk Framework, and the overarching Group Risk Framework defines the principal approach to risk management. It describes the roles and responsibilities across the organisation, the risks we are exposed to, the risk processes we follow, and key enablers. It provides the Group with the foundations and organisational structure for ensuring compliance with legislative data protection and privacy obligations. It sets out the Group's approach to protecting personal data, taking account of the data protection and privacy principles and requirements that must be followed, and defines the standards for effective management of Data Protection and Privacy related risks.

This framework of policies, standards, guidelines and tools ensures we manage our data protection responsibilities and identify

and implement appropriate technical and organisational measures to mitigate risk and protect personal data. Policies apply to all colleagues, agents and providers of services to the Group, including outsourcing and processing arrangements and to the employees and agents of such providers.

Our commitment to complying with our data protection responsibilities applies to all entities across the Group and considers all data protection laws, including the changes effected by the General Data Protection Regulations (GDPR).

To support the integration of Data Protection principles within the Group, we empower our colleagues through dedicated training and awareness programmes such as mandatory annual training on data protection & privacy. We also offer colleagues access to tailored training modules on key trends, internal developments, and external regulatory updates; which are published on the Group's internal website.

Looking Ahead

As regulatory guidance evolves, we will continue to ensure our colleagues remain informed through our ongoing training programme and policy framework. We will continue to monitor such developments and additional activity may be proposed during 2022 to respond to developments.





Financial Crime

Responding to the Challenge

Protecting the financial system's integrity from financial crime risks, including money laundering, terrorist financing, bribery and corruption, is intrinsically important to the Group. Incidents of financial crime undermine customer confidence in the financial institution and affect the financial wellbeing of the island of Ireland. Bank of Ireland is committed to supporting the ongoing protection of the financial system and our customers from the impact of financial crime.

Our Approach

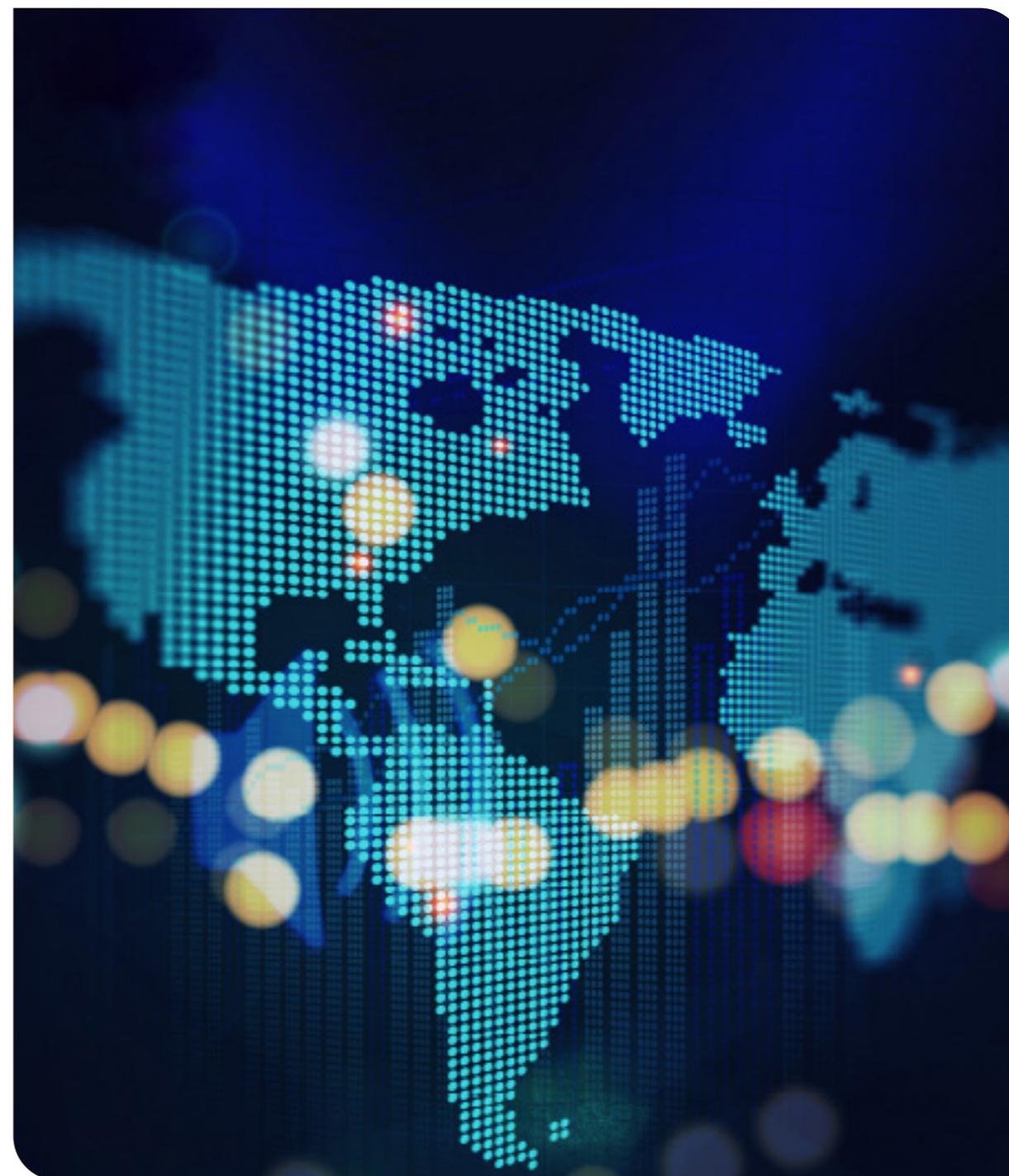
We manage financial crime events through our Three Lines of Defence approach with ultimate responsibility and accountability for financial crime sitting with the Group Board. Our Money Laundering Reporting Officer (MLRO) leads the Group's Financial Crime Compliance Unit and is responsible for undertaking an annual Enterprise-Wide Risk Assessment. This assessment identifies Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), Sanctions, and Fraud Risks and ensures compliance with relevant regulations and legislative duties. Our MLRO monitors and oversees financial crime controls across the Group, working with our assurance teams to regularly report KRIs to Senior Management and the Board.

Our comprehensive Financial Crime Framework includes robust approaches, policies, and standards for each of the core risks. Through this framework, we comply

with our regulatory obligations and align our strategy with industry best practices, ensuring we are supporting our customers and building our own resilience.

The Group AML, Group Sanctions, CFT, Anti-bribery and Corruption, and Fraud Risk policies are all central to our framework and are informed by our engagement with law enforcement, regulators, and industry. All colleagues complete annual mandatory training and assessment on these topics so that these policies are embedded in our operational activities. The MLRO and wider team provide comprehensive yearly training to the Board and issue tailored training on AML and CFT risks to key business functions. These training and awareness programmes ensure all Group colleagues understand their role in protecting the financial system and our customers from the impacts of financial crime.

We monitor customer activity to identify unusual or suspicious activities; for example, payments that may breach national or international sanctions are investigated or reported to the relevant authorities in line with the requirements of the Criminal Justice Act. When we onboard new customers, we conduct due diligence to screen them against national and international sanctions or terrorism lists. Where customers present high-risk ratings, we conduct an enhanced due-diligence, requesting further information for sign-off. Regardless of risk rating, all our customers are screened on an ongoing basis to ensure continued compliance with all sanctions.





Health and Safety

Responding to the Challenge

At Bank of Ireland, we strive to ensure that all our locations are safe and healthy workplaces for our colleagues, customers, communities and suppliers. With the implementation of our NWoW, this commitment not only extends to our colleagues who are required to travel as part of their role but also extends to colleagues working from home.

Our three key strategic objectives are as follows:

- Maintain a robust health and safety management system to continually identify, manage, and monitor health and safety risks across all areas of our business, including all our locations and colleagues working from home
- Maintain legal compliance with health and safety legislation
- Train and educate all colleagues on health and safety risks relevant to their roles

Our Approach

To ensure we successfully deliver our strategic objectives, the Group's Health and Safety team has designed and implemented a safety management system and processes that ensure compliance with our legislative responsibilities.

A key component of the Health and Safety Management system is our Group Health and Safety Policy which details our health and safety risk management framework at Bank of Ireland. It covers topics including office related manual handling, ergonomic and fire-related risks, risks whilst working from home, and driving for work. The Group employs a three-line defence model for Health and Safety:

First Line of Defence: Responsibilities for health and safety are documented within the policy, specifically how business unit managers are responsible for ensuring and evidencing compliance with the requirements of the management system.

Second Line of Defence: The Group health & safety team has the second line of defence risk oversight responsibility, including developing and updating risk management standards and policy, independent review and audit, challenge and monitoring, and supporting local management through advice and support. The team also delivers mandatory annual health and safety awareness training programmes and tracks our legislative compliance. At Bank of Ireland, compliance with legislation is a minimum requirement and where possible, we seek to exceed this.

Third Line of Defence: GIA comprises the third line of defence. It undertakes an independent review of risk and controls standards, guidelines, risk management systems, and reporting to assure compliance with health and safety requirements.

Delivering Our Strategy

Objective 1: Maintain a robust health and safety management system to identify, manage, and monitor health and safety risks across all business areas, including our locations and colleagues working from home.

Bank of Ireland is currently working towards achieving a third party accreditation to the international ISO 45001 for this management system.

Objective 2: Maintain legal compliance across all jurisdictions.

Bank of Ireland health and safety team validates and maintains a detailed legislation register for all jurisdictions through regular auditing. Monitoring of the results of these audits takes place on an ongoing basis. If actions arise from the audit process related to legal compliance, imminent dates for closure of audit actions are agreed upon and are tracked closely by the auditor from the health and safety team. Where required, relevant findings are escalated via the People Services risk report to the Board and the GEC for discussion at their quarterly Board Risk and Executive Risk Committees, respectively. A detailed management information report is made available at the end of each quarter.

Objective 3: Train and educate all colleagues in health and safety risks relevant to their roles.

Bank of Ireland has two mandatory health and safety training courses for colleagues on alternate years. The first course is Health and Safety Awareness for line managers and colleagues, which deals with all possible health and safety hazards during employment.

The Health and Safety Awareness course includes content on the controls required within Site-Specific Risk Assessment, a programme the Group uses for each property we own, updated annually. Dedicated web-based training on these Site-Specific Risk assessments reinforces the required assessment locations and controls.

The second mandatory course is a Workstation Assessment awareness course that educates our colleagues on key health and safety risks at the work station, to ensure a compliant ergonomic setup.

We also deliver specific classroom training, for fire wardens, first aiders and those who require role-specific health and safety training, such as our project management team in Group Property. The health and safety team tracks the completion of these courses and organises recertification training courses as required.





Health and Safety

Our Performance to Date

COVID-19 and managing its various escalations and challenges dominated 2021, testing the resilience and robustness of the Group Health and Safety Framework. Due to our adaptable management system, our COVID-19 response team implemented and maintained several successful processes to mitigate COVID-19 risks during 2020 and 2021.

Progress was made in 2021 in two of our critical health and safety risk management programmes, specifically our mandatory Asbestos and Fire Risk Assessment programmes. These programmes involved prequalifying suppliers, tendering, on-boarding and choosing two suppliers to visit our locations across all jurisdictions to inspect for fire and asbestos risks. Despite the challenges of COVID-19 restrictions, the programme was successful owing to the Group working closely across business units in Ireland and NI to comply with COVID-19 requirements and ensuring consultants could access appropriate locations.

Our reportable accident frequency rate in 2021 was 0.75 reportable accidents per 10,000 headcount which is significantly below the HSA expected rate for our industry, which is 2.8 reportable accidents per 10,000 headcount. This metric helps demonstrate that our health and safety management system as outlined in objective 1 above is performing well.

Looking Ahead

Group Health and Safety are currently working towards achieving a Group-wide ISO 45001 accreditation for Bank of Ireland's health and safety management system in 2022. Our independent external auditors, Certification Europe, will audit our management system to ensure it meets the requirements of ISO 45001.

Previously the health and safety team achieved a Group-wide third-party accreditation to the OHSAS 18001 standard for the construction and facilities management scope of the Group's management system. An OHSAS 18001 accreditation was also successfully awarded to the health and safety management at the Cabinteely Operations Centre, which was successfully migrated to ISO 45001 in mid-2021. The accreditation itself will help validate robust legal compliance. Additionally, senior management support and commitment to health and safety under the standard requirements will be assessed and formally recognised.

Once successful in Q2/Q3 of 2022, Bank of Ireland will be the first financial institution in the Republic of Ireland or the UK to achieve an ISO 45001 accreditation with such an extensive scope.

The Bank of Ireland F-Word Playbook (2021), a financial planner for students in partnership with sustainable design duo Jill & Gill.





Community Investment

Responding to the Challenge

We understand that great communities and thriving towns don't just happen but they need tireless commitment and active support. Fortunately, in every town and village, there are people of vision and inspiration, caring for those around them and working hard to make things better for everyone. Bank of Ireland sets out to support these people, knowing that tomorrow will be better if we Begin Together.

Our Approach

In March 2020 we introduced a new model of philanthropic giving, Begin Together, a three-year, €4 million investment that supports our communities, with multiple strands working in unison and in line with the Group's purpose and values. This replaced previous models of partnership that were narrower in focus and were not delivering against the Group's mission. Supported by subject matter experts from across the charitable sector, along with extensive research and internal debate, we created the Begin Together programme.

The strategy is focused on supporting a wide range of charitable organisations, community groups, enterprise initiatives, artists, art groups and individuals who are working at the grassroots of our communities. The groups and initiatives that we support in turn benefit the most vulnerable in our society including people with additional needs, older persons, disadvantaged youth, refugees and other marginalised communities such as those living in direct provision, LGBTQ+,

migrants, and travellers. We believe that this is the most effective way to help communities realise key social outcomes, and deliver against our ambition of enabling customers, colleagues, and communities to thrive.

In addition to Begin Together, Bank of Ireland plays an active role in supporting sport in our communities through our sponsorships of all four rugby provinces – Connacht, Leinster, Munster and Ulster – and the Football Association of Ireland. The core purpose of these organisations is to develop and grow rugby and football and to embed sport in communities and we are proud to support them in doing this.

Delivering Our Strategy

As a bank we serve a wide variety of people in many different locations and from a wide variety of backgrounds and hence it is vital that our support for society is similarly diverse.

The Begin Together Community Fund of €500,000 is delivered annually in partnership with the experts in the CFI, and supports initiatives that will enable the financial, mental, or physical wellbeing of vulnerable groups. Since 2020, 237 groups have shared a fund of €1.5 million. In addition, these groups can also access Financial Wellbeing support through our network of Financial Wellbeing coaches.

Begin Together Arts Fund

The Begin Together Arts Fund complements the Community Fund, providing specific

support for artists and art projects, a cohort which has been acutely impacted by the pandemic. Artists and arts groups can apply for grants between €5,000 and €15,000. Our expert partners Business to Arts are integral to engaging with the artistic community, assessing applications, delivering grants, and supporting grantees with the development of their work. The fund supports a broad range of work from across all art forms. Between 2020 and 2022 approximately 100 grantees will share €1 million.

Begin Together Fund for Colleagues

The Begin Together Fund for Colleagues is a dedicated support for those causes which are important to our colleagues across the group. Our colleagues are focused on serving our customers brilliantly and with many immersed in the communities where they work and live, there is a long-standing culture of actively supporting local causes and appeals with fundraising activities, donations, and volunteering. The €350,000 Fund for Colleagues allows us to support that culture and enable anyone to nominate any local

cause, community group or not for profit for a donation in their name of €500. All eligible nominations are included in a ballot with 600 drawn at random during the year.

The funding we provide as part of our rugby and football sponsorship supports each organisation in delivering their overall strategy, which includes developing rugby and football as a valuable part of communities across Ireland. In addition to that funding we work with each of the partners on several key programmes. Bank of Ireland sponsors the FAI's "More than a Club" programme which supports clubs in integrating into their local communities. In rugby, the support extends to a variety of amateur and underage competitions and programmes from the Provincial Towns Cup, through to children's summer camps. Bank of Ireland was also the first organisation to sponsor both the Men's and Women's Senior Teams in Leinster and Munster while we were also the first sponsor of the Emerald Warriors Rugby Club, which comprises of LGBTQI+ players.

Begin Together Fund				
	COVID-19 Emergency	Community Fund	Arts Fund	Fund for Colleagues
2020-2022	€1 million (2020 Only)	€1.5 million	€1 million	€1.05 million
No. of projects funded*		59* (2020: 116)	39* (2020: 36)	

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.





Community Investment

Our Performance to Date

In 2021 Begin Together supported over 600 community groups, arts projects and local causes with funding ranging from €500 to €20,000. Social isolation prevention, groups that work with migrants, financial literacy for young people, and multi-sensory arts experiences were among almost 100 community and arts projects that received financial support from Bank of Ireland's two public facing funds, the Community Fund and Arts Fund in 2021. Over 500 groups received donations from the Fund for Colleagues.

2021 also saw the inspiring stories of those who have benefitted from Begin Together brought to life through a fully integrated communications campaign under the theme "Tomorrow will be better if we Begin Together". Through this, Bank of Ireland plays a small part in recognising and celebrating the uniqueness and positive impact of the people working in our communities.

There are many fascinating stories that were brought to life through these initiatives. Some of these stories included Liquid Therapy in Donegal, that supports young people with additional needs by taking them out surfing; Clonaslee Wheelchair Basketball club and the impact of its activity on the lives and lifestyle of wheelchair users; the work of the Irish Traditional Music Archive in capturing and formally documenting Irish music, dance and song for future generations among many others.

While 2021 was a challenging year for those involved in recreational sport due to the

impact of the pandemic, Bank of Ireland maintained its support for all its partners and programmes. In addition, we brought to life a variety of inspiring stories from those involved in rugby at various levels across the country through our "Never Stop Competing" campaign. The high-profile campaign celebrated the grit and determination shown by a variety of characters from different backgrounds who are heavily involved in rugby in their different communities.

Looking Ahead

Since Begin Together's inception in 2019, it has evolved to respond to emerging challenges facing communities during the pandemic, such as rising living costs and greater social isolation. Improvements include a streamlined application for each strand, revised dates and timelines to enable faster assessment of applications and announcement of grantees, along with updates to criteria and grant levels.

We will continue to work with expert partners, grantees, beneficiaries, and other stakeholders to understand how we must evolve the programme and continue to enable our customers, colleagues, and communities to thrive. We will review whether the overall level of funding and its level of distribution is appropriate, as well as build capability to understand the social value of our community investments. We will also work to ensure that our community investment delivery model evolves in line with the transformation of our overall business strategy, leveraging the other platforms

associated with the pillars of the RSB strategy to further deliver physical, mental, and financial wellbeing within our communities.

We will continue to work with our partner sporting organisations to understand what role sport can play to make communities stronger and to embed it in the places that we live and work.



Begin Together supports the Clonaslee Wheelchair Basketball Club with funding for specialised basketball chairs, enabling players from across the midlands to continue to compete.



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Assurance**



UN PRB Self-Assessment Reference Table

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	REFERENCE(S)/ LINK(S) TO BANK'S FULL RESPONSE/ RELEVANT INFORMATION				
	PLEASE SEE THE 2021 UNEP FI PRB – SELF-ASSESSMENT & REPORTING FOR FURTHER DETAIL ON THE PRINCIPLE.	PLEASE SEE THE GROUP WEBSITE FOR FURTHER DETAIL ON THE FOLLOWING TOPICS:	PLEASE SEE THE 2021 ANNUAL REPORT FOR FURTHER DETAIL ON THE FOLLOWING TOPICS:	PLEASE SEE THIS 2021 RSB REPORT FOR FURTHER DETAIL ON THE FOLLOWING TOPICS:	PLEASE SEE THE RSB STRATEGY FOR FURTHER DETAIL ON THE FOLLOWING TOPICS:
Principle 1: Alignment					
We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.					
1.1 Business model	• p.3	• About the Group	<ul style="list-style-type: none"> • Our Strategy – p.13 • Scale of Exposure – p.39 • Our Business Model – p.64 	• About Bank of Ireland – p.7 and p.8	
1.2 Alignment	• p.4		<ul style="list-style-type: none"> • Responsible and Sustainable Business at Bank of Ireland - p.20 • Supporting the green transition – p.28 	<ul style="list-style-type: none"> • Responsible & Sustainable Business – p.9 • Our Memberships, Associations & Commitments - p.11 • Supporting the green transition – p.38 	
Principle 2: Impact and Target Setting					
We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.					
2.1. Impact Analysis	• p.4		• Materiality Assessment – p.22	• Materiality Process – p.12	• Materiality Matrix – p.4 • How we will measure success – sections throughout
2.2 Target Setting	• p.5		<ul style="list-style-type: none"> • Supporting the Green Transition Five Point Plan – p.28 • Setting science based targets – p.40 	<ul style="list-style-type: none"> • RSB Objectives and Targets – p.9 • Supporting the green transition - p.38 	• How we will measure success – sections throughout
2.3. Plans for Target Implementation and Monitoring	• p.5			<ul style="list-style-type: none"> • RSB Objectives and Targets - p.9 • Supporting the green transition - p.38 	• How we will measure success – sections throughout



UN PRB Self-Assessment Reference Table

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	REFERENCE(S)/ LINK(S) TO BANK'S FULL RESPONSE/ RELEVANT INFORMATION				
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2.4. Progress on Implementing Targets	<ul style="list-style-type: none"> p.5 			<ul style="list-style-type: none"> RSB Objectives and Targets - p.9 Supporting the green transition - p.38 	<ul style="list-style-type: none"> How we will measure success – sections throughout
Principle 3: Clients and Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.					
3.1 Policies and practices to promote responsible relationships with customers	<ul style="list-style-type: none"> p.6 	<ul style="list-style-type: none"> Responsible and Sustainable Business: Colleagues Responsible and Sustainable Business: Enhancing financial wellbeing 	<ul style="list-style-type: none"> Serving Customers Brilliantly – p.16 VCU – p.16 and p.27 RSB Foundations – p.44 	<ul style="list-style-type: none"> Enhancing Financial Wellbeing – p.26 RSB Foundations – p.75 Culture – p.76 Community Investment – p.86 	<ul style="list-style-type: none"> Foundations – p.21
3.2 Engagement with clients and customers to enable and encourage sustainable practices	<ul style="list-style-type: none"> p.7 	<ul style="list-style-type: none"> Group's Green Bond Impact Report 2021 Group's Green Bond Allocation Report 2021 Green Home Improvement Loan 	<ul style="list-style-type: none"> Supporting the Green Transition Five Point Plan – p.28 Sustainable Finance Fund – p.34 	<ul style="list-style-type: none"> Supporting the green transition – p.38 Sustainable Finance – p.42 	<ul style="list-style-type: none"> Enhancing Financial Wellbeing – p.12 Supporting the Green Transition – p.17 Providing Sustainable Financing – p.18
Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.					
4. Stakeholders engaged with for the purpose of implementing these Principles	<ul style="list-style-type: none"> p.8 		<ul style="list-style-type: none"> Materiality Assessment – p.22 	<ul style="list-style-type: none"> Determining our Material Topics - p.12 	<ul style="list-style-type: none"> Engaging with our Stakeholders – p.3
Principle 5: Governance and Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking.					
5.1 Governance structures, policies, and procedures to manage significant positive and negative (potential) impacts	<ul style="list-style-type: none"> p.8 	<ul style="list-style-type: none"> Responsible & Sustainable Business Sector Statement 	<ul style="list-style-type: none"> Supporting the Green Transition – p.28 Governance – p.30 	<ul style="list-style-type: none"> RSB Governance – p.13 	



UN PRB Self-Assessment Reference Table

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	REFERENCE(S)/ LINK(S) TO BANK'S FULL RESPONSE/ RELEVANT INFORMATION				
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5.2 Initiatives and measures to foster a culture of responsible banking among employees	<ul style="list-style-type: none"> • p.8 	<ul style="list-style-type: none"> • Responsible and Sustainable Business: Colleagues • Group Code of Conduct 		<ul style="list-style-type: none"> • Responsible & Sustainable Business – p.9 • RSB Foundations – p.75 • Culture – p.76 	
5.3 Governance structure for the implementation of the Principles	<ul style="list-style-type: none"> • p.9 				
Principle 6: Transparency and Accountability					
6.1 Progress on implementing the Principles for Responsible Banking	<ul style="list-style-type: none"> • p.9 	<ul style="list-style-type: none"> • Our Reports and Policies 	<ul style="list-style-type: none"> • Responsible and Sustainable Business at Bank of Ireland - p.20 		



GRI Content Index

GRI Reference	Disclosure	Location of Our Response
Organisational Profile		
102-1	Name of the organisation	Bank of Ireland Group plc
102-2	Activities, brands, products and services	About Bank of Ireland, p.7
102-3	Location of headquarters	Bank of Ireland Group plc, Registered Office, 40 Mespil Road, Dublin 4
102-4	Location of operations	About Bank of Ireland, p.7
102-5	Ownership and legal form	The Bank of Ireland Group is a diversified Financial Services Group. Bank of Ireland, now a subsidiary of Bank of Ireland Group plc, was established in 1783 by Royal Charter.
102-6	Markets served	About Bank of Ireland, p.7
102-7	Scale of the organisation	About Bank of Ireland, p.7
102-8	Information on employees and other workers	Data Tables, p.100
102-11	Precautionary Principle or approach	Decarbonising operations, p.68
102-12	External initiatives	Our Memberships, Associations & Commitments, p.11
102-13	Membership of associations	Our Memberships, Associations & Commitments, p.11
Strategy		
102-14	Statement from senior decision-maker	Letter from CSIRO, p.5
102-15	Key impacts, risks and opportunities	Assessing Risks and Opportunities, p.56 and p.64

GRI Content Index

GRI Reference	Disclosure	Location of Our Response
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Responsible and Sustainable Business, p.9 Culture and Business Ethics p.76-79
Governance		
102-18	Governance structure	Governance, p.13
102-22	Composition of the highest governance body and its committees	Governance, p.13
Stakeholder Engagement		
102-40	List of stakeholder groups	Determining our Material Topics, p.12
102-41	Collective bargaining agreements	The Irish Constitution guarantees the right of citizens to form associations and unions and as such the Group recognises unions and engages with them.
102-42	Identifying and selecting stakeholders	Determining our Material Topics, p.12
102-43	Approach to stakeholder engagement	Determining our Material Topics, p.12
Reporting Practice		
102-45	Entities included in the consolidated financial statements	A listing of the principal businesses and their locations that are included in and covered by the consolidated financial statement is provided in the Group's Annual Report
102-46	Defining report content and topic boundaries	Determining our Material Topics, p.12
102-47	List of material topics	Determining our Material Topics, p.12
102-48	Restatement of information	Any restatement of information is set out in notes accompanying the information



GRI Content Index

GRI Reference	Disclosure	Location of Our Response
102-49	Changes in reporting	The 2021 RSB report represents Bank of Ireland's inaugural sustainability report. Future reporting will highlight any significant changes that may affect the Group's reporting boundary, and/or material topics.
102-50	Reporting period	1 January 2021 to 31 December 2021
102-52	Reporting cycle	Bank of Ireland's RSB disclosures are prepared in accordance with the Group's annual reporting cycle.
102-53	Contact point for questions regarding the report	Bank of Ireland Investor Relations: investor.relations@boi.com
102-54	Claims of reporting in accordance with the GRI Standards	This material references the following GRI Standards, or parts thereof that informed the preparation. <ul style="list-style-type: none"> • GRI 101 Foundations: Reporting Principles for defining report content and quality 2016 • GRI 102 General Disclosures 2016, except GRI 102-9 - 10, 102-17, 102-19 - 21, 102-23 - 39 and 102-44. • GRI 305 Emissions 2016, 305-1 and 305-2 • GRI 103 Management Approach 2016 103-1, 103-2 and 103-3
102-56	External Assurance	External Assurance, p.107



GRI Content Index

Management Approach

GRI Reference	Disclosure	Location of Our Response
103-1	Explanation of the material topic and its Boundary	Determining our Material Topics, p.12 Enabling Colleagues to Thrive, p.16 - p.24 Financial Wellbeing, p.26 - p.36 Supporting the Green Transition, p.38 - p.73 Foundation Topics, p.75 - p.87
103-2	The management approach and its components	Enabling Colleagues to Thrive, p.16 - p.24 Financial Wellbeing, p.26 - p.36 Supporting the Green Transition, p.38 - p.73 Foundation Topics, p.75 - p.87
103-3	Evaluation of the management approach	Enabling Colleagues to Thrive, p.16 - p.24 Financial Wellbeing, p.26 - p.36 Supporting the Green Transition, p.38 - p.73 Foundation Topics, p.75 - p.87



Data Tables

RSB & Foundation Topic Data Table

KEY PERFORMANCE INDICATORS		2021	2020	2019
Enabling Colleagues to Thrive (Social)				
Being Digitally Able	% of colleagues undertaking All Colleague-Future (Digital) Skills Pathways	26%*	15%	N/A
	% of colleagues who are self-directed learners	79%	90%	N/A
	% of colleagues who agree that the Bank provides its employees with resources and opportunities to develop the skills needed to thrive in a digital environment	44%	56%	N/A
	% of colleagues who graduated from future skills pathways	13%	6%	N/A
Employability	% of open roles filled internally through career agility	76%*	N/A	N/A
	% of people managers who graduated from our YaaM programme	41%	N/A	N/A
	Group Colleague Culture Embedding Index (%)	75%	77%	66%
	Group Colleague Engagement Score (%)	63%	67%	62%
Inclusive Development	% Female senior leadership appointments	45%*	41%	44%
	% female leaders	38%	38%	38%
	% of colleagues who agree that the Bank is a place where employees from all backgrounds can be themselves and succeed	78%	N/A	N/A
	% colleagues that feel the Bank is sufficiently supporting their health and wellbeing	63%	68%	N/A
	% retention rate for colleagues participating in catalyst programmes	51%	N/A	N/A
	% colleagues that received mandatory I&D training	98%	N/A	N/A
	% of colleagues who have completed their SAP Self ID	47%	N/A	N/A

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.

Data Tables

RSB & Foundation Topic Data Table

KEY PERFORMANCE INDICATORS		2021	2020	2019
Enhancing Financial Wellbeing (Social)				
Financial Capability	National Financial Wellbeing Index Score	64	66 ¹	61
	National Financial Wellbeing Index Score (Bank of Ireland customers)	65*	66 ¹	63
	No. of visits to the Financial Wellbeing online centre	202,765	146,927	126,506
	No. of secondary school pupils who participated in the 'Money Smarts' Programme and Challenge	13,220 ²	55,560 ³	N/A
	No. of hours of financial literacy support provided by coaches to customers, colleagues and communities	6,511	3,492	3,975
	No. of Financial Health checks (cumulative)	151,620	N/A	N/A
Financial Inclusion	No. of vulnerable customers supported	6,037*	10,000 ⁴	3,000
	No. of projects funded through Begin Together	98*	152	N/A
	Increase (%) in number of Basic Bank Accounts opened in 2021	216%	N/A	N/A
Financial Confidence	No. of customers targeted through behavioural campaigns with practical steps on how they could improve their financial wellbeing	171,000	N/A	N/A
	Increase in % of visits to our Online Security Zone	181%	N/A	N/A

¹ October 2020 score. Index was run three times in 2020 (February, May and October).

² School year 2020/21, decrease reflected the impact of COVID-19 and the pivot to an online programme due to extensive school closures in RoI.

³ School year 2019/20

⁴ Of which 4,000 were calls to the COVID-19 support line.

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.

Data Tables

RSB & Foundation Topic Data Table

KEY PERFORMANCE INDICATORS		2021	2020	2019
Supporting the green transition (Environmental)				
Providing Sustainable Finance	Value of Sustainable Finance Fund	€5 billion	€2 billion	€1 billion
	Value of drawdown from Sustainable Finance Fund (cumulative)	€1.8 billion	€950 million	€263 million
	Drawdown from Sustainable Finance Fund – green mortgages (cumulative)	€1.8 billion*	€930 million	€257 million
	Value of projects financed by the Green Bond Framework	€1.3 billion	N/A	N/A
	Sustainability-linked loan commitments	€1.4 billion*	€571 million	N/A
	MW of renewable energy financed	750MW	N/A	N/A
Decarbonising our own operations	Scope 1 GHG Emissions (Absolute & reduction from base year)			
	- Absolute	4,285 tCO ₂ e**	5,579 tCO ₂ e	4,215 tCO ₂ e
	- Reduction from base year	1,294 tCO ₂ e **	N/A	N/A
	Scope 2 GHG Emissions - Market based (Absolute & reduction from base year)			
	- Absolute	22 tCO ₂ e**	659 tCO ₂ e	11,747 tCO ₂ e
	- Reduction from base year	637 tCO ₂ e**	N/A	N/A
	Scope 2 GHG Emissions - Location based (Absolute & reduction from base year)			
- Absolute	7,772 tCO ₂ e**	10,000 tCO ₂ e	11,747 tCO ₂ e	
- Reduction from base year	2,228 tCO ₂ e**	N/A	N/A	
Scope 3 GHG Emissions (Absolute)				
- Business Travel	557	2,203	5,056	
- Waste	503	1,954	4,818	
- Purchased Goods & Services	29	32	52	
	25	217	186	

* Indicator is prepared in line with internal Bank of Ireland reporting criteria and is subject to Limited ISAE 3000 (revised) assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.

** Indicator is prepared in line with Global Reporting Initiative (GRI) reporting criteria and is subject to Limited ISAE 3410 assurance by KPMG for the 2021 Bank of Ireland Group plc Responsible and Sustainable Business Report. Please see page 109 for KPMG's limited assurance statement and page 107 for 2021 Reporting Criteria.



Data Tables

RSB & Foundation Topic Data Table

KEY PERFORMANCE INDICATORS		2021	2020	2019
Decarbonising our own operations	Group Absolute Scope 1 and Scope 2 Emissions (market based)	4,307 tCO ₂ e	6,238 tCO ₂ e	15,963 tCO ₂ e
	% Reduction in Group Absolute Scope 1 and Scope 2 Market-Based Emissions in comparison to base year (2020)	31%	N/A	N/A
	Scope 1 & 2 Market-Based Emissions year on year (tCO ₂ e/m ²)	0.0210	0.0292	0.0706
	% Reduction per m ² in Scope 1 & 2 Market-Based Emissions in comparison to base year (2020)	28%	N/A	N/A
	% of electricity supply for BOI operations in Ireland, Northern Ireland and Great Britain which is provided by renewable energy	100% ²	93%	N/A
	% reduction in office space (cumulative)	44% in last 4 years	N/A	N/A
	No. of customers with bio-sourced cards (cumulative)	150,000	N/A	N/A
Foundations				
Foundational topics	Culture Index Score (%)	75%	77%	66%
	% group completion rate for the mandatory 'Code of Conduct and Speak Up' web-based training	98%	99%	99%
	% group completion rate for anti-bribery and corruption training	97%	97%	N/A ¹
	% group completion rate of annual information security mandatory web-based training	98%	N/A	N/A
	Total number of community groups, art projects and local causes supported by Begin Together programme	approximately 696	approximately 752	N/A
	No. of groups supported by the Begin Together Community Fund	59	116	N/A
	Value of Begin Together Community Fund (% donated)	€500,000 (100%)	€500,000 (100%)	N/A
	No. of projects funded by Begin Together Arts Fund	39	36	N/A
	Value of Begin Together Arts Fund (% donated)	€330,000 (100%)	€330,000 (100%)	N/A
	No. of groups that received a donation from Fund for Colleagues	600	600	N/A
Value of Fund for Colleagues (% donated)	€350,000 (100%)	€350,000 (100%)	N/A	

¹ 2020 was the first year for Anti-Bribery & Corruption web-based training.

² Almost 100% of electricity supply is provided by renewable energy.

Data Tables

Employee Data

Employees by gender, region, permanent or temporary

EMPLOYEE BREAKDOWN		2021	2020	2019
Gender				
	Female	4,581	5,274	5,732
	Male	4,115	4,568	4,795
Permanent & Temporary by Gender				
Permanent	Female	4,544	5,122	5,469
	Male	4,055	4,401	4,575
	Total	8,599	9,523	10,044
Temporary	Female	37	152	263
	Male	60	167	220
	Total	97	319	483
Permanent & Temporary by Region				
Permanent	ROI	7,017	7,608	8,004
	UK	1,518	1,847	1,971
	USA	39	44	44
	France	11	11	12
	Germany	8	9	10
	Spain	6	4	3
	Total	8,599	9,523	10,044
	Temporary	ROI	51	249
UK		45	68	42
France		1	2	-
Total		97	319	483
	Group Total	8,696	9,842	10,527

New Hires by gender, age, region

NEW HIRES BREAKDOWN		2021		2020		2019	
		#	%	#	%	#	%
Gender							
	Female	199	45%	169	43%	586	47%
	Male	243	55%	228	57%	664	53%
Age							
	Under 30	186	42%	178	45%	735	59%
	30 to 50	212	48%	182	46%	468	37%
	Over 50	44	10%	37	9%	47	4%
Region							
	ROI	330	75%	279	70%	1,050	84%
	UK	100	22%	110	28%	191	15%
	USA	4	1%	3	1%	3	0.5%
	France	3	1%	3	1%	2	0%
	Germany	3	1%	1	0%	1	0%
	Spain	2	0%	1	0%	3	0.5%
	Group Total	442		397		1,250	

1 Basis of preparation for number of staff (full time equivalents) was amended in 2021. Detailed analysis of 2020 and 2019 number of staff has been prepared using 2021 basis of preparation for comparative purposes

2 Data is based on contractual full time equivalent staff numbers derived from the internal data warehouse, with the exception of leavers by jurisdiction which is calculated from an internally prepared monthly attrition file. Data for 2021 and 2020 manually excludes Voluntary Parting leavers who were still on payroll at year end but removed from full time equivalent calculations for the purposes of external reporting.

Data Tables

Employee Data

Leavers by gender, age, region

LEAVERS BREAKDOWN		2021		2020		2019	
		#	%	#	%	#	%
Gender							
	Female	922	57%	495	57%	569	51%
	Male	707	43%	373	43%	555	49%
Age							
	Under 30	319	20%	221	25%	387	35%
	30 to 50	739	45%	361	42%	477	42%
	Over 50	571	35%	286	33%	260	23%
Region							
	ROI	1,178	72%	705	81%	855	76%
	UK	435	27%	156	18%	264	24%
	USA	9	1%	3	1%	3	0%
	France	3	0%	2	0%	2	0%
	Germany	3	0%	2	0%	0	0%
	Spain	1	0%	0	0%	0	0%
	Group Total	1,629		868		1,124	

TURNOVER RATE	2021	2020	2019
	17.4%	7.3%	8.8%

Data Tables

Employee Data

Employment category diversity by gender

EMPLOYMENT CATEGORY	2021		2020		2019	
	%		%		%	
Gender	Female	Male	Female	Male	Female	Male
Management & Leadership (Bands 4 to 7)	38%	62%	38%	62%	38%	62%
Middle Level (Band 3)	47%	53%	48%	52%	49%	51%
Junior Level (Bands 1 and 2)	63%	37%	64%	36%	62%	38%
Board	42%	58%	45%	55%	45%	55%
Group Executive Committee	23%	77%	25%	75%	25%	75%
Group Total	53%	47%	54%	46%	54%	46%

Employment category diversity by age

EMPLOYMENT CATEGORY	2021			2020			2019		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Management & Leadership (Bands 4 to 7)	0%	72%	28%	0%	72%	28%	1%	72%	27%
Middle Level (Band 3)	4%	77%	19%	5%	75%	20%	5%	76%	19%
Junior Level (Bands 1 and 2)	19%	65%	16%	22%	62%	16%	24%	59%	17%
Group Total	12%	69%	19%	14%	67%	19%	16%	65%	19%

Business Ethics mandatory training completion rates

MODULE	2021	2020	2019
	%	%	%
Conduct of Business and Consumer Protection	99%	99%	99%
Code of Conduct and Speak Up	98%	99%	99%
Anti-bribery and Corruption	97%	97%	N/A

2020 was the first year for Anti-Bribery and Corruption web-based training, leaving previous years data unavailable.



Data Tables

Finance Data

Economic value generated (net interest income, other income, investment equity, loss on disposal of property, net credit impairment writeback)

	2021	2020
	€m	€m
Direct Economic Value Generated		
Net interest income	2,227	2,089
Other income	762	556
Net impairment gains / (losses) on financial instruments	194	(1,133)
Share of results of associates and joint ventures (after tax)	5	(4)
Gain on disposal / liquidation of business activities	2	13
Direct economic value generated	3,190	1,521

Capex less depreciation (additions to property, plant and equipment, additions to intangible assets, depreciation charge for the year (property, plant and equipment), amortisation for the year intangible assets)

	2021	2020	Notes
	€m	€m	
Capex Less Depreciation			
Additions to property, plant and equipment	73	54	Excludes right-of-use assets and leasehold property.
Additions to intangible assets	247	229	
Depreciation charge for the year (Property, plant & equipment)	(52)	(54)	Excludes right-of-use assets and leasehold property.
Amortisation for the year (Intangible assets)	(150)	(164)	
Total	118	65	

Data Tables

Operations data

	2021	2020
Total scope 1 & 2 (location-based)	12,057 tCO ₂ e	15,579 tCO ₂ e
Total scope 1 & 2 (market-based)	4,307 tCO ₂ e	6,238 tCO ₂ e
Total scope 1, 2 & 3 (location-based)	12,614 tCO ₂ e	17,782 tCO ₂ e
Total Scope 3	557 tCO ₂ e	2,203 tCO ₂ e
Energy consumption (renewable purchased, renewable generated and non-renewable)	Renewably Purchased 33,101,814 kWh Renewably Generated 60,539 kWh Non - Renewable 104,995 kWh	Renewably Purchased 36,669,388 kWh Renewably Generated 27,000 kWh Non - Renewable 2,826,576 kWh
Waste consumption (waste used, recycled, disposed)	29 tCO ₂ e	32 tCO ₂ e
Water usage (water consumed, withdrawn, % of water use in regions with high/ extremely high baseline water stress)	25 tCO ₂ e	217 tCO ₂ e

Data Tables

Operations data

	2021	2020	2019	2018	2017
Group Absolute Scope 1 and Scope 2 Emissions (tCO ₂ e market based)	4,307	6,238	15,963	19,377	21,276
Scope 1 & 2 Market-Based Emissions year on year (tCO ₂ e/m ²)	0.0210	0.0292	0.0706	0.0799	0.0877

Accessibility Data

	2021		2020		2019	
	Daily	Total	Daily	Total	Daily	Total
Accessibility						
ATM Transactions	104,226	26,056,613	115,046	28,876,421	162,425	40,606,233
Over the Counter Transactions	12,745	3,186,361	13,131	3,295,895	18,480	4,620,092
Contact Centre calls	N/A	4,493,414	N/A	4,009,526	N/A	4,008,449
Number of Daily interactions	758,270	N/A	603,467	N/A	N/A	N/A
Number of Mobile interactions	714,199	260,682,795	446,735	163,058,414	N/A	N/A
Number of Active on mobile app	N/A	1,468,814	N/A	978,779	N/A	N/A

Supplier Data

NO. SUPPLIERS AND THEIR FINANCIAL VALUE	2021	2020
Total suppliers	1,877	1,848
Total spend	€1.24 billion	€1.29 billion

Data Tables

Customer Satisfaction Data¹

	MOVEMENT 2021 VS 2020	MOVEMENT 2020 VS 2019
Relationship Net Promoter Score (NPS)	-2	+6
All Channels Customer Effort Score (CES)	-6	N/A

¹ The above metrics cover the Island of Ireland and all personal and SME customers combined, excluding corporate customers.

The customer satisfaction scores mainly reflect the branch closures in October 2021. We anticipate the scores will recover in 2022, supported by a number of initiatives which the Group are implementing including:

- Delivery of functional improvements on the mobile app to provide customers with new capability, financial support and digital stability. Improvements include the launch of the Customer Engagement Engine and delivery of digital financial wellbeing insights on the mobile app. These improvements will help improve the financial health of customers by using data to help them make better financial decisions.
- Additional capacity to streamline and support the account opening experience, both for existing customers and for those joining from other banks in 2022.
- Continued use of customer surveys to get real-time feedback on customer experience to enable the Bank to quickly respond to customer needs.



External Assurance

Reporting criteria

NO.	PILLAR	KEY PERFORMANCE INDICATOR	FRAMEWORK	2021	UNITS	DEFINITION
1	Being Digitally Able	% of colleagues undertaking All Colleague-Future (Digital) Skills Pathways	BOI Reporting Criteria	26%	Percentage	% of active BOIG staff undertaking "All Colleague-Future (Digital) Skills" pathways who registered for at least one of these pathways in 2020 or 2021 and who remained employed by the organisation at 31 December 2021.
2	Employability	% of open roles filled internally through career agility	BOI Reporting Criteria	76%	Percentage	No. of open roles filled internally for Bands 2-7 as a percentage of the total Bands 2-7 roles filled. Band 1 is excluded as these roles are generally entry level.
3	Inclusive Development	% Female senior leadership appointments	BOI Reporting Criteria	45%	Percentage	The percentage of the total 2021 senior leadership team appointments (Bands 4-7) who are female.
4	Financial Capability	National Financial Wellbeing Index Score (Bank of Ireland customers)	BOI Reporting Criteria	65	Absolute	The "Financial Wellbeing Index Score" rating of Bank of Ireland customers as per the large-scale research project carried out by RED C, involving a nationally representative survey of people in Ireland collecting data on people's financial lives.
5	Financial Inclusion	No. of vulnerable customers supported	BOI Reporting Criteria	6,037	Absolute	Number of vulnerable customers supported refers to the number of customer calls accepted by the Bank of Ireland VCU during the year in ROI
6	Financial Inclusion	No. of projects funded through Begin Together	BOI Reporting Criteria	98	Absolute	Number of projects funded through the Begin Together Community Fund and Arts Fund.
7	Providing Sustainable Finance	Drawdown from Sustainable Finance Fund - green mortgages (cumulative)	BOI Reporting Criteria	€1,766,221,245	€	Drawdown from the Sustainable Finance Fund in respect of Green Mortgage products.

External Assurance

Reporting criteria

NO.	PILLAR	KEY PERFORMANCE INDICATOR	FRAMEWORK	2021	UNITS	DEFINITION
8	Providing Sustainable Finance	Sustainability-linked loan commitments	BOI Reporting Criteria	€1,393,220,107	€	Sustainability-linked loans to Corporate customers containing sustainability linked pricing mechanisms to support and incentivise customers to set up appropriate and sector-specific sustainability targets for their enterprises, and to reward them through margin reductions upon the achievement of these targets.
9	Decarbonising our own operations	Scope 1 GHG Emissions (Absolute & reduction from base year) ^{1, 2, 3 & 4}	GRI 305-1	Absolute: 4,285 tCO ₂ e Reduction from base year: 1,294 tCO ₂ e	tCO ₂ e	Gross direct (Scope 1) GHG emissions in metric tons of CO ₂ equivalent.
10	Decarbonising our own operations	Scope 2 GHG Emissions (Absolute & reduction from base year) ^{1, 2, 3 & 4}	GRI 305-2	Market based Absolute: 22 tCO ₂ e Reduction from base year: 637 tCO ₂ e Location based Absolute: 7,772 tCO ₂ e Reduction from base year: 2,228 tCO ₂ e	tCO ₂ e	Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent and & gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent.

1. A GHG source is any physical unit or process that releases GHG into the atmosphere:

- Direct (Scope 1) GHG emissions are from sources that are owned or controlled by Bank of Ireland. Direct (Scope 1) GHG emissions can include CO₂ emissions from fuel consumption. Bank of Ireland's Direct (Scope 1) emissions include fuels combustion, fleet and fugitive emissions.
- Energy indirect (Scope 2) GHG emissions can result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed. Bank of Ireland Scope 2 emissions represent consumption of purchased electricity.

2. We have chosen 2020 as our baseline year in line with that chosen for submission of our Science Based Targets which we are currently in the process of setting. Scope 1 and 2 emissions for 2020 were recalculated in the current year based on improved methodology in calculating emissions.

3. In line with the GHG Protocol, our emissions are presented in tonnes of carbon dioxide equivalent units (tCO₂e) and include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFC). Bank of Ireland emissions have been calculated using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol), the UK Government's emission conversion factors for greenhouse gases (DEFRA), and the Commission for Regulation of Utilities Ireland (CRU) emission conversion factors. Where tCO₂e factors were not available, BOI have converted tCO₂ to tCO₂e using the relevant DEFRA adjustment factor.

4. We have adopted the operational control approach on reporting boundaries. In 2021, emissions reported for Ireland and the UK. Emissions for our operations in the United States, Germany, France and Spain are excluded from our reporting.



External Assurance

Independent Limited Assurance Report

Independent Limited Assurance Report to Bank of Ireland Group plc on the selected ESG information

We were engaged by Bank of Ireland Group plc (“BOIG” or “the Group”) to report on the Group’s ESG information (the “ESG information”) comprising the following: elements of the subject matter information marked with the symbols * and ** per the Responsible and Sustainable Business Report (“the RSB report”) for the year ended 31 December 2021, in the form of two independent limited assurance conclusions that:

- based on our work performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Group’s greenhouse gas emission information (“greenhouse gas emission information”) marked with the symbol ** is not properly prepared, in all material respects, in accordance with the Global Reporting Initiative (“GRI”) standards.
- based on our work performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Group’s other ESG information (“other ESG information”) marked with the symbol * is not properly prepared, in all material respects, in accordance with BOIG’s internally developed guidelines, collectively referred to as “BOIG’s reporting criteria”.

BOIG’s Responsibilities

The directors of the Group are responsible for preparing an RSB report that is free from material misstatement in accordance with BOIG’s reporting criteria and for the ESG information contained therein.

This responsibility includes, designing, implementing, and maintaining internal control relevant to the preparation and presentation of the ESG information that is free from material misstatement, whether due to fraud or error. It also includes selecting the appropriate criteria against which to measure and report the ESG information, and for designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the ESG information.

The directors are also responsible for preventing and detecting fraud and for identifying and ensuring that the Group complies with laws and regulations applicable to its activities. The directors are responsible for ensuring that the Group and staff involved with the preparation of the ESG information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Responsibilities

Our responsibility is to examine the ESG information prepared by the Group and to report thereon in the form of two independent limited assurance conclusions based on the evidence obtained.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements (ISAE) 3410 Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform our procedures to obtain a meaningful level of assurance about whether the ESG information is fairly stated in all material respects, as the basis for our limited assurance conclusions.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

A limited assurance engagement in accordance with ISAE 3000 and ISAE 3410

involves assessing the risks of material misstatement of the ESG information, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances of the engagement and evaluating the overall presentation of the ESG information.

The nature, timing and extent of procedures selected depend on our understanding of the ESG information and other engagement circumstances, and our consideration of areas where material misstatements of the ESG information are likely to arise.

In obtaining an understanding of the ESG information and other engagement circumstances, we have considered the process used to prepare the ESG information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing conclusions as to the effectiveness of the Group’s process or internal control over the preparation and presentation of the ESG information.

Our engagement also included: assessing the appropriateness of the ESG information, the suitability of the criteria used by the Group in preparing the ESG information in the circumstances of the engagement, evaluating the appropriateness of the methods, policies and procedures, and models used in the preparation of the ESG information, and the reasonableness of estimates made by the Group.



External Assurance

We have performed the following procedures:

- Assessed the appropriateness of the reporting criteria for the ESG information.
- Conducted interviews with Management to understand the processes, systems, and controls in place over the preparation of the ESG information.
- Agreed a selection of the ESG information to source documentation.
- Assessed a selection of formulae used and manual calculations performed over the ESG information.
- Assessed documentation associated with the processes and systems to generate and report the ESG information.
- Performed analytical procedures over the aggregated ESG information, having regard to our understanding of the business and through reading the RSB report and narrative accompanying the ESG information for consistency with our findings.

Limited assurance is less than absolute assurance and reasonable assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the evidence gathering procedures performed in response to the assessed risks. Consequently, the level of assurance obtained in a limited

assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review, or verification of the ESG information nor of the underlying records or other sources from which the ESG information was extracted.

We have also read other information included in the RSB report that contains the ESG information and our report thereon in order to identify material inconsistencies, if any, with the ESG information.

Criteria

The ESG information identified by ** was evaluated against the Global Reporting Initiative (“GRI”) standards. The ESG information identified by * was evaluated against BOIG’s internally developed guidelines, and collectively referred to as “BOIG’s reporting criteria”.

Inherent Limitations

Greenhouse gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Limited Assurance Conclusion in relation to matters reported on in accordance with ISAE 3410

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Group’s greenhouse gas emission information identified by ** in the RSB report for the year ended 31 December 2021 is not properly prepared, in all material respects, in accordance with the Global Reporting Initiative (“GRI”) standards.

Limited Assurance Conclusion in relation to matters reported on in accordance with ISAE 3000

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Group’s other ESG information identified by * in the RSB report for the year ended 31 December 2021 is not properly prepared, in all material respects, in accordance with “BOIG’s reporting criteria”.

We have read the other information included in the RSB report that contains the ESG

information and our independent limited assurance report thereon. We did not identify any material inconsistencies in this information with the ESG information.

Restriction of Use of Our Report

Our report is made solely to BOIG in accordance with the terms of our engagement letter dated 18 May 2022 (“the Engagement Letter”). Our assurance work has been undertaken so that we might state to the Group those matters we are required to state to the Group in an independent limited assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than BOIG for any purpose or in any context, save to the extent separately agreed upon in writing with KPMG. Any other party who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any such other party for our work, for this independent limited assurance report, or for the conclusions we have reached.

KPMG
1 Stokes Place
St. Stephen’s Green
Dublin 2
D02 DE03
23 June 2022



Abbreviations

AA	The Automobile Association
AER	Alternative energy requirement
AHEAD	Association for Higher Education and Disability
AML	Anti-money laundering
BDF	Business Disability Forum
BER	Building energy rating
BEV	Battery electric vehicle
CBI	Central Bank of Ireland
CCPC	Competition and Consumer Protection Commission
CDP	Carbon Disclosure Project
CES	Customer effort score
CEO	Chief Executive Officer
CFI	Community Foundation for Ireland
CFT	Countering the Financing of Terrorism
CIPD	Chartered Institute of Personnel Development
CISO	Chief Information Security Officer
DCU	Dublin City University
DORA	Digital Operational Resilience Act
ECB	European Central Bank
ECV	Electrically charged vehicles
EELS	Energy efficiency loan scheme
EMS	Environmental Management System
EPC	Energy performance certificate
ESG	Environmental, Social and Governance
ESRI	Economic Social and Research Institute
FCA	Financial Conduct Authority
FIT	Fast track to IT
FRES	First Rate Exchange Services
FSB	Financial Stability Board
FSQS	Financial Services Qualification System
GDPR	General Data Protection Regulations
GEC	Group Executive Committee
GHG	Greenhouse gas
GIA	Group Internal Audit
GRI	Global Reporting Initiative

HEV	Hybrid electric vehicle
I&D	Inclusion and Diversity
IBCB	Irish Banking Culture Board
ICAAP	Internal capital adequacy assessment process
ILAAP	Internal Liquidity adequacy assessment process
JAM	Just a Minute
KRIs	Key risk indicators
kWh	Kilowatt hour
LATM	Lodgement Automated Teller Machine
LTV	Loan to value
MCRE	Mid-Clare Renewable Energy DAC
MLL	Marshall Leasing Limited
MLRO	Money Laundering Reporting Officer
MW	Megawatt
NFRD	Non-financial Reporting Directive
NGFS	Networks for Greening the Financial System
NGRB	Nomination, Governance and Responsible Business Committee
NI	Northern Ireland
NIRO	Northern Ireland Renewables Obligation
NIST	National Institute of Standards and Technology
NPS	Net promoter score
NWoW	New Ways of Working
OOH	Out of hours
PCAF	Partnership for Carbon Accounting Financials
PHEV	Plug-in electric vehicle
PRA	UK Prudential Regulation Authority
REFIT	Renewable Energy Feed-In Tariff
RESS-1	Renewable Energy Support Scheme
ROI	Republic of Ireland
RSB	Responsible and Sustainable Business
SBCI	Strategic Banking Corporation of Ireland
SBTi	Science-Based Targets initiative
SBTs	Science-based targets
SDGs	Sustainable Development Goals

SEEA	System of Environmental-economic accounting
SFDR	Sustainable Finance Disclosure Regulation
SME	Small and medium enterprises
TCFD	Task Force on Climate-related Financial Disclosures
TCPID	Trinity Centre for People with Intellectual Disabilities
UK	United Kingdom
UN	United Nations
UNEP FI	United Nations Environment Programme Finance Initiative
UNPRB	UNEP FI Principles for Responsible Banking
UNPRI	UN Principles for Responsible Investment
US	United States
VCU	Vulnerable Customer Unit
WRI	World Resources Institute
WWF	World Wide Fund for Nature
YaaL	You as a Leader
YaaM	You as a Manager



