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Find out more

For more information and to download this report, please visit our website:

http://www.bankofireland.com/about-bank-of-ireland/responsible-business/

We want to hear from you

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Pictured on the front cover are

Baggot Street

Claire Lynch, Leanne Murphy and Theresa Behan in Bank of Ireland,



Welcome

Richie Boucher, Group CEO, Bank of Ireland, in conversation with Tina Roche, CEO, Business in the Community (Ireland)

Tina Roche:

Why did you decide to publish this Responsible Business report now?

Richie Boucher:

Well, we're a financial business that is used to reporting on what we do. We have many reports on our financial results but it's important that we are transparent and open and record the involvement that we have in supporting communities and a range of other matters. We are always trying to improve ourselves and as we move to profitability, we're probably able to give more focus to these aspects of our activities.

Can I ask you 'what is a sustainable bank?' What does it look like?

A sustainable bank is like any business, you have to have a business model that stands the test of time. For a business to remain in business it has to be profitable. For a business to be profitable, it has to be meeting the needs of its customers on a consistent basis, and on a sustainable basis. They look for service and they look at the reputation of the provider as well. It's a virtuous circle. I don't think you can put these things in separate boxes, they all influence each other. When you go through challenging times, you find out a lot about yourself and your colleagues.

What's the stand-out part of the report for you?

I think the stand-out is that there is such a lot that is happening in the Bank right now. One of the seminal moments for us was the pride that my colleagues had when we were able to confirm that the taxpayers' money that had been used to support and invest in us, as State aid, had been repaid. Obviously, we shouldn't have got ourselves into that situation in the first place, but I think that repaying the Irish taxpayer was a very significant confidence factor. If we look at our 'Give Together Programme', the flagship charities that we partner with, they're chosen by the staff. What the company does is it ensures they meet a certain required standard. But it is very much decided by the employees themselves, including from within their local communities, because this is discretionary – it's not the whim of the Chief Executive and shouldn't be so. I believe that helps it become self-sustaining. It's volunteerism on behalf of our employees.

I was also particularly gratified last year on the big emphasis on our Be At Your Best Programme which helps colleagues with their physical wellbeing, their mental wellbeing and how they develop their careers. We see the three as being connected with each other.

The harder part is when you're not forgiving on mortgage debt – is one balancing the other?

I don't think we do these things to compensate for being a commercial business – it's all part of it and comes back to sustainability. We have nine out of ten of our customers fully meeting the terms of their mortgages. And you know, for those customers, I'm sure it's not easy. They have to make sacrifices. For those customers who have challenges meeting their mortgages, well, nine out of ten customers who come to us, we can offer them a sustainable solution bearing in mind our equal

responsibility to the other mortgage-holders, to our shareholders and our depositors. It's about the consistent application of our policies and procedures and being clear and transparent about that for our staff and for our customers.

In the report, there aren't very many measurements. Would you consider adding them for the next one?

I think that's something that will evolve but we have to be careful that this is not seen to be a numbers game either. Sometimes things are good, in their own right not because they are in someone's objectives or targets. A target is not the end in itself. The end is doing the right thing.

What would success look like to you?

I think success would be that this is just recognised as part of the DNA of this organisation – not seen as a set of initiatives. That it is aligned to our strategic intent. We're in every community in Ireland and we have to be seen as part of those communities. In the UK, we distribute our products through the Post Office and it's also very much related to the community. So yes, it should be just a part of our DNA.

How are you going to get that kind of alignment?

I help to create the environment and financial resources to enable this to happen. I see myself as an enabler and a facilitator but I'm not the director of it. This has to be something that people want to do, not something that people are told to do.

Do you spend time reminding your staff what you stand for?

What I've had to learn is this - if you spend more time explaining to people why we must do things rather than what to do, then people will understand and get it themselves. It's been very important that we explain why to people over the past five or six years. Putting it in a context so that people can see that there's a consistency of approach. And if we do have to change, we give a clear explanation as to why.

How do you make sure that gets through to people?

I mostly end up writing the communications to the staff myself because it has to be what I believe. And what I believe are the shared objectives we have as an organisation. I want each of my colleagues to understand how those shared objectives relate to what we are asking them to do every day in their jobs. And if we say we're going to do something, we must follow through, we must do it.

I think one of the things you can do is to admire the behaviours you want to see in your organisation. Can you put that through into your reward system?

It's not all about financial or other reward. For example, as you get to roles of higher responsibility, a greater portion of how you are judged is about your ability to nurture people. I think that's right. But things like participation in local communities and availing of the Bank's support for charities; I think if they became part of someone's goals it would take something away from the concept.

Who do you want to read this report?

The most significant target audience we have for this report is our own employees, the eleven thousand people who work here. When they read it, does it seem real for them? Do they recognise the organisation they see in it? I think that's the ultimate test of reality and substance.

When you look at Bank of Ireland from a responsible business point of view, what's the toughest thing that you face?

Everyone is a customer. Customers expect us to deliver. I think one challenge is to ensure that front-line staff have that confidence in our ability to deliver. Often, they can't personally deliver all that has to happen in the chain but they have to have confidence in their colleagues that they will deliver. I think for us, as we go forward, it's to ensure that we make sure that all that was achieved over the last five years wasn't the end in itself. It was just to get us to where we are today. We are constantly trying to improve and that comes back again to why you do a report like this. How can we be better at communicating what we are? Are we transparent? Are we open?

Is making money and being sustainable mutually exclusive?

Well, you have to be honest. We're a business. We depend on shareholders to provide us with capital. It's their money. They could put that money anywhere else, any time they want. So it's important to try to get across that you have a sustainable strategy, it's not a short-term strategy. We're in the business of making money on a sustainable basis but being sustainable and being responsible are not mutually exclusive, they're in fact one and the same thing.

I think we need more people talking openly about the issues and challenges of social responsibility.

Myself and my colleagues see ourselves as custodians of a Bank that has this long history. We were very determined that we saw the Bank through the past few years. The Bank and the country have been through very difficult times over 230 years, but we've always come through. As custodians, you're always asking what did we inherit? What can we do to ensure that whoever inherits from us sees an improvement in all that we do? What I ask of my colleagues is that they be remembered for having tried to do their best.

Thank you.

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Our history 232 years of service

In 1783, David La Touche, our first Chairman. helped to establish Bank of Ireland. His family also supported many charitable and cultural organisations in Ireland with their time and money. For example, David was Treasurer for the Marine School in Ringsend, Dublin, which taught boys aged 7 to 10 whose fathers had died at sea. For the past 230 years, we have aimed to follow this example in the knowledge that we will succeed in business by being of service both to our customers and to the community.

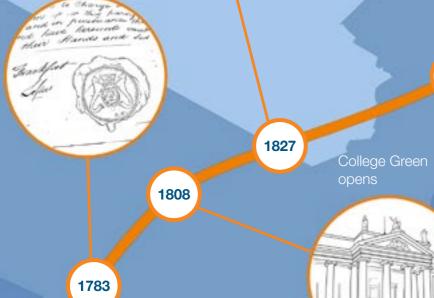






1864







1945

1980

Interest paid on deposits for the first time

of tradeco



2014

2013

2011

2007

2004

€4.8 billion Government and taxpayers



1997

Banking 365 Online launches

1982

2003

Bank of Ireland supports the Special Olympics held in Ireland

fundraising and

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Responsible Business

Audrey Nolan, Head of Corporate Social Responsibility, describes the Group's approach to socially Responsible Business

Our first Report

The publication of our first Responsible Business Report marks an important new chapter in engaging with our stakeholders. In compiling this report, we want to present a comprehensive picture of what is happening across the organisation from the perspective of certain key stakeholders – our customers, communities, colleagues and environment – as well as describing our governance structures. We hope it provides an informative insight for stakeholders into Bank of Ireland and our story in 2014.

A broader picture

This is the first time we have gathered this information together in one report to give a more holistic view of our activities. We understand that readers may be aware of some customer initiatives like our 24-hour customer promise or our National Enterprise Weeks but may be less familiar with our UK Post Office partnership. Similarly, they might recognise our name on rugby jerseys but not know that all our colleagues get paid leave and matched funding as they volunteer to support charities and community group initiatives. Or that we have been a partner of AHEAD for over 10 years, encouraging diversity in local communities and that we support the oldest payroll giving scheme in Ireland, or that we were the first financial institution in the world to be ISO50001 (EN16001) certified in 2010 and have Ireland's only carbon trading desk.

We are on a journey

We present this detailed overview of the current initiatives and business practices that comprise socially responsible business, in the knowledge that in many respects we are on a journey that requires our continued focus and attention. Future reporting will allow us to keep you updated on our progress.

Materiality and governance

We will review the reporting framework and structure to ensure the report remains relevant and material to our business and our stakeholders. We have put in place a governance structure for this Responsible Business Report which has brought together a diverse group of colleagues from across the business, collaborating on ideas and prioritising areas of importance for the Bank. Alongside this, there is extensive engagement and oversight at the most senior levels of the organisation.

Continuous improvement

Simply by sharing the diverse ways in which we strive to be socially responsible, we have already identified and begun to make improvements in the ways we work. We hope to bring greater coordination to the various initiatives already under way and to discover how we can build on them to address any areas that need further attention.

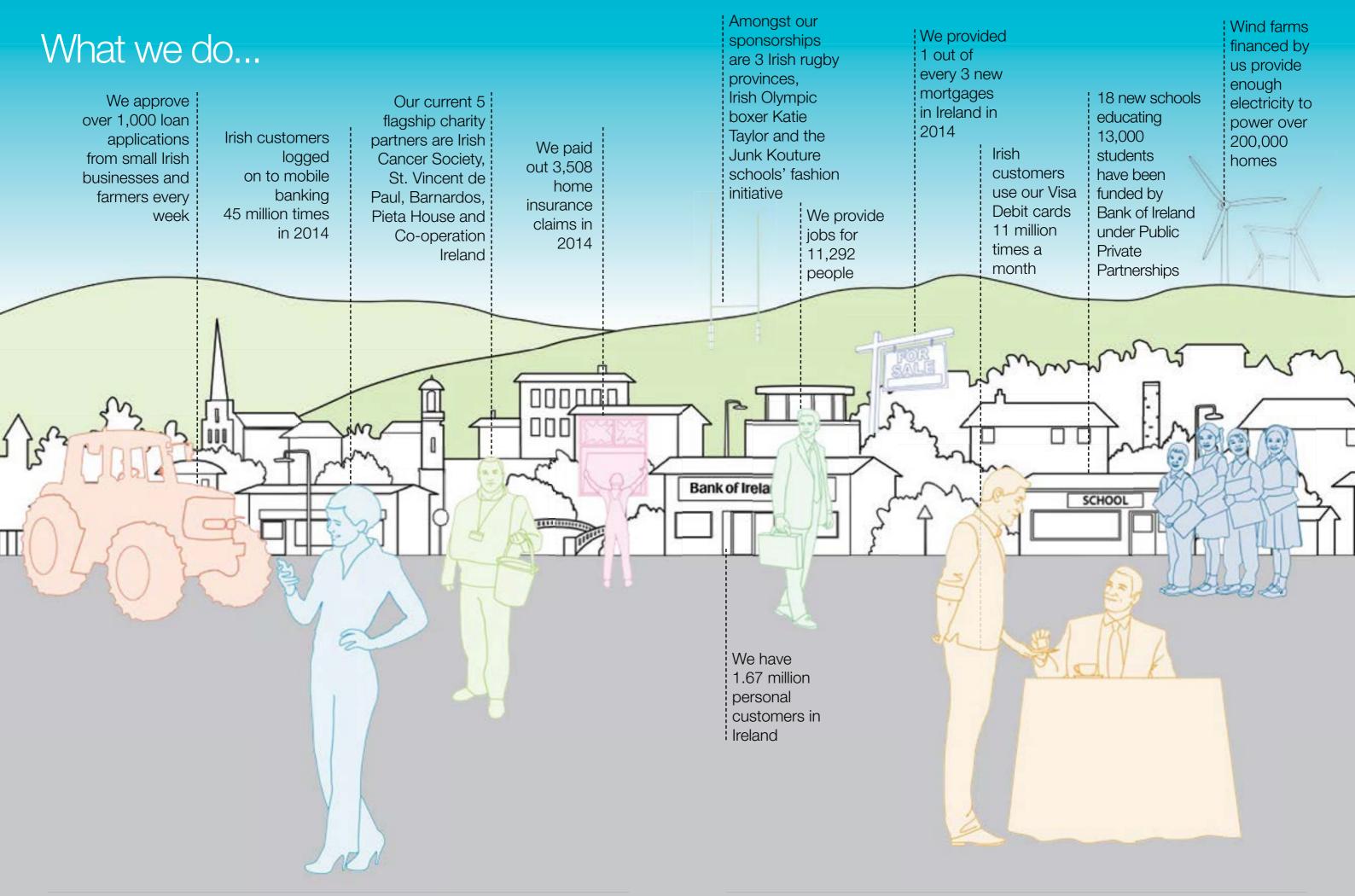
Active involvement

Many of the initiatives covered in this report were brought to life by individuals across the Group who had the vision and input needed to be of service to our customers and the community. You can read some of their stories in the report. It is their active involvement in the pursuit of many good causes every day that makes Responsible Business a way of working.

Reading this report

I appreciate that this is a comprehensive report and for that reason we have included a highlights section that gives a flavour of the whole document at the start. There is greater detail in the Customer, Community, Colleagues, Environment and Governance sections after the highlights. At the back of the report, we have included more information about how it was compiled and what the next steps





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At a glance - 2014

About Bank of Ireland Group

About Bol Group

Bank of Ireland Group (the Group) is one of the largest financial services groups in Ireland with total assets of €130 billion as at 31 December 2014. The Group provides a broad range of banking and other financial services. These services include; current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, instalment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally.

Retail Ireland

Retail Ireland offers a comprehensive range of banking products and related financial services to the personal and business markets including deposits, mortgages, consumer and business lending, credit cards, current accounts, money transmission services, commercial finance, asset finance and general insurance. Retail Ireland serves customers through a distribution network of branches, central support teams, ATMs and through direct channels (telephone, mobile and on-line).

Bank of Ireland Life

Bank of Ireland Life includes the Group's wholly owned subsidiary, New Ireland Assurance Company plc (NIAC). Through NIAC, the Group offers a wide range of life assurance, pension, investment and protection products to the Irish market through the Group's branch network, its financial advisors (direct sales force) and independent brokers.

Retail UK

Retail UK primarily comprises consumer and business banking via a branch network in Northern Ireland, its UK residential mortgage business and the business partnerships with the UK post Office. Most of Retail UK's operations are conducted through the Group's wholly owned UK licensed subsidiary, Bank of Ireland (UK) PLC.

A range of retail financial services are provided in the UK via an exclusive relationship with the UK Post Office and a range of other partners. This gives the Group access to an extensive distribution network through which it distributes mortgages, personal lending, savings, insurance, banking and foreign exchange products and a large fleet of ATMs.

Corporate and Treasury

Corporate and Treasury comprises the Group's Corporate Banking and Global Markets activities across the Republic of Ireland, UK and selected international jurisdictions. The division also incorporates IBI Corporate Finance and includes the Group's Liquid Asset portfolio.

Corporate Banking

Corporate Banking provides banking services to major corporations and financial institutions. The range of lending products provided includes overdraft and short term loan facilities, term loans, project finance and structured finance. Corporate Banking also includes the Group's Leveraged Acquisition Finance (LAF) business.

Global Markets

Global Markets transacts in a range of market instruments on behalf of both the Group itself and its customers. The activities include transactions in interbank deposits and loans, foreign exchange spot and forward contracts, options, financial futures, bonds, swaps, forward rate agreements and equity tracker products. In addition, Global Markets manages the Group's liquid Asset Portfolio.

IBI Corporate Finance

IBI Corporate Finance advises publicly-quoted, private and semi-state companies across a variety of domestic and international transactions.

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At a glance - 2014

Our head office

The Bank of Ireland Group is incorporated in Dublin, Ireland. Our Group Head Office is at:

40 Mespil Road Dublin 4 Ireland

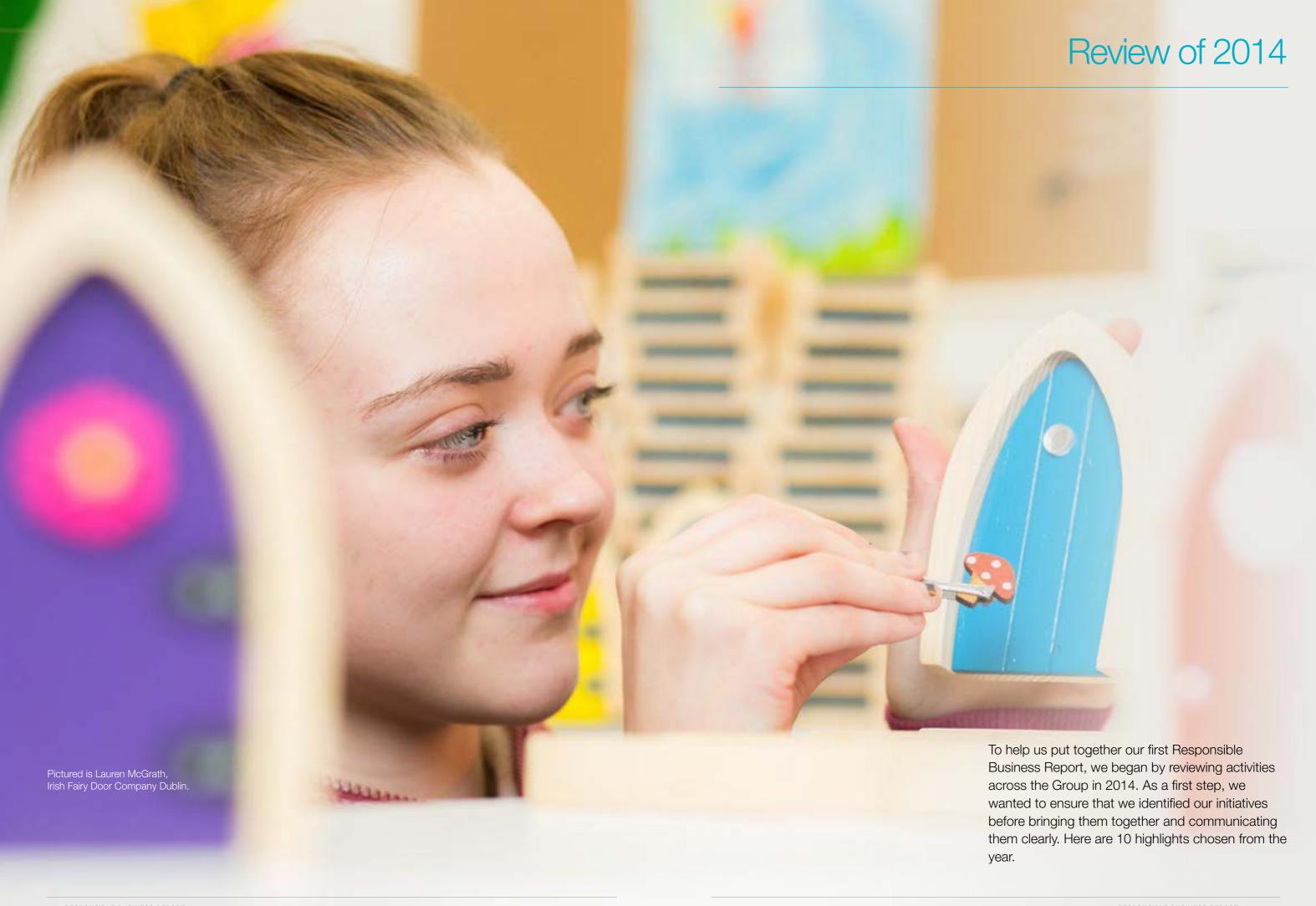
Tel: + 353 1 661 5933 Fax: + 353 1 661 5671

Website: www.bankofireland.com



Bank of Ireland for small steps, for big steps, for life

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At a glance - Customers

Largest lender in Ireland

1st

Average approval rate in 2014 for Irish SME loan applications

88%

Branches in
Republic of Ireland and
Northern Ireland

Number of awards won by new Tablet app

3

Benefits paid out by Bank of Ireland Life in 2013

€102.5 million

Hours within which we promise to respond to customers



Number of days after new account opened that we contact customers to listen to their experience

10

Customers with Bank of Ireland UK financial services products

3 million

Number of communications that received a Crystal Mark from Plain English Campaign in 2014

150



Supporting jobs & growth

Supporting jobs & growth

Funding small business & farmers

In 2013, we set ourselves the challenge of becoming Ireland's Enterprise Bank for business. This meant providing the lending that new businesses needed to grow at a time of very difficult economic conditions. This year, we approved €4.5 billion in new and increased SME lending facilities − up 13% compared to 2013. We are now the largest lender into the Irish economy. We received 61,000 applications in 2014 averaging over 1,000 applications per week.

Providing expertise

We believe that being the Enterprise Bank means playing a much bigger and more active role than simply providing finance. Getting access to the right expertise at the right time is key if small businesses are to survive and grow. That is why we have recruited experts from the hospitality, healthcare, motor, ICT, agriculture and retail sectors to provide the advice and insights that will help businesses to develop and grow.

A wealth of experience in the hospitality sector

In the hospitality sector for example, Gerado Larious Rizo, our Hotel Sector Specialist has more than 15 years of international and local experience of the sector. Here's what Colm Herron of Hillgrove Hotel Monaghan says of the support he has received.

"Bank of Ireland's progressive approach, informed and supported by sectoral knowledge, facilitated the provision of valuable support enabling me to continue to develop and invest in my business. As far as financing in the hospitality sector is concerned they are really the only show in town."

Helping communities boost their local economies

Every year since 2009, we have run National Enterprise Weeks in May and November to help entrepreneurs set up and manage successful, sustainable businesses. In 2013, we added a new initiative, the Enterprise Town, and selected Kells in Co. Meath to launch it. Creating an Enterprise Town is a way of providing local communities across Ireland with a focused opportunity to come together, promote their local businesses and boost economic growth. Local bank colleagues, members of the local Chambers,

local businesses, the local councils, schools and communities organise a comprehensive programme of activities, supported by us, including enterprise and jobs fairs. It is a unique way of getting the whole community together to find ways to grow the local economy and, in doing so, help rekindle a shared sense of identity and purpose. This year, as part of our National Enterprise Week activities, we selected two Enterprise towns – Rathdowney, Co. Laois and Granard, Co. Longford.

stage financial services start-ups to work over a part-time five-week programme that started in May 2014. During the programme, the 8 successful start-up ideas got unrivalled access to leading mentors from the financial services sector, seasoned technology entrepreneurs and the investment community.

Focus

Kells, one year on...

Does the Enterprise Town effect last long after the main burst of activities has finished? To find out, we went back to Kells a year later to see what difference it made. What had improved?

"Since Kells became the first Enterprise Town in 2013, 12 new retailers have opened up, reducing the empty units in the town from 14 to just four. They include health and nutrition shops, a solid fuel depot, a pharmacy, a milliner's, a new restaurant 'The Station' and O'Connor's pub. In addition, two new start-up companies decided to locate at the Business Park in 2014 creating 50 new jobs over the next two years. SWG and MDS Global Technologies, will create the jobs in the Kells Enterprise and Technology Centre, across a number of areas, including engineering, research and design, sales and support, marketing and administration. National Enterprise Town worked because it involved a cross section of the community – including local businesses, Chamber of Commerce, schools and public representatives."

Mary Rohan, Manager, Bank of Ireland, Kells, Co. Meath

Giving start-ups greater recognition

This year, for the first time, we sponsored the National Start-Up awards which are open to new start-up companies across Ireland and celebrate the innovation, ingenuity and sheer hard work they demonstrate to succeed.

Two programmes for entrepreneurs

In addition to funding and expertise, new businesses can benefit greatly from practical coaching. In 2014, we launched the National Accelerator Programme to help new startups and talented entrepreneurs across all sectors create strong, viable, dynamic businesses. We chose the seven start-ups in September and for three months they were coached by some of Europe's leading mentors, including Bill Liao and Sean O'Sullivan from SOS Ventures and Gavin Duffy from 'Dragon's Den'.

We are also one of the key co-founders of the National Digital Research Centre's (NDRC) FinTech programme (financial technology) which was launched in March. The FinTech programme recruited eight early

Providing seed funding

Young companies need capital so they can grow. We currently have three seed funds in operation which are available to support entrepreneurs with innovative ideas for developing products and services with export potential:

- BOI Seed and Early Stage Equity Fund run by Kernel Capital
- BOI MedTech Accelerator Fund run by Kernel Capital
- BOI Start-up and Emerging Sectors Fund run by Delta Partners.

Our involvement in these funds totals €50 million and the areas of investment for the funds include technology, technology services, clean technology, green technology, multimedia, wireless, software, internet, financial services and food.

Lending criteria terms and conditions apply to lending facilities. For more information see http://personalbanking.bankofireland.com/
Bank of Ireland is regulated by the Central Bank of Ireland.

Focus

Always look to tomorrow

"The main barrier to growth for the owner is getting tied up in day-to-day activity without the time to look beyond the immediate business issues. It's critical to get those first 'anchor' clients - big accounts that will give you the foundation early. But it's equally important to step back and work out how you will diversify your customer base. In our first year, one client accounted for nearly 40% of our business - they still do as much with us but now, thankfully, they account for 11%. That's because we were able to step back and work out similar profile accounts who we could grow into and because of that we have a larger, and more diverse client base."

Darragh Richardson,

Managing Director, Agile Networks, Winner of Start-Up Awards Grand Prix 2014

Microfinance Ireland

Microfinance Ireland (MFI) was launched in October 2012 with the aim of supporting micro enterprises that are having difficulty securing credit; primarily loans and overdrafts between €2,000 and €25,000. We work closely with MFI and our customers, advising them of their right to approach MFI where eligible.

Three things we're doing to help businesses get the most from social media

More and more customers now expect businesses to engage with them using social media. But what is the best way to do this? We have formed partnerships with social media experts Twitter, Facebook and Google to help new and existing companies to make the most of the potential of social media by providing them with the latest advice and practical tips.

Official Twitter Partner for Small Business



As the Official Twitter Partner for Small Business in Ireland we provide master classes, educational content, marketing tips and best practice advice, developed in partnership with Twitter, to help SMEs grow their presence online.

2. Facebook Programme

In 2014 we also launched our Facebook Programme which helps SMEs grow their businesses, create jobs in their local community and connect with customers worldwide. The Programme also provides our business customers with bespoke training and a 30-day one—to—one support service to help them if they want to set up Facebook advertising campaigns.

3. Enabling Enterprise

In July 2014, we held an Enabling Enterprise event with Google at their EMEA Headquarters in Dublin, at which we announced the launch of a new programme for 50 companies offering five dedicated workshops of customised training over a 90-day period. The programme ran from September to November, 2014, and was designed to support participating companies in developing their sales revenues digitally, with a specific focus on export markets.

Sponsor for a day

Gahan Meats, based in Finglas, and Ryan Stoves of Tipperary won our 2013 'Sponsor for a Day' competition. The competition was open to businesses across Ireland and the prize included a sponsorship package, to include logos displayed on players' jerseys at Leinster and Munster Heineken Cup games. Gahan Meats won a sponsorship package for the Leinster vs. Ospreys game at the RDS on Friday, 17th January and Ryan Stoves prize was for the Munster vs. Edinburgh game at Thomond Park on Sunday, 19th January. Both winners received a prize valued at a minimum of €50,000 which included their company logo on the Leinster and Munster players' jerseys; pitch signage; corporate hospitality for 10 guests; a match programme advert; photographs with the team; profiling support from Bank of Ireland, Munster and Leinster Rugby and Independent News and Media through press and media.

The Enterprise Lounge

The Enterprise Lounge on Grafton Street is a free WiFi-enabled work space that we offer to all entrepreneurs and small business owners for meetings, to catch up on emails, to network and to attend business seminars. We are planning to roll out more Enterprise Lounges in 2015.

Here's what Susan Coen-Collins of Let's Agree Mediation said about the Lounge: "The Enterprise Lounge affords a new or emerging business a very important bridge to link us from where we are to where we are trying to get to. It afforded me the opportunity to work with and meet potential clients and business connections at no cost. It's been one of the best ideas yet to surface in the business world."

If you want to use the Enterprise Lounge, contact us at enterpriselounge@boi.com

Providing funds to business

We are the largest lender into the Irish economy but we are aware that some businesses still feel that they cannot get the funds they need to grow. So what's going on? We want to support the business community and are looking for opportunities to lend to sustainable businesses that will succeed long-term.

Funding new schools

We are the leading financier of infrastructure projects in Ireland and have supported many of the major infrastructure investments in the past five years. To give one example, over 13,000 pupils are now attending lessons in 18 state-of-the-art schools funded by Bank of Ireland under the Public Private Partnership (PPP) model since 2009.

Developing our road network

In April 2014, we announced that we had co-funded a Public Private Partnership (PPP) project to construct the new N17/N18 road between Gort and Tuam in County Galway. Construction started later in the year and the road is expected to be completed during 2017. The Bank is part of a group of funders who are providing over €300 million of debt for the project. Meanwhile the Newlands Cross junction upgrade will mean the removal of the last set of traffic lights on the national network between the border and Cork, Waterford and Limerick. The flyover opened in November 2014, removing a bottleneck on the national roads system that affected 80,000 vehicles a day.

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Supporting jobs & growth

Interview

Supporting farmers

We are the largest lender into the Irish economy, and we are benefiting from and contributing to economic recovery. We want to support the business community and we need to provide funds to sustainable businesses that will succeed over the long term.

How are you supporting farmers?

We want to fund growth in the Agri sector in a sustainable manner. In terms of capital availability, we launched a €1 billion fund in 2014, which runs to 2017. We understand that price volatility plays a large part in farm finances - an example of this can be seen in falling milk prices per litre in 2014. However, when we're comfortable that the plans for a farm are viable in the long term, we'll support them.

Agriflex loans

To recognise price volatility, in 2014 we launched AgriFlex, designed to enable capital repayments within the agreed mutual term to be adjusted up and down depending on cash flow and external stages in the cycle.

What expert advice are you providing?

We held an Agri seminar called Prudent Expansion Post Quota Abolition at Ballygarry House in November as part of National Enterprise Week. The seminar featured Kerry GAA football Manager Eamonn Fitzmaurice talking about leading a successful team, Gerard Courtney of Teagasc discussing the technical aspects of expansion, Pat Byrne, Bank of Ireland's Agri Development Manager giving our perspective and Dr Denis Brosnan, former Managing Director of Kerry Group, speaking on what it takes to be a success.

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What research have you funded?

We're committed to funding research on the investment requirements for the sector with Teagasc, the Irish agriculture and food development authority. In 2014, we sponsored a report produced by UCD, 'Innovation in the Irish Agri-food Sector', which was based on interviews with stakeholders across the sector and an analysis of data from Eurostat, the OECD and the Teagasc National Farm Survey.

What else would you like to add?

I want to make it clear that we are not solely reliant on international models with regard to investment criteria for the Irish dairy sector. Our investment is made on the strength of both capital and interest amortisation and not just on the ability to pay interest alone.



Sean Farrell, Head of Agri, Bank of Ireland Business Banking



Supporting homeowners

Helping people to buy a home

We approved €2.3 billion in mortgage facilities in 2014 for customers in Ireland enabling first-time buyers and homeowners who want to move to get the home they wanted. These approvals included mortgage solutions for people in negative equity who wanted to move because of a growing family or a need to be closer to work. They also included solutions for people with tracker mortgages who wanted to retain those benefits. In addition, Bank of Ireland UK lent sterling £1.8 billion in mortgage finance (50% of this was to first-time buyers).

Paying our customers' stamp duty for them

In Ireland, during April 2014, we launched an offer to refund the stamp duty for firsttime buyers up to 1% of their mortgage amount, helping them to get their foot on the property ladder. We have extended this to 31 December 2015 and widened the offer to include movers as well as first-time buyers.

Terms, conditions and restrictions apply to the stamp duty offer see https://personalbanking. bankofireland.com/borrow/mortgages/

Providing greater choice

We offer fixed rate mortgages to new and existing customers, including the only 10year fixed rate mortgage available in the Irish market. Fixed rate mortgages are an option for homebuyers looking for certainty in their repayments in the current low interest rate environment.

Mobile mortgage managers

In 2014, responding to customer feedback, we introduced a team of 15 mobile mortgage managers who are available to meet with customers at a time and place of their choosing, including evenings and weekends. This service has been very well received by our customers and we are currently growing

Making buying a home easier

Responding to customer feedback, we also launched 'House-Hunter mortgage approval' so customers could get full mortgage approval before deciding on a suitable property. House-Hunter mortgage approval is a fully underwritten offer letter which is valid for six months, giving homebuyers the confidence that they can go ahead with the search for their new home knowing they have a firm offer.

Supporting people to improve their homes

While some families want to move, others want to improve their existing homes. In October 2014, we launched a new Standard Home Improvement Loan. The loan is available to anyone seeking facilities to undertake home improvements. The maximum term is seven years and customers can borrow between €5,000 and €65,000.

Encouraging people to talk with us

We encourage customers in difficulty to come and talk to us early so that we can work with them to identify an appropriate solution. There are a range of options for customers in arrears, or facing potential arrears, in order to arrange, where viable, sustainable mortgage repayment solutions. The key factor in deciding on the most appropriate option is what the customer can afford, which is determined through a comprehensive review process with our customers. Suitability for the most appropriate option depends on each customer's particular circumstances as assessed through completion of the 'Standard Financial Statement' or 'Financial Review Form'. Nine out of 10 homeowner customers, where repayment difficulties had been identified through a Standard Financial Statement (SFS), were offered a sustainable restructure option to assist them.

Improving accessibility

All our branches are, where planning laws permit, accessible for customers with physical disabilities. Our branch staff make accommodation for customers with different levels of ability and are on hand to assist those who wish to use alternative methods to over the counter in our branches. We provide statements printed on our Braille machine in Cabinteely for approximately 26 customers a month and we use induction loop technology for customers with hearing difficulties at selected branches. In November 2014, we met with the Irish Wheelchair Association, the National Adult Literacy Association and the National Council for the Blind (Ireland) to see what more we can do to help customers with varying levels of ability in 2015.

Focus

Making it simpler to fill in a complex form

In a survey we conducted in December 2013, 33% of people who responded found the Standard Financial Statement (SFS) difficult, long and complex to fill out. They felt they needed to seek help to work out what they were being asked. In response, we completely revised the quidelines we provide to customers, showing more clearly how to fill out the SFS (a common form used by all Irish banks). The Plain English Campaign, the world's longest-running plain language organisation, gave our new guide a Crystal Mark to show that they felt it was clear and easy to follow.

"We commend Bank of Ireland for their efforts to help consumers through the financial maze."

Chrissie Maher, OBE, Founder Director Plain English Campaign

Lending criteria terms and conditions apply to lending facilities. For more information see http://personalbanking.bankofireland.com/ Bank of Ireland is regulated by the Central Bank



Listening to our customers

Surveying customers

We listen to what our customers are telling us every day to find out how we can do better. Our Voice of the Customer unit uses market research to conduct a telephone survey of 600-700 customers every week to hear what customers have to say. The information and insights that our customers give us are shared on a dashboard on our intranet site where all our colleagues can keep up to date with what individual customers are saying about, for example, the counter service in a specific local branch or a particular product. In 2014, the unit carried out detailed research with our new mortgage customers, customers in mortgage arrears, business banking and direct lending among many other programmes of research. The results provided us with critical insights from our customers into how we could improve ways we work and the products and services

The Customer Council

This year, we invited customers to join a Customer Council so they could meet with us to give us their opinions on our products and services to help guide our efforts as we strive to improve what we do. Here's what one Customer Council member, Paul Bohan had to say:

"I've been engaged with Bank of Ireland over the past 18 months, meeting them on a quarterly basis together with a number of other customers. The Customer Council works in two ways: we share our feedback with Bank of Ireland executives in an open and transparent fashion and Bank of Ireland share their plans and proposals with us and solicit our input. Banking is important in all our lives and I'm delighted to be part of the Bank of Ireland Customer Council and play my part in keeping change rooted in what the customer wants rather than the bank."

Listening to what is being said about us

Our social media presence on Boards.ie, Twitter, Facebook, Linkedin, Instagram and YouTube, as well as our regular surveys of internet comments and discussions across the web, help us to understand what customers are saying about us in real time. It also helps us to give answers to their questions.

Social media indicators 2014

Secure messaging queries received: **153,136**

Boards.ie views:

351,189

Boards.ie comments made:

3,792

Facebook 'likes':

14,042 (Bank of Ireland)

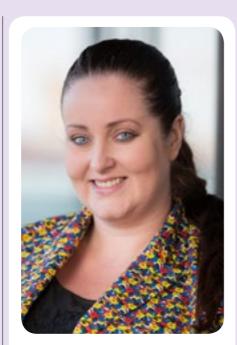
Twitter followers at end of 2014: 7,142 (@talktoBOI) 19,625 @bankofireland) 56,510 (@BOIstudents) 14,641 (@BOIBusiness)

Tweets for @talktoBOI: 12.268

Cybercrime

We have a security section on our website which provides a glossary which explains all the key terms from 'phishing' to key-logging'. It gives you advice on what to watch out for when downloading files, using public computers and buying or selling online. It also tells you the ways to contact us if you encounter suspicious activity when using an ATM, online or mobile banking. Remember:

- We will never send you an email asking you for your account details;
- We will never phone you to ask for personal or financial data;
- We will never send a courier to pick up your Visa debit or credit card.

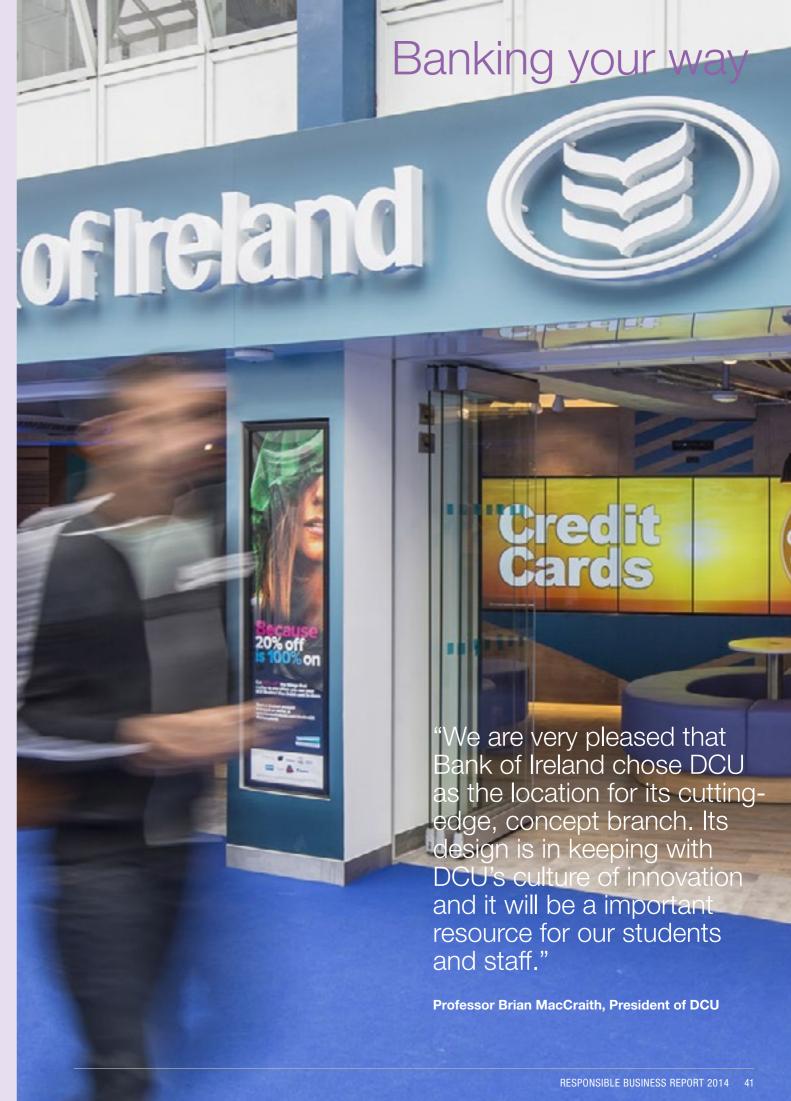


Focus

Social never sleeps

"People love social media and our customers are no different. They can interact with us in a space where they are most comfortable, at a time that suits them and in language that they understand. Social never sleeps. People can ask us something as soon as it pops into their heads. We're here to support customers on Boards.ie and Facebook Monday - Friday. Outside of these times people can still write to us and we answer them as soon as we are back online. Twitter is the busiest of all of our social channels and we are available 24/7. On Twitter, people generally ask short questions like 'who do I ring for...?' Customers using Facebook tend to focus on their individual customer experience with a particular area of the Bank, while Boards.ie has multiple discussion threads that cover a range of topics."

Fran Boyce, Manager, Web Engagement Unit, Bank of Ireland



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Banking your way

Our branch network

We are continuing to extend our range of channels, giving customers greater choice over how they do business with us. Our national branch network remains the largest in Ireland. In 2014, we opened new branches in Dublin City University, Mainguard Street in Galway and Derry/Londonderry in Northern Ireland. Our c. 250 branches in Republic of Ireland and c. 36 branches in Northern Ireland will continue to be an integral part of our multi-channel approach to serve personal and business customers in Ireland. We are investing heavily in upgrading our branch network and plan to open a number of new branches to meet customer demand. The Bank's strategy is that this extensive unmatched presence in communities will be recognised by customers locally through increased business flows.

New tablet app

We spoke with our customers before designing and launching our tablet app in 2014. We did so with their needs in mind based on a clear understanding of how they choose to use their devices. The app was received very positively by our customers and was awarded. a "Gold Appy" for the Best Branded App and two "Silver Appys" for Best Tablet App and Best Financial Services App at the 2014 Appys the first award in the world to celebrate great apps. Terms and conditions apply

Bringing banking to your workplace

As well as providing a large branch network, we also 'bring the bank to work'. Our Bank of Ireland @ Work service brings day-to-day banking to larger workplaces saving their staff time. The main reason that users of our Bank of Ireland @ Work give for using workplace banking is convenience. With busy lives to lead, having the bank come to them makes life that little bit easier. Terms and conditions apply

New ways to bank

In 2013, we began introducing Lodgement ATMs into our branches so that customers could lodge multiple notes or cheques. At the same time, we changed our coin policy to designate specific days for the acceptance of fully–bagged coin lodgements.

Bank of Ireland is regulated by the Central Bank of Ireland

Many customers now use the Lodgement ATMs and appreciate being able to lodge funds quickly.

However we do not want to prevent our customers getting a personal service when they walk through the door. In fact, we want to make it more personal. We do, though, want to change the service we offer. We want to make transactions like lodging and withdrawing money faster by providing self-service options so that we can spend more time with customers on more complex enquiries like arranging mortgages, loans and insurance.

Relying on counter services meant that people who simply wanted to lodge a single cheque were queuing alongside retailers bringing in bags of coin and customers wanting a more detailed conversation about, say, an overdraft. It sometimes meant a longer wait than was necessary and could be frustrating. What we now offer is a range of options from online banking, mobile and tablet banking to Lodgement ATMs in branches alongside traditional counter service. Terms and conditions apply

Helping customers to protect themselves

In April 2014, Bank of Ireland Life issued its claim statistics for 2013, which saw the Bank pay out over €102.5 million in life, serious illness and protection claims. This was an

almost 10% increase in claims paid out over the previous year. Dublin had the largest number of life claims paid out at 31%, followed by Cork with 14%. In the four years from 2009–13, we paid out over €385.1 million in protection claims. Cancer and heart–related illnesses continued to be the two major threats to the nation's health, with over half of all life cover claims and 71% of all serious illness claims being made for these illnesses. Terms and conditions apply

Help after the storms

In February, we announced a new €20m fund for businesses and homeowners affected by the bad weather and heavy flooding at that time. People who applied were able to access priority loan approval, often within 24 hours. It gave emergency access to discounted lending for personal, business and agri customers and we also accepted applications from people who were not customers of the Bank.

A voice at the end of the phone

Nobody wants to be in the situation where they have to claim for an accident or serious illness but if they do, they can speak directly to one of our trained claims agents who treat each caller with care and consideration. Each of our agents is qualified with a Diploma in Life & Disability Claims and completes professional development every year, attending a wide range of medical lectures given by experts from, among others, St. Vincents' University Hospital and the Mater.

Focus

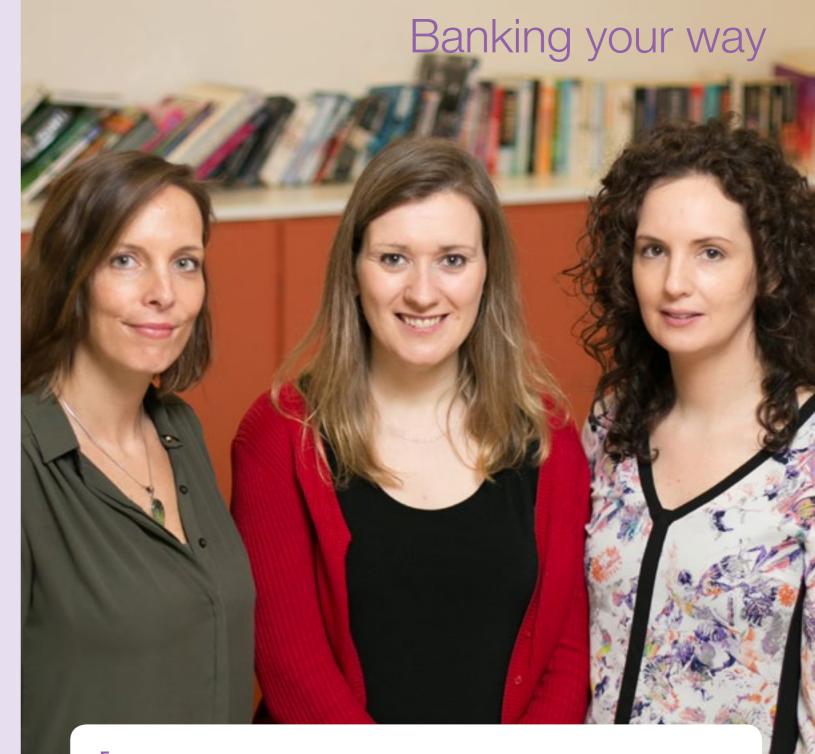
Helping customers with self-service options

"For customers who need help with self-service options we support them to see what they require and how we can help. We'll lend a hand if needed but we'll also ask them afterwards how they found the experience in case there's a better way in which we can help solve something for them. For some customers it's often about checking that they are feeling safe and secure when using self-service. I get our welcome advisers to walk up and down the floor actively looking to help – not standing in one spot waiting for customers to approach them, because customers may well have an issue but not seek help."

Anna C Ni Fhiannusa

Senior Customer Services Manager, Bank of Ireland, Waterford City branch





Focus

A huge part of the job is just listening...

"Many people want to talk to someone, a stranger, about what they are going through and find that just talking in itself is a great comfort. They often thank me for listening at the end of the call. We also have people who call into the building and customers who we will meet for a coffee.

It may take two or three calls to break the ice and build a rapport with someone. At first, the calls might be short but gradually they grow longer as they open up and are honest about the day to day challenges they are facing.

Sometimes people can be quite lonely when they are unable to work or get out of the house easily. I try to find common ground. It can be something simple like talking about your kids. It's quite common for people who have been in an accident to become frustrated with the length of time that their rehab is taking to get them back to a better level of ability.

It's also sometimes the case that even once a person has completed their rehab and is medically fit to return to work (often on a phased basis at first) they may lack the self-confidence to do so and need encouragement in order to regain their confidence."

Niamh, Kathy & Anne-Marie,

Claims Assessors, New Ireland Assurance

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Banking your way

Bank of Ireland UK

"Bank of Ireland UK has access to the biggest banking network in Britain with 11.500 branches more than all other retail banks operating in the UK combined. That is because Bank of Ireland provides all the banking services sold in the UK by the Post Office. This partnership has attracted 2.7 million customers for savings, insurance. loans and credit cards. It accounts for a quarter of all over the counter foreign currency changed in the UK."

Des Crowley,

Chief Executive - Retail UK

UK Customer Experience Awards

The Post Office Financial Services' Customer Delivery Team won the award for "Business change or transformation, focused on improvement" and were acknowledged for "Best Team: listening & responding" at 2014's UK Customer Experience Awards. The team's submission and presentation, judged on the day, embraced all the joint work done between the Post Office and Bank of Ireland UK including our partners UK Operations in Group Operations & Payments and Group Technology and Change.

Our UK Post Office partnership

Through our exclusive partnership with the UK Post Office, we offer a range of innovative and transparent products that provide UK consumers with a genuine and accessible alternative to the large retail and commercial UK banks. We have worked successfully with the Post Office for over a decade and together we serve approximately 2.7 million customers. With over 11,500 branches the Post Office has the largest retail network in the UK. The Post Office is currently investing in all their branches, with 4,000 modernised so far, including more than 300 Crown branches at the heart of city centres and high streets, and a new fleet of 40 mobile branches serving 250 rural communities.

"At the Post Office we have been at the heart of communities across the UK for over 300 years. We provide millions of people with easy access to vital services including our growing range of financial services. We are modernising our extensive branch network of 11,500 branches, with thousands of branches now open for longer hours, including Sundays. With 97 per cent of people living within one mile of a Post Office branch we offer unrivalled reach, and real choice and convenience, especially for those customers who live in rural communities."

Nick Kennett, Director of Financial Services, Post Office

First Rate Exchange Services

First Rate is the UK's market leading foreign exchange joint venture between Bank of Ireland and the UK Post Office. Having listened carefully to customers on how they use and would like to use Travel Money Card Plus, our innovative mobile app was launched last year. The app has broadened the appeal of the programme and provided customers with a convenient tool for using and managing their travel money whilst on the move. Customer feedback regarding the app has been positive, with over 100,000 downloads just a few months after launch leading to significant changes in customer behaviour, further reinforcing the Post Office's position as the No.1 provider of travel money services in the

Help to Buy Mortgages

In 2014, Bank of Ireland UK announced the details of its Help to Buy mortgages which are available through its Northern Ireland branch network for both first time buyers and home movers. There are two fixed rate products offered under the scheme for a term of 2 years and 5 years, with a loan to value of 90 – 95%. The scheme is designed to help those who want to buy their first home or move up the housing ladder but can afford only a small deposit

24-hour promise

The 24-hour promise, launched in 2013, is a personal commitment between us and our customers, and was rolled out across the Bank in 2014. In Ireland if a customer asks us something that can be done on the spot, we'll do it. But whatever the customer asks us, we promise to get back to them within 24 hours with a clear response. Customers might ask us for help with something small like a change of address or they might want to know how they can get a mortgage. Either way, we'll always get back to them by the next day at the latest. This promise to the customer is symbolised by the personalised promise card that we give them. In 2014 we made 87,000 promises and delivered on 97% of them.

Opening accounts faster

Customers told us they wanted us to speed up the time it took us to open accounts for them so we came up with a paperless approach. The Application Services Centre enables staff in the branches and contact centre to open an account on-screen on an iPad, face-to-face, with the customer directly involved in the process, thereby greatly reducing the potential for errors. The new account application is sent from the iPad directly to our Cabinteely Operations centre to be set up, instead of via paper sent in the post. The customer is then sent emails and texts letting them know the progress of their application and when their account is set up. Terms and conditions apply

Making sure customers have everything they need

This year, we began making phone calls to new customers 10 days after they joined us, simply to make sure that everything is working the way they would like it to. Have they received everything they need to run their account effectively? Have they activated 365 online? Is there anything we can help them with? Importantly, this is not a sales call. Instead, we focus solely on helping customers.

Communicating in simpler, clearer, friendlier ways

Making it easier to do business with us

In October 2013, we became a lifetime corporate member of the Plain English Campaign, the longest-running plain language organisation in the world. It is the most respected advocacy group in this area and acknowledged as a world authority on putting communications into accessible language. Since we joined, Plain English have been training colleagues who communicate frequently with customers, and have provided an editing service for our correspondence and brochures. Our booklet 'Struggling to meet your mortgage repayments' was our first communication to be granted a Crystal Mark by Plain English, a recognised guarantee that it is free of jargon and written in language that is easy to understand.

Getting rid of the jargon

Here is what Tony Maher, the General Manager of Plain English Campaign, says about financial communications:

"People should be able to understand financial information the first time they read it. Get it right, and your customers can act on the information. Get it wrong and your message will probably end up in the bin. All too often, this information is obscured by jargon, dense text and long words. This stops people from making the correct decision for them. More and more people are struggling to pay their bills, so it is important that financial information is written as clearly as possible. This information can affect how people plan, cope and deal with any bills they have to pay. It is bad enough being given difficult news without it being wrapped up in gobbledygook. Bank of Ireland have shown that it is possible to write to their customers in a language they understand. And, I am sure they appreciate it."

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Number of dedicated flagship charity partners in 2015

5

Business in the Community ranking for generosity of our workforce in Ireland

1st

Total giving since 2007

€25.5 million

Hours volunteered since 2007

37,100

Christmas food hampers filled by colleagues for St. Vincent de Paul in 2014

1,004

Years we have supported the Flórin Fund payroll giving scheme

69

Learn To Earn C sessions taught by our volunteers in 2014

1,205

Charitable organisations attending Training Day in LearningZone

125

Projects supported by the Bank of Ireland staff Third World Fund since 1982 launch

950



Supporting charities & communities

Give Together

We are conscious of our wider role in being of service to the communities in which we do business. Give Together was originally launched in 2007 to support colleagues in



their fundraising and volunteering efforts. Since then Give Together has resulted in €25.5m to the benefit of over 1,500 charities and community organisations with over 37,100 hours volunteered by employees. In 2014, we re-launched Give Together with a financial commitment of €3m over three years and brought all giving programmes in the Bank of Ireland Group together.

Dedicated flagship charity partners

In 2014, we chose Barnardos, Irish Cancer Society. St. Vincent de Paul. Pieta House. and Co-operation Ireland to be our dedicated flagship charity partners for the next couple of years.

One day a year for everyone to volunteer

Give Together provides all our colleagues with one day each year to volunteer for a cause of their choice. They can lend their support to our five flagship charities - Barnardos, Irish Cancer Society, St. Vincent de Paul, Pieta House and Co-operation Ireland.- by fundraising, volunteering or donating. They also have the option to support a cause of their own choice which they may have a strong personal connection to. We support them by providing paid leave for volunteering, matched awards for fundraising and donations through payroll. We also lend our broader support to the chosen charities and continue to provide support to the charitable sector in general.

Give Together National Cycle

During the course of 2014, we gave our support to several large charity events in addition to the very many local events organised by our colleagues. In the summer, 169 colleagues formed into 10 separate teams of cyclists from all corners of Ireland covered distances ranging from 100 to 180 kilometres all converging on Athlone. On the day, over €30,000 was raised for our flagship charities.

"I encourage you to discuss your participation in Give Together with your colleagues. You can get involved in one of a number of planned events throughout 2014 for our flagship charities or plan your own initiative in the knowledge that you have the Bank's support."

> Richie Boucher, Group CEO, Bank of Ireland

Giving our best together

For families needing help from St Vincent de Paul (SVP), Christmas can be a time of great stress and hardship so we teamed up with them to see how best we could support their

Our biggest ever gift-giving programme

We undertook an ambitious giving and volunteering programme across the organisation which resulted in over 1,000 hampers, 802 wish-list presents and hostel or hospital bags being prepared by our Republic of Ireland-based colleagues. Our volunteer giftgiving champions co-ordinated all the activities required to deliver the gifts pledged to communities across Ireland. Everything raised in local communities was given locally, so all our colleagues' efforts went towards helping needy families in their community.



Focus When nobody else is there to help

"I am the Secretary of a local St. Vincent de Paul Conference. We were approached by a family where the husband was working in a good iob but his wife suffered a serious medical setback. They had children spread in ages from eight to 17. Their doctor advised the husband to take a year off to look after her which meant giving up his job, which he did.

They had previously been very organised with their outgoings. They had envelopes in which they put the money they needed for all their bills every month. He became anxious when suddenly there wasn't enough money coming in, and we were able to relieve some of the stress he was under by paying the gas and

When small things go wrong and you have nothing to fall back on they can soon become an enormous struggle. We helped him after his wife sadly passed away so that he could start work again and pay for the family holiday. Volunteering means attempting to support families both emotionally and financially. This family stands out for me as I was conscious of attempting to ease their grief."

Linda Beatty, Retail Ireland

Volunteers working in St. Vincent de Paul shops

Over 200 colleagues volunteered to help St. Vincent de Paul sort out donations and keep their shops stocked. In addition, every regional office had its own larger depot or warehouse where volunteers carried out admin tasks as well as other logistical work.

Christmas Market 2014

On Saturday, 13 December 2014, we hosted an outdoor Christmas market in the forecourt of our iconic building on College Green with craft stalls, mince pies, Santa's elves, and Christmas music in aid of St. Vincent de Paul. The Christmas tree was Ireland's largest St. Vincent de Paul Giving Tree, with the public dropping off their Giving Tree presents to it. Approximately 100 colleagues volunteered to bring this event to life by creating a Giving Tree Promotional team, a Santa, Santa's elves and a newly-formed Bank of Ireland choir to sing carols on the day.

Ireland's most generous workforce

In a Business Impact Map published in 2014 by Business in the Community Ireland (BITCI), Bank of Ireland was rated as having the most generous workforce in Ireland. In overall terms, the Bank was rated as the second highest company in Ireland for total philanthropy, which comprises cash donations, employee fundraising and volunteering totalling €2.4m in 2013. In 2014, we estimate our total contribution to good causes to be €2.7m, an increase of 12.5%.

Go Colourful Day

During 2014, Bank of Ireland UK held a Go Colourful Day to raise awareness for Barnardos, enabling UK-based employees to get involved and be creative in developing artwork which is now on display in our offices in London. Bristol and across Northern Ireland. Barnardos have also visited our offices and facilitated workshops and drop-in sessions, providing employees with more information about their work, and explaining how the money raised by employees is helping to support local services. Through regular newsletters, Bank of Ireland employees are able to directly access local volunteering opportunities, and make good use of their Give Together Volunteer Day.

The Flórin Fund

The Flórin Fund was established by Bank of Ireland employees in 1945 in response to the high levels of post-war poverty and hardship in Ireland at that time. It is a simple payroll giving scheme where the amount given was originally two shillings, or one florin, hence the name. Employees pay a monthly contribution from their salaries and the proceeds are given to the Society of St. Vincent de Paul, to support its work

Supporting charities & communities

Focus

Preventing suicide

"I am enormously grateful to all those from Bank of Ireland who took part in our 2014 Darkness into Light walk and to the Bank for its additional contribution under Give Together. Our vision is that no-one in Ireland will be further than 100km from a Pieta House suicide and self-harm crisis centre. "

Joan Freeman, CEO and Founder of Pieta House

The Staff Third World Fund

In 1982, a discussion among our colleagues about how to help the developing world became a long-term commitment and led to the Third World Fund being established. All staff, and retired staff, are invited to make a monthly contribution, with an amount of their choosing. The money is allocated to specific projects managed by a small number of agencies with whom we have forged long-standing relationships. In 2014, we worked with: Aidlink, Bothar, Child Fund Ireland, Christian Aid, Combined Services. Concern, Oxfam, Plan Ireland, Sightsavers. VITA, World Mercy Fund, and World Vision. Some common funding requests are for agriculture, community business start-ups, education, health and water projects. Almost 950 individual projects have been supported since 1982.

Focus

Multiple **Myeloma** Research **Foundation**

"On 11 May 2014, I ran a halfmarathon in California to raise funds for Multiple Myeloma Research Foundation (MMRF). Multiple myeloma is the second most common blood cancer. A dear friend's father was diagnosed with this disease a number of years ago and went through a number of treatments that did prolong his life and did give him a good quality of life. Unfortunately he passed away early in 2014 and all of us that had run for this fundraiser in the past decided to do it again in his honour. This was my third time and I raised \$357 which with the Bank's matched funding increased to \$715."

Breda Ryan, Senior VP Business Development, Global Markets, USA



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Creating jobs & developing skills

Internships to help kickstart careers

In 2014, we welcomed a number of interns onto our annual Credit & Market Risk internship programme. Our internship experience provides a valuable mix of training, mentoring and skills and knowledge development and we generally seek candidates who want a long-term career in banking. Interns are placed with our Retail Credit or our Risk Strategy unit where they use their analytical skills to solve real business issues, using data analysis providing management information to key internal and external stakeholders. In 2014, we offered full-time positions to 11 interns. We intend to expand the programme to other business units across the Group in 2015.

Focus Solving real business issues

"During my time here I have worked on many different projects relating to the Small Business & Agricultural portfolio, as well as producing regular Management Information reports to be distributed among the relevant departments. I have gained an excellent insight into the metrics used to monitor portfolio performance, as well as many other skills which will prove highly valuable as I progress through my career."

HB, Risk Analytics Intern, Reporting & Analysis, Risk Analytics

Trinity College Dublin MBA

We support the Trinity College Dublin MBA programme. As part of their academic year, students, in small teams, are required to complete "in-company" projects and are placed in positions across Bank of Ireland.

UCD Summer Internship

We also support UCD's Summer Internship programme which consists of a six-week internship placement at leading Irish companies.

Graduate programme

We recruited 56 graduates in 2014 from all degree backgrounds. There are eight paths to choose from and each specifically designed rotational development programme gives graduates an exceptional opportunity to grow the personal, professional and business skills needed to play a leading role in locations that include Belfast, Bristol, Dublin and London. The programme combines the work experience, mentorship, class study and professional qualifications that equip graduates with the knowledge and expertise to fully realise their talent. In 2014, we were voted the 'most popular graduate recruiter in banking, investment & financial services' at the 8th annual gradireland Graduate Recruitment Awards.

Focus Stephen's story

"I've worked at Bank of Ireland for just over a year at this stage and knowing that areas of improvement I have recommended from my own audit risk assessment and testing have made it into final reports to senior management has been a big positive. Being able to proactively contribute to the key responsibilities of my department and knowing that my opinion and work is valued at this early stage of my career has boosted my outlook for the future."

Stephen Landers, Internal Auditor, on the Bank of Ireland Graduate Programme

National Student Challenge (UK & Rol)

As part of the Graduate Programme, we invited students across the UK and Ireland to complete a series of online tests. We then invited the top 50 to an all-day event where they got to complete tasks such as developing a mobile app.

Supporting young entrepreneurs

Hundreds of young students between the ages of 12 and 18 applied for the chance to take part in Junior Dragons' Den sponsored by Bank of Ireland and 60 were given the chance to showcase their ideas at an All-Ireland Final in 2014. The top 20 then won the opportunity to pitch their business

to the Dragons. Out of the 20 that made it to the Den, a smaller number went on to receive a bursary of €2,000 and some personal mentoring time from the Dragons. Congratulations to all the junior entrepreneurs who made it on to the show. Well done to Essential Me, Squeazy, Shauna's Boom Books, Conor Lynch Woodturning, Pog Mo Fon, Speed, Connect Shade and 4FreddyCovers, who all secured a €2.000 bursary and mentoring from the Dragons. We wish them every success in the future.

Recognising talented people

The New Ireland Scholar Award was presented to Glenn Townsend in 2014, while the Graduate Award was awarded to Etaoin O' Reilly.

Etaoin O'Reilly

"Most creative people are a mix of craftsperson, designer and artist. Some are more one than the other, but Etaoin O'Reilly, a young Dublinbased final-year degree student of ceramics at the National College of Art and Design seems to be a perfect blend of all three. Her triffid-like forms are original, beautifully made and convey a disturbing parasitic sense that morph the animal and botanical worlds, creating small, slightly sinister sculptural works of high quality and personal style.

Extracted from the Autumn 2014 edition of the Irish Arts Review. Selected articles and further details are available on www.irishartsreview.com





aging with local communities "Learning IT skills can have a transformative effect on older people. From internet banking to remaining in contact with family and friends, we have seen Pictured are Maureen Donohoe, Monica Cassidy, Margaret Byrne, technology dramatically improve Jimmy Murphy and Paddy Daly. All from Dublin the quality of their lives." Pauline Power, Manager of Age Action's Getting Started **Computer Training Programme** 58 RESPONSIBLE BUSINESS REPORT 2014

Engaging with local communities

Financial training and advice

In 2014, 58 business volunteers from our local branches, in partnership with Junior Achievement Ireland, taught 127 'Learn to Earn' courses in 77 secondary school classes across Republic of Ireland. The programme included an opportunity for students to gain an understanding of the practicalities of everyday finances, and highlighted the importance of saving and investing their money responsibly. Each student received a Certificate of Achievement upon completion, to recognise the time and effort they put into the programme.

Focus

Learn to Earn

"The Learn to Earn programme really complements the business curriculum and encompasses everyday life by looking at banking, budgeting and insurance in a very practical way. It was great that Claire from the local Bank of Ireland branch could share her own real life banking experiences with our students. We really appreciate the time she gave in sharing her expertise."

Colette Wall, Teacher, St. Paul's College, Waterford City

Young Enterprise Northern Ireland (YENI)

This year Bank of Ireland's 45 Young Enterprise volunteers reached 6,742 students in 63 schools across Northern Ireland. Young Enterprise Northern Ireland (YENI) is NI's leading business education charity and offers a range of entrepreneurship programmes for students aged from 15 to 17. Each programme is designed to give young people a hands-on and exciting opportunity to experience enterprise and develop entrepreneurial skills. One of the reasons that Young Enterprise programmes have such a positive impact on young people is that most are delivered with the help of volunteers from the local area, who bring their business knowledge and experience of life and work into the classroom. Volunteering could involve mentoring a student business, attending a one-off workshop, or working with primary

Focus

Responsible & sustainable business

"Bank of Ireland is a founding member of Business in the Community Ireland (BITC) and has actively worked with the organisation over the past 12 years.

Ireland's largest companies are members of the Business in the Community network. Our team of experts can help businesses integrate responsible and sustainable business practices throughout their operations. Our range of practical supports helps them develop, benchmark, scale-up and profile their activities to have the greatest impact on their

Tina Roche, CEO Business in the Community Ireland



school pupils over a number of weeks. Young Enterprise works in all education sectors, including primary, post-primary, special needs and further and higher education, reaching all communities across Northern Ireland.

"I've been a YENI volunteer for three years, working closely with local schools. In recent years I've acted as a support to the YENI instructor, but now I can confidently deliver the Learn to Earn and the Personal Finance Programmes myself. To be able to do this, unaided, has given me a great sense of personal achievement and I've received very positive feedback from both teachers and students alike."

Damien Rooney, YENI Volunteer, Newry Branch, Bank of Ireland Northern Ireland

Merchants Academy, **Bristol**

Bank of Ireland UK has a long-running association with the Merchants Academy in Withywood. The school has been working to develop the life skills and the employability prospects of its students to prepare them for life beyond their formal education. In 2014,

the Bank agreed a re-energised programme of support with the Academy. From May to July 2014 over 160 students visited our premises in Bristol, to tour the building and experience a modern workplace setting. A further 5 students selected by the Academy participated in work experience in the Bank. In December, Bank volunteers participated in the Academy's mock interviews for 14 to 15year-olds, equipping them with the necessary experience of job interviews and enhancing their skills. The programme has been very rewarding for students and colleagues alike and will continue to be a central feature of community engagement for Bank of Ireland UK



Jamie Lockett, Bank of Ireland UK, conducting mock interviews in Bristol in December 2014.

Engaging with local communities

Focus

Customer **Learning Days**

"I attended the Understanding Financial Accounting course which I found very useful where the tutor explained all the different accounting terms. We went through balance sheets and profit & loss and got to do one ourselves which gave me a better understanding. I was also able to learn from the other people on the course and other businesses. There were a lot of start-ups and entrepreneurs and I learned from them. I would definitely recommend it and thought it was very beneficial."

Eva Pau, Asia Market, Dublin

Customer Learning Days are run by LearningZone as part of National Enterprise week

Money Skills For Life

We taught 10 Money Skills For Life sessions, a free one-hour personal finance talk, developed by the National Consumer Agency (NCA) to provide financial education to employees with the support of their employer in 2014. The talk covers six topics: sorting out your money; saving and investing; insurance; borrowing money; dealing with debt; and planning for later life. Money skills for life talks are delivered by Bank of Ireland colleagues who are NCA-trained presenters and each attendee gets a free handbook to take home, which contains useful information and tools to help them manage their money.

Skills development for communities

LearningZone has been delivering training courses to small business customers since late 2011 as part of Enterprise Week. Customers have always been appreciative of the invitation to attend these classes and feedback has always been very positive. In 2014, we delivered 14 training courses to 140 customers in Dublin at Grand Canal Quay and two courses in Belfast for 20 customers.

Training for charities

Since 2012, LearningZone has hosted a number of training days for Business in the Community (BITC) providing skills to approximately 525 delegates. In 2014, we delivered training to 125 charities and community groups.

"Since 2011, Bank of Ireland has worked pro-actively with us to provide much needed upskilling to people working in charities and community organisations and has delivered thousands of hours of training. This project is a fantastic example of the difference companies can make through the provision of in-kind supports - in this case time, skills and resources."

Ann Howgego, Corporate Responsibility Consultant, Business in the Community Ireland

Silver surfer day

To celebrate Age Action's Positive Ageing Week, we hosted a Silver Surfer Day on Wednesday 8 October. Silver Surfer Day aims to help older customers understand how using self-service and modern technology can enhance their lives and their overall banking experience. During the day customers came into our branches across the country, where staff gave them hands-on tutorials on the Bank's various banking services including telephone banking and our mobile and tablet app banking. Sixty-one branches hosted a breakfast or evening event, with guest speakers such as Community Liaison Officers, Age Action Computer Trainers and their local branch

Culture & heritage centre

This year, we announced that we are making a new public exhibition space available to the State at our College Green premises for a period of ten years. The new Cultural and Heritage Centre will be used by the State for exhibitions and other cultural events that will be open to the public. Bank of Ireland will undertake the refurbishment, obtaining appropriate advice and assistance from the Department of Arts, Heritage and the Gaeltacht. When the refurbishment of the new space has been completed, management of the Cultural and Heritage Centre will be the responsibility of the Department of Arts, Heritage and the Gaeltacht in conjunction with Bank of Ireland.



Sponsorship

Rugby sponsorships

We are proud to be Official Sponsor of Leinster, Munster and Ulster Rugby and Official Bank to Munster Rugby. The sponsorships play a key role in enabling Bank of Ireland to support sport throughout Ireland. Each province has its own unique identity as well as a passionate support base and Bank of Ireland is proud to sponsor each team.

Leinster Rugby

In August, we extended our Leinster Rugby sponsorship until end of June 2019. The new agreement includes investment in amateur rugby in the province, which will help to develop the game across all levels - from the under-eight minis to the senior adult competitions. The sponsorship will enhance the support for development officers, coaching materials, equipment and the Coach Development Programme across Leinster. The sponsorship will also provide support for youth rugby camps, and recognise the club, school, player and coach of the year. We want to help the province to develop players at all levels, thus deepening and widening the talent pool which will underpin the sustainability of the game at both amateur and professional levels into the future.

"This new agreement also places a lot of emphasis on the grassroots, and while things are beginning to turn, financial support in club land is still difficult to come by. The domestic side of the Leinster Rugby family will benefit greatly from this deal and Bank of Ireland are to be thanked for their cooperation in this regard. The club is and always will be the lifeline of Leinster Rugby. Without a thriving club scene, there are no players and there

is no big game in front of a packed RDS."

Mick Dawson, Leinster Rugby

Shane Lowry

In June, we signed Irish professional golfer, Shane Lowry in a sponsorship deal, which runs to the end of December 2016. Shane will represent Bank of Ireland both as a brand ambassador in Ireland and as he competes across the globe in the years ahead. Offaly-born Shane said: "I am delighted to have the support of such a strong Irish brand as Bank of Ireland. They have a long tradition of supporting Irish sport and as a proud Irishman I am honoured to join their team. I am very much looking forward to representing Bank of Ireland as I strive to fulfil my ambitions of rising up the world rankings and competing in major championships over the coming years."

Katie Taylor

Bank of Ireland announced the signing of a three-year sponsorship deal with Katie Taylor in December 2014. Katie is the reigning Irish, European, World and Olympic boxing champion - recently home from winning her fifth consecutive World Championship in South Korea, Katie will act as brand ambassador for the Bank. Commenting on Katie's new signing, John Moclair, Head of Retail Treasury Sales, Global Markets said: "We're delighted to have the opportunity to support Katie and look forward to her future boxing successes over the coming years. Her ambition and commitment to constantly improve and stay at the top of her sport are very much aligned with our own aims to continuously enhance our offering and give our customers the best full service foreign exchange offering. We're all hugely proud of Katie and wish her continued success."

DCU Sports Academy

In 2014, we announced that we had extended our partnership with DCU Sports Academy for a further three years. During the partnership Bank of Ireland will provide support for the athletes' wider development through mentoring, work experience and internships. The football and athletics teams playing and training kits will also feature the Bank of Ireland brand. Bank of Ireland has sponsored the DCU Sports Academy since 2008 and this new agreement consolidates the Bank's commitment to DCU. Recently the Bank has opened a new campus branch to cater for students and the local community. The DCU Sports Academy supports approximately 140 elite athletes each year. DCU GAA elite players hail from 25 of the 26 counties in Ireland and include established inter-county players such as Colm Begley from Laois, James McCarthy and Jonny Cooper, both from Dublin.

"This partnership with the Bank of Ireland is vital to the success of the DCU Sports Academy as it allows us to provide the best levels of support and development for our community of gifted young sports people as they combine the rigours of their sporting and academic disciplines."

Michael Kennedy, Director of DCU Sports Academy

Colleagues involved in sport



Colleagues involved in sports

Pictured overleaf are just some of our colleagues who play sport at a high level.

- Nigel Dunne football (Offaly) works in our Lucan branch
- Owen Duffy football (Monaghan)
 works in our Dundalk branch
- Peter O'Leary football (retired) (Laois)
 works in our Athy branch
- Henry Shefflin hurling (Kilkenny)
 works in Customer Recruitment, IFSC,
 Dublin
- Jennifer Burke sprint canoeing

 works in our Sponsorship team, IFSC,
 Dublin
- David Kildea triathlon works in Corporate Banking, Burlington Plaza, Dublin
- Stephen O'Keeffe hurling (Waterford)
 works in Corporate Banking, Burlington
 Plaza, Dublin
- Tommy Walshe hurling (retired)
 (Kilkenny) works in Bank of Ireland Finance, Mespil Road, Dublin

- Philip McEvoy football (Armagh)

 works in Business Banking, Portadown,

 Northern Ireland
- Ailish Byrne roller derby works in Business Online Training, Tallaght
- Orna Dilworth Athletics representing Ireland – works in Group Credit Operations, Ballsbridge, Dublin
- 12. Keith Higgins football (Mayo)– works in our Castlebar branch
- 13. Denis Bastick football (Dublin)– works in our College Green branch,Dublin
- 14. Killian Young football (Kerry)– works in our Tralee branch, Kerry
- 15. Eoin Kelly hurling (retired) (Tipperary)– works in Bank of Ireland Finance,Callan, Co Kilkenny
- Anne Dalton camogie (Kilkenny)

 works in Banking 365 Loughboy,
 Kilkenny

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At a glance - Colleagues

Number of formal training hours delivered to colleagues in 2014

122,260

Colleagues attending Karl Henry's motivational fitness seminars

1,442

Average number of people employed in 2014

11,292

Colleagues sponsored to take education programmes in 2014

1,950

Number of steps taken by colleagues in the 2014 Steps Challenge

5.6 billion

Colleagues attending 'Service Excellence' training in 2014

4,500

Colleagues passing professional exams in 2014

2,900

Colleagues completing the Couch to 5k run

650

Graduates of the Postgraduate Certificate in Management in 2014

21



Working to high standards

Training & career development

We provide opportunities for our colleagues to get the training and education they need, while supporting and developing them. LearningZone works with external training providers to offer colleagues the opportunity to participate in professional educational programmes which support them to carry out their roles professionally. The courses LearningZone offers are a mix of tailored training specifically for Bank of Ireland and highly-rated off-the-shelf courses such as the broad range of online training from Harvard Business School. In 2014, the most popular courses that colleagues completed were on customer service, compliance, credit, sales and leadership. We ensure sufficient capacity for every colleague to take a minimum of three days' training a year, in classroom, online and mobile formats. We also assist business customers and charitable partners with access to our training facilities.

Refreshing our curriculum

This year, LearningZone refreshed its webbased training curriculum by partnering with new providers to put in place an enhanced offering of web-based training. LearningZone deployed an enhanced mobile learning app available to iPhone users featuring Manager Pocket Guides - a range of tips and best practice that address common management topics.

Enhancing professionalism

We support employees to pursue educational and professional qualifications relevant to the business of Bank of Ireland through the Group Education Scheme. The scheme supports colleagues to study for third level and professional qualifications for any course that is a legal requirement or key to carrying out a role. Typical courses include the Qualified Financial Adviser (QFA) qualification which is required by the Central Bank of Ireland for anyone selling or advising on financial products and services. Accountancy and legal qualifications are also covered by the scheme

Focus

Learning to lead

"I completed the Postgraduate Certificate in Leadership & Management offered by Coventry University via distance learning. Why did I decide to take the course? I believe we are all responsible for leadership wherever we are in the business but few of us have been trained to lead. As Head of the Partners' Council (UK), I am in a position of influence and wanted to learn more about what makes good leadership. Since attending the course, I have completed a full strategic review of the Partners' Council to work out how best for the Council to be fully engaged in major business decisions. We want to be an informed voice for staff to ensure that they have what they need to do their job. I learned an awful lot about myself on the course and enjoyed applying what I learned back at the Bank. I absolutely recommend that people take this type of course although it is a big personal commitment. It was a wonderful opportunity to think outside the box."

Clare Mears, Head, Partners' Council (UK)

Continuous Professional Development (CPD)

Anybody who holds a QFA qualification is required to complete 16 hours CPD a year in order to keep it up to date. We believe in supporting our colleagues to have the relevant and up-to-date skills they need to do their jobs and support them to complete their CPD hours.

Service Excellence training

In 2014, over 4,000 of our colleagues attended Service Excellence training led by Ritz Carlton Leadership Centre, who are acknowledged for their legendary customer service. The course 'Radar on, Antenna up', delivered at various locations in Ireland by Diana Oreck focussed on how our colleagues can provide excellent service to our customers every day in every interaction.

Let's Get Digital

To raise our awareness of all things digital, we launched a Let's Get Digital initiative in 2014. Its aim was "to raise the Digital IQ for the benefit of our customer experience proposition." We used a wide range of approaches - from surveys to our own DigiDigest electronic newsletter - to better equip colleagues to be more informed and more comfortable to engage with customers on the use of digital channels.

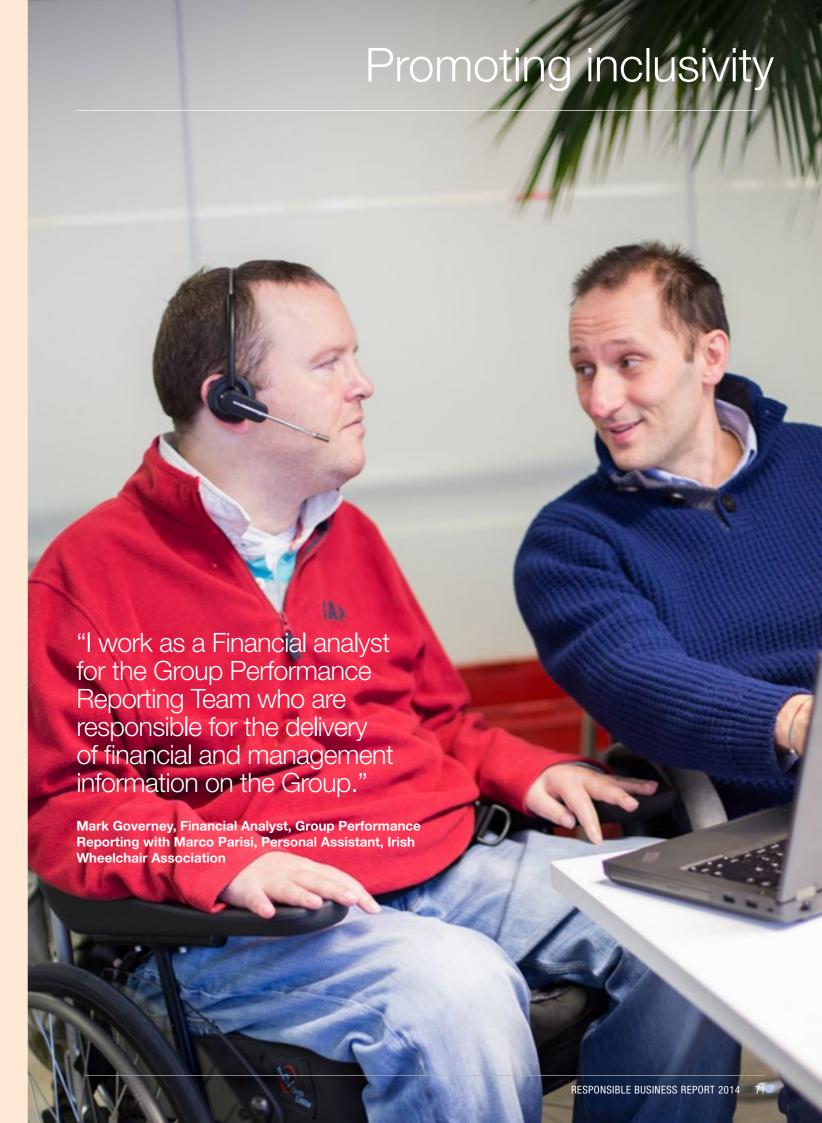
Digital Passport

One of our key Let's Get Digital initiatives was the creation of a Digital Passport for each of our colleagues. By completing courses via our LearningZone portal and taking actions such as setting up a professional Linkedin profile, they were able to collect a number of passport stamps. In this way, they were able to ensure they were confident to discuss digital options with customers.

LearningZone awards

Bank of Ireland Group won the award for the Best eLearning Project at the inaugural Skillsoft Inspire Awards 2014 in London and was the Gold Winner in the Best Training Partnership category in the Training Journal Awards in November as well as the HRO (HR Outsourcing) EMEA Learning and Development Programme of the Year. It also won the Irish Institute of Training & Development (IITD) award for Outstanding Achievement - Most Innovative Use of Technology'. The Group also won the Association for Coaching award for 'Outstanding Achievement - Excellence in Coaching'. It was a runner up in the Best Change Management Programme category at the Shared Service Outsourcing Network awards and highly commended for Best Use of Technology at the CIPD UK awards. In addition, Bank of Ireland's Group Purchasing won the National Procurement Award for People Development.





Promoting inclusivity

Encouraging diversity in local communities

We have been partnering with AHEAD for over 10 years and, in June 2014, received a leadership award to celebrate our continuing alliance. AHEAD assists graduates with disability through education and the transition into the workplace. A large number of our own Group HR staff provide team and individual assistance with interview preparation, CV clinics, mock interviews, presentations to graduates, career and training events and internships for graduates leading to full-time employment. The Building The Future event helps graduates with disabilities build confidence, through preparation and advice on successfully adjusting to the world of work and building a fulfilling career.

Driving Leadership in Enterprise

The Driving Leadership in Enterprise report came about as a result of a series of interactive seminars attended by some of Northern Ireland's leading female business leaders, and was published by Bol UK and BDO NI. The seminars were hosted by Eleanor McEvoy from Budget Energy, Nora Senior of British Chambers of Commerce, Jayne Brady from Kernel Capital and Helen Kirkpatrick from UTV, and a Kingspan representative. The aim of the seminars was to identify and share the trends, challenges and insights that leaders in enterprise face in Northern Ireland. The four key themes of Strategy & Planning, Customers, Innovation, and Confidence clearly emerged as the areas requiring focus in driving leadership in enterprise forward in the region.

At the launch event, Belfast Lord Mayor Nichola Mallon said the report "highlights important issues such as access to information on funding, where to seek out new markets and new customers, and the need for less bureaucracy. However the most striking thing for me is the sense - from those who took part in the seminars - of the positive, 'can-do' attitude and the willingness to share experience and offer help to those like-minded individuals who are making a difference in the business world."

INTERVIEW

People see me, not the chair

"I had my accident playing rugby, in 1999, which resulted in a complete break in my cervical spine and after that I was unable to move my arms or legs. The worst thing was just not being able to do physical stuff I could do before. I suppose that's obvious but I was big into sports and that was all gone. You are dependent on others to do things for you.

I was in rehab for 15 months. I was in a wheelchair and had to make huge changes in my lifestyle - from modifying the house to realising that I might not get to work again. I discovered that there was very little employment among people with spinal injuries.

So I retrained and did a Masters in Financial Services at UCD Smurfit School. I managed to get a job in HR in the Bank of Ireland Operations Centre in Cabinteely in 2002. I was responsible for inducting new recruits to the Bank, giving them a brief history and describing the benefits available to them.

In 2007, I took 18 months off to complete a diploma in accountancy and after that I got the job I'm in now as a Financial Analyst. I work for the Group Performance Reporting Team who are responsible for the delivery of financial and management information on the group.

I have a personal assistant from the Irish Wheelchair Association five days a week to help me at work. "I don't see it as a job," says Marco, Mark's PA, today, "I get to spend time with a friend. We help each other. I help him but Mark also gives me plenty of advice too!"

Mark Governey - Financial Analyst, Group Performance Reporting Marco Parisi - Personal Assistant, Irish Wheelchair Association

Awareness-raising initiatives

We are currently reviewing our HR and people policies with a view to ensuring that they fully reflect the commitment our organisation is making to the creation of a respectful and inclusive environment. We are also investigating employee resource groups and have been engaging with a number of third party organisations seeking advice and guidance in this space. We have a good foundation for diversity in our organisation and there is an opportunity to further embed these initiatives in 2015.

Vulnerable customers

In winter 2014, we engaged with representatives of vulnerable customer groups including the Irish Wheelchair Association, the Dyspraxia association, the National Adult Literacy Association (NALA), and Age Action to better understand the issues facing customers with physical and or mental disabilities in dealing with financial institutions. The opportunity to walk in their shoes was humbling. We brought a cross-functional team of people together to propose innovations in four areas - physical environment, processes, policies and training.

Support for people with learning disabilities

In January, our Credit & Market Risk Division decided to become a formal Business Partner of the National Institute for Intellectual Disability at Trinity College Dublin committing to the provision of work placements into the future for students with intellectual disabilities. As part of the Certificate in Contemporary Living they take in students with an intellectual disability and give them a work experience for typically half a day per week over a period of 10-12 weeks during the spring term. The team hosting the students are clear that they have benefited as much or

Interview

My job with Bank of Ireland Andrew Murray

Where did you work?

I worked on the Mortgage and Consumer Credit Policy Team.

How long was the programme?

The programme started on May 17th. It ran for 10 weeks. I worked for one day a week 9.00am to 12.30pm.

What did you do?

I worked on the Valuers' Panel Review Project. I checked if the valuers on the Bol valuers' panel were on the Property Registration Authority (PRA) listing. I validated and updated the contact details on the excel spreadsheet.

What was the social life like?

Work wasn't all work. We went for coffee every Friday. We chatted and we had a laugh and some fun.

What did you learn?

I really enjoyed my time in Bank of Ireland. I learnt a lot about working in an office. I learnt a lot about working with people. I now know I would like to work in an office.

Andrew was on work placement while completing the Certificate in Contemporary Living.

more from working with them through their collective efforts to support them. The amazing appreciation that students show for the opportunity of coming in to join their work environment for a few hours per week is inspiring.



Interview

Support for LGBT colleagues

What specific concerns do LGBT people have in workplaces

LGBT (Lesbian Gay Bisexual & Transgender) colleagues are anxious about being open about their sexuality because they believe it may negatively affect their relationships with their co-workers and their career.

How important an issue is this?

In a 2009 survey of 1,000 LGBT people, being able to work in an environment where people can be fully open about their sexuality without fear of discrimination was rated the most important issue – higher even than marriage equality.

What benefits will a network or support group bring?

Promoting inclusivity

Firstly, recognition that diversity is welcomed and embraced. It is not just about policies - it is about the company culture. Does the company enable its LGBT colleagues to be themselves and achieve their full potential in the workplace enabling the company to succeed? Or does it leave colleagues in the dark about how they will be treated if they come out at work?

What about help for straight colleagues?

An LGBT network will provide support for line managers who may not have LGBT friends or family but are managing LGBT colleagues. It will also give guidance and provide answers for the majority straight population on issues such as how to support a son or daughter who has come out to them.

Where did you learn about Diversity Champions?

I'm on the board of the National LGBT Federation, an Irish not-for-profit organisation which has a track record of more than 35 years of campaigning and has published GCN (Gay Community News) since 1988. As part of my work, I met members of the Gay and Lesbian Equality Network (GLEN) and learned of their programme.

Piotr Gawlik,

Loans Administration, Group Services

Diversity Partner

In 2014, we became a member of Gay & Lesbian Equality Network 's (GLEN) Diversity Champions programme which supports Irish employers and LGBT employees to achieve LGBT equality at work. To contact the network, please email: LGBT@boi.com

"People perform best when they can be themselves. This is particularly so for lesbian, gay, bisexual and transgender employees. I am delighted to welcome Bank of Ireland to GLEN's Diversity Champions programme, Ireland's network of employers committed to ensuring their workplace are LGBT inclusive."

Davin Roche

Director of Work Place Diversity (GLEN)

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Supporting colleagues to be their best



Supporting colleagues to be their best

Be At Your Best

We wanted to support our colleagues to make the transition through the financial crisis that began in 2008 by helping them build their personal resilience as we improved our organisational resilience. We realised that we needed to help them increase their overall

YOUR

physical fitness levels and develop more agile ways of thinking so they could survive and thrive in an increasingly-competitive, challenging and changing working environment. To support them to build these competencies, we designed a three-pronged programme that we called 'Be At Your Best'

Ensure that personal fitness and professional wellbeing are encouraged and supported. Enable individuals to take ownership of their own personal and professional wellbeing. Create a pervasive, positive, "can do, will do" attitude amongst employees in terms of their career

Launching Be At Your Best

In December 2013, we placed teaser posters in Bank of Ireland premises and branches heralding the launch in January 2014. A series of launch events took place, giving more than 2,750 colleagues the opportunity to hear more about the programme. Guest presenter at all the events was Dr Maureen Gaffney, a leading psychologist, writer and broadcaster, who was actively involved in the programme. Since then, over 10,000 colleagues have voluntarily participated in an extensive range of activities, each aimed at providing staff with the tools and supports

to enhance their physical, mental and professional wellbeing supported by over 160 active BAYB champions.

Five-week Steps Challenge

Over 10,000 colleagues across the organisation registered for and participated in the Irish Heart Foundation pedometer challenge at various stages throughout 2014. Pedometers were distributed free to individuals and locations across the country, after BAYB partnered with the Irish Heart Foundation's Happy Heart at Work programme. The aim was to achieve and maintain a target of 10,000 steps per day. Most people only take between 3,000 and 5,000 steps a day, so the Steps Challenge encouraged colleagues to build up their level of activity to reach 10,000 a day over a fiveweek period.

Karl Henry

Focus

"At the beginning of the Be At Your Best Couch to 5k programme, I found groups who were hungry for help to get healthier and happier. By giving Bank of Ireland staff the information they needed (that they could use instantly to make visible changes when they walked away from the lectures) and a goal, to run a 5k run, followed by weekly newsletters and training plans, I had over 1,998 people on the weekly newsletters and nearly 650 running the 5k run itself. The 5k day itself was so energetic and positive, there was such an energy to the event and seeing people cross the line, happy, proud and full of life, was an incredible end to such a successful project!"

Karl Henry, Fitness Expert, Radio - TV Broadcaster, Columnist and

Couch to 5k Challenge

In the summer, we worked with Karl Henry, Fitness Coach, Irish Independent Fitness columnist and Operation Transformation trainer, to bring a 'Couch to 5K' Challenge to our colleagues. The 5K Challenge was targeted at everyone including walkers, joggers, and runners. It was aimed at all levels, especially those who were not currently exercising regularly. Karl launched the Couch to 5k Challenge at masterclasses at a number of different locations around the country. These sessions also had a focus on health, nutrition, wellbeing, and motivation. In September, 650 colleagues set off at Leopardstown racecourse and crossed the line running, jogging, walking or even crawling. As a result of their efforts, 10 defibrillators were donated to communities

Health checks

Over 1.210 Irish Hearth Foundation full and mini-health checks were provided nationwide to colleagues, creating a clear picture of their physical health.

Healthy Eating

Each of the 10 restaurants preparing food on-site on our premises achieved a Happy Heart Healthy Eating Award after undergoing a rigorous assessment of the cooking practices in use and the food choices on

"Reaching so many employees in such a wellorganised and sustained health programme is a credit to the planning, motivation, dedication and enthusiasm of all the BAYB Champions on the ground. And the real credit and benefit of this fantastic achievement goes to each and every employee who took part!"

> Maureen Mulvihill, Health Promotion Manager, Irish Heart Foundation

Supporting colleagues to be their best

Re-launching clubs and societies

Be At Your Best helped create greater awareness of the Bank of Ireland Sports & Activity clubs through a dedicated newsletter, portals and attendance at launch events across the Group. In response, sporting clubs and societies including the Runners Club, Hill Walking Club, GAA Club, Tennis Club, Lawn Bowls, Tag Rugby, Golf, Basketball and Cycling clubs were re-launched in 2014.

Active@Work Award

In November 2014, the Body Stream of Be At Your Best won an Irish Heart Foundation Gold Active@Work Award based on the range of activities and level of staff participation including:

- Over 10,000 people participated in the Steps Challenge
- Over 1,210 on-site health checks took place across the country
- 1,442 attended Karl Henry's motivational seminars
- 650 completed the Couch to 5k supported by Karl
- Many sports clubs and societies were re-launched.

Career stream

The Be At Your Best career stream helped our colleagues take stock and plan for their professional future. Bank of Ireland has a range of financial and non-financial supports in place for employees to undertake a course of study, ranging from the payment of fees and education awards through to study leave. As part of Be At Your Best, we developed additional supports for colleagues, including career planning and leadership questionnaires to help identify career goals and further education that might help, as well as web-based training modules such as 'How to Study Effectively', and 'How to Prepare for Exams', while re-launching some of the existing supports available through LearningZone. We also introduced Career Advice Workshops held on a regional basis with practical tips and advice for those considering their next steps.

The Art and Science of Being At Your Best

As part of the Be At Your Best Mind workstream, Dr. Maureen Gaffney hosted a two-part workshop on the Art and Science of Being At Your Best. She is a well-known psychologist, writer and broadcaster, with a special interest and expertise in the science of peak performance. Being at your personal best in your day-to-day life, in your personal relationships and at work, is the experience of knowing that you are using your portfolio of talents and strengths, your intellectual, technical, professional and emotional competencies. That experience is strongly associated with high levels of happiness, engagement, self-fulfilment, and success in life. In these interactive master classes. Maureen offered strategies that enabled our colleagues to build key emotional competencies so they could achieve their unique personal best.

"When people are in a positive mood, they are more cooperative, more generous with their time and expertise, more attentive and helpful to colleagues and to customers. There is less interpersonal conflict. They are better at creative problem-solving. There is less absenteeism and staff turnover."

Dr Maureen Gaffney



Stephen McGarth from Business Banking

Focus

When Plan A breaks down by Richie Sadlier

"Richard Sadlier spoke to a number of staff in various areas about what happened 'when Plan A broke down'. Richard was a professional footballer, at the height of his career, when he sustained a career-ending injury in his early twenties.

Having had the opportunity to attend 'The Art and Science of Be At Your Best' master classes with Maureen Gaffney and the Joe Schmidt event 'Getting the most from your team', I nearly jumped at the opportunity to attend the Richard Sadlier event 'What happens when Plan A breaks down'.

I thought this was a great extension from the previous speakers from the Mind stream. Maureen discussed getting the best from you, while Joe discussed getting the most from your team, whereas Richard talks on what happens when your life takes an unexpected turn that you haven't prepared for.

Richie (as he was known as a footballer) spoke with an honesty and passion that can only be described as moving. He reflected on how he had no Plan B, that he had "all his eggs in one basket' and how 'The basket dropped'.

He then went on to describe the hardship he went through in finding meaning in his life again, how he used tactics and strategies to 'show on paper' that he was fine, but that inside his mind, this wasn't the case. He concluded with the slow progression towards recovery, how he found a new purpose and how it changed him for the better: to the man he is today.

Richie's honesty was refreshing and if you were an avid football fan or merely attending out of curiosity, I think all attendees took something away from the event."

Stephen McGarth from Business Banking



Consulting with colleagues

A new Career & Reward Framework

In late 2014, we introduced a new Career & Reward Framework after extensive consultation with trade unions and employee bodies. The Framework reinforced our focus on investing in our people by supporting employees to get wider and more varied work experience, and to undertake training and qualifications relevant to their current roles and potential future roles. Most employees transitioned to the new Career & Reward Framework on 1 December 2014.

Ensuring that our pension schemes are sustainable

Under IAS 19, the deficit on the Groupsponsored Defined Benefit (DB) pension schemes, had increased significantly to €1.2 billion at the end of 2012. The deficit was caused by falling corporate bond yields which is the benchmark we are required to discount pension liabilities under IAS 19. This increased accounting pension liabilities. The ratio of payroll costs to IAS 19 DB pension liabilities had become unsustainable. We assessed a number of potential solutions to this challenge, listening carefully to concerns raised by our colleagues during an extensive consultation process and negotiations with employee representatives. We looked for, and reached, a shared solution - where members and the Group contribute towards the continued provision of sustainable pension benefits. We also sought to keep our Group-sponsored DB pension schemes open to future accrual, a position which a significant number of other major employers have been unable to do.

Yammer



In 2014, we launched our new Yammer site. Yammer is a social network tool, internal to Bank of Ireland, that enables colleagues to share information and work together more easily and efficiently. It connects people, teams, offices, functions and ideas, regardless of location, function or status. It compliments and works alongside our current intranet for colleagues Colleagues can use Yammer to share a link, tip or insight, ask a question, praise a colleague's contribution or achievement, share what they are working on, suggest ideas and collaborate with others. Yammer was used extensively to bring colleagues together in support of Be At Your Best, Give Together and many other initiatives.

Focus

Maintaining positive mental health

Observing a colleague's work-related and personal stress, as well as his general low wellbeing, his manager suggested that he contact the Employee Assistance Programme (EAP).

He contacted the EAP straight away and had a 30-minute assessment session. A week later he was receiving the first of six counselling sessions. At the sessions, it was clear that he could no longer see the difference between rational and irrational thinking, and it was likely that he wouldn't have been able to remain at work or function in an effective way. He and the counsellor met every week to review what had gone well and what still needed work. Counselling gave him the time to reflect upon his thought processes and develop the right tools to make some positive changes.

Afterwards, he reported that he was in a much more positive place and had a happier frame of mind. He felt that counselling had given him the tools to adapt and use in future periods of stress, thus reducing the likelihood of further prolonged periods of stress or depression. He said that counselling had opened his eyes to the fact that every day has stresses, sometimes bigger than others, and it is learning to react differently to these stresses which will maintain a more positive mental health.

This typical case study was supplied by **Workplace Options**

Employee Assistance Programme

We provide assistance for colleagues who need extra support at work or in their lives through the Employee Assistance Programme. After an initial assessment, they can access up to six sessions of short-term goal focused counselling, if appropriate, for any work or personal issue. As part of this new service there is now a website available to all those based in Ireland providing practical advice and help on a variety of life issues from dealing with addiction to healthy eating and advice for caregivers.

Responding to ideas

The Your Ideas public group on Yammer gives colleagues a forum where anyone can communicate their concerns and ideas to get them heard and discussed. 'You said, We did' follows through on the ideas with concrete actions, often based on concerns that colleagues are picking up from our customers. For example:

You said - Can we provide a branch area where local organisations can advertise services and events?

We did - Community walls have been set up in branches.

You said - Customers want privacy screens around Lodgement ATMs.

We did - In February, we began introducing screens around LATMs. In addition, shelves for customers' personal effects are now standard.

Trade Unions

Irish Bank Officials Association, the finance union represent their members in Bank of Ireland in the Republic of Ireland. Northern Ireland and Great Britain. The union is organised from the bottom up by local IBOA representatives in each workplace, area representatives known as bank or district secretaries and national representatives at Executive committee level. Complementing this voluntary representative structure is a team of full time professional industrial and administrative staff employed by the IBOA. The Bank of Ireland Group engage with all employee representative bodies in an open and transparent manner. We have engaged in a number of constructive consultation processes with agreement reached with representative bodies. The Bank also engages with SIPTU and UNITE where they have members.

Partners' Council

Partners' Council was established in 1992 in the Bristol & West Branch Network as a staff council dealing with business-as-usual issues. In 2000, with increasing legislation in the staff involvement arena, employees within Bristol & West PLC and BIHM were balloted on how they would like to be represented going forward. The preferred option was "a Works Council with an extended remit." A full time officer was elected in 2001 to develop the Council and act as a central contact point. Partners' Council has been recognised externally as leading best practice in Employee Involvement and Consultation, by the Involvement & Participation Association. BOI UKFS Partners' Council is recognised as one of the top three work councils in the UK by independent experts, the Involvement and Participation Association.

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At a glance - Environment

Financial institution in the world to be environmentally accredited to EN16001 (now ISO 50001) in 2010

1st

Carbon trading desk opened

2005

Participating in Carbon
Disclosure Project since
launch in

2009

Years we have been financing commercial wind farms



Schools entering Junk Kouture 2014

311

Sites monitored for usage rate of electricity, oil & gas every 15 minutes by smart technology

300+

Number of bicycles bought by staff under the Cycle to Work scheme

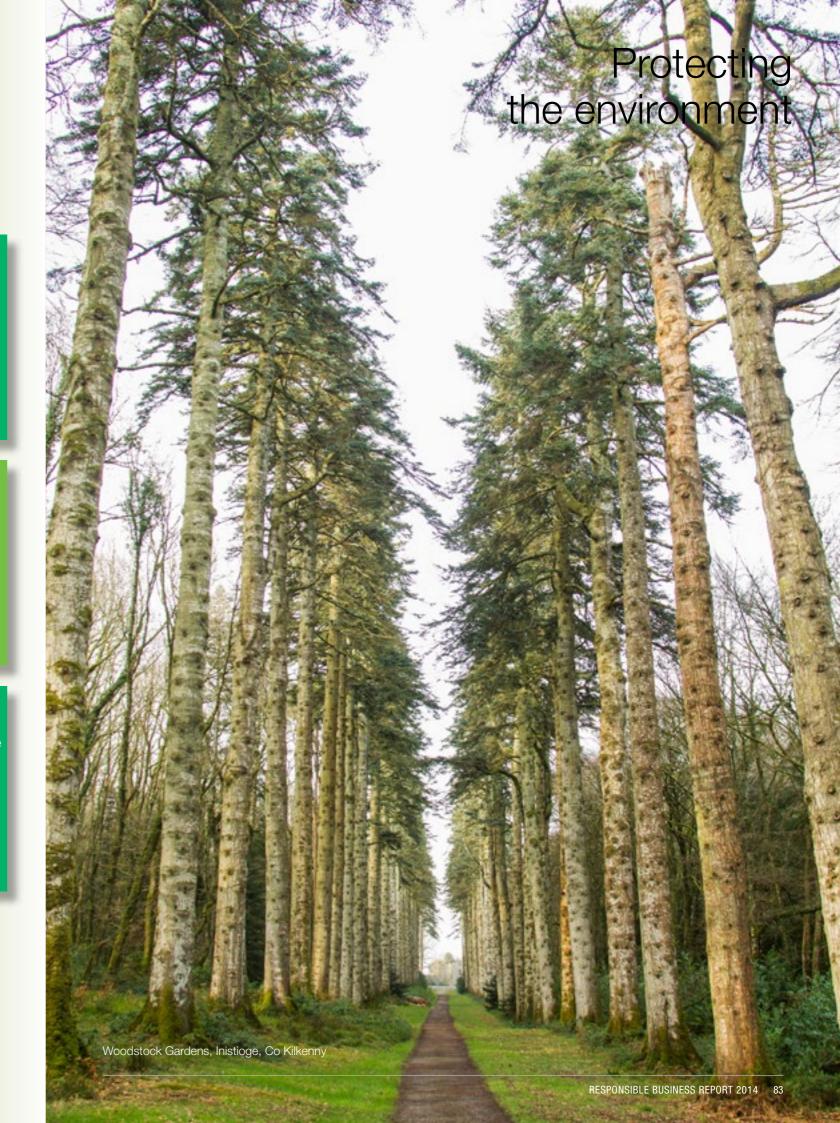
2,553

General waste recycling rate

90%

Homes powered by wind farms financed by Bank of Ireland which provide 350MW of energy

200,000



Protecting the environment

Our impact on the environment

We recognise that our business activities have an impact on the environment, both globally and locally, and it is our policy to minimise their impact. We are focused on pollution prevention by identifying, controlling and reducing significant environmental impacts associated with consumption of utilities such as electricity, gas and oil, water and paper consumption, waste management and supplier and subcontractor control. We undertake a process of continuous improvement of environmental performance by setting objectives and targets and developing environmental programmes, measuring environmental performance on an ongoing basis, guiding and supporting staff, working with suppliers and sub-contractors to minimise their environmental impacts and auditing and monitoring operational environmental risks. We are also committed to supporting environmental initiatives in society, the economy and the business community.

First financial institution in the world to be EN16001 (ISO50001) certified

In 2001, we worked with Certification Europe (CE) and the Sustainable Energy Authority of Ireland (SEAI) to implement an integrated Environmental Management System (ISO14001) to support us to manage energy right across the organisation - from sourcing energy through to the purchase and operation of plant and equipment and the day-to-day operation of our buildings. The initial focus for the programme was our IT Centre and Operations Centre in Cabinteely. These Centres were certified to the EN16001 standard in 2010, making Bank of Ireland the first financial institution in the world to have attained this level of external certification.

The EN16001 standard transitioned to the ISO50001 standard during 2012 and our systems were certified to the new standard in advance of the cutover date. We are now extending the ISO50001 scope to other key buildings within our property portfolio. To help us achieve this, we have implemented sophisticated real-time metering and monitoring systems across more than 300 buildings, allowing us to benchmark optimal consumption of electricity, gas and oil. The real-time information we get from this system has allowed us to significantly reduce our impact on the environment.

Junk Kouture

In 2014, we were delighted to sponsor the Junk Kouture Fashion Show for the second consecutive year. Junk Kouture is an innovative design competition for second level students challenged with the task of creating the most unique, original and innovative outfit from recycled materials and junk. Over 800 secondary school fashionistas showcased their spectacular creations at four regional events in Derry/Londonderry, Dublin, Castlebar and Limerick in March. The regional winners went on to the 2014 Junk Kouture Final at the Bord Gais Theatre Dublin in May, attended by over 2,000 people. The winners were Ruth Gallagher, Emma Kinsella and Jane Wallace from Our Lady's Bower Secondary School, Athlone.

Energy roadshows

In December, we ran a number of roadshows to share advice with our colleagues on how to conserve energy and water use at home and to inform them of our own environmental policies and energy systems.

Environmental milestones

In September 2010 we became the only financial institution in Europe (and one of only 50 companies worldwide) to attain EN16001 standard certification (now ISO 50001) for Energy Management Systems in place in our IT & Operations Centres.

In April 2011, we won the Green Financial Institution Award and the Overall Green Business Award in Ireland's Green Awards

We have been financing commercial wind farms in Ireland for over 10 years.

In 2005, we became the first Irish bank with carbon markets transactional capacity, and, today, we are still the only Irish bank with a carbon trading desk.

Interview

ResourceKraft

When did you start working with Bank of Ireland?

In 2009, we won a tender to provide building energy and water management solutions for their branch network. At the time it wasn't easy to understand large variations in energy use across branches.

What did you do first?

We ran a pilot in 20 branches, installing our smart meters which measure data every 15 minutes and upload the figures to the cloud from where they can viewed, analysed and interpreted anywhere in the world. Continuous monitoring during the pilot helped establish benchmark usage rates which then helped identify differences from the norm – for example when heating had been accidentally left on over a weekend.

This was then rolled out across the whole branch network?

Yes. Our measurement and analysis of 15-minute interval data from electricity, fuel oil, gas and water identified an average of 10% of available electricity savings per branch per month. Having proof of actual water use gives us auditable data which allows us to challenge suppliers on the accuracy of their bills and identify simple things like replacing a stopcock to

So it can help us reduce consumption and save money?

We now have several years' historical data and can identify issues very quickly. We can help cost the savings from, for example, replacing old halogen lamps with LEDs or replacing a heating system. And by analysing costs per cubic metre, we can identify high energy users on a like-by-like basis.

What's next?

Our Energy Monitoring System can remotely reset the controls on storage heaters and can be used to adjust timers on systems to prevent waste

Frank Casey, CEO, ResourceKraft



Investing in sustainability

The Green IFSC

We helped found the Green IFSC, whose mission is to promote and support Ireland's green economy both within Ireland and to global markets. Their target audience is businesses and consumers looking for the best green products and services, as well as those wishing to invest in the 'green' market. The demand for green products and services is set to grow exponentially, driven by global targets on climate change such as the Kyoto protocol which will be reviewed in Paris in 2015, as well as the trend for businesses and consumers to become more environmentally and ethically responsible.

Graduate Certificate & MSc in Sustainable Energy Finance

Bank of Ireland's Paul Harris designed and led the first Graduate Certificate in Sustainable Energy Finance at Dublin City University. Both the certificate and followon MSc programme aimed to provide a comprehensive overview of sustainability finance in order to support new green business streams within investment banks, professional firms working within the broader green economy, and companies developing renewable products and technologies.

"These courses draw together, for the first time anywhere, the key elements of green finance in a comprehensive and practical way, enabling finance executives to play a central role in the evolution of this marketplace both in Ireland and internationally."

> Paul Harris, a member of Green IFSC steering group and Head of Natural Resources Risk Management at Bank of Ireland Global Markets

Interview

If we're going to change the world we're going to need the finance to do it

What course did you take?

In 2011, I took the two-year MSc in Sustainable Energy Finance run by Dublin City University from which I graduated in 2013. I originally started on the 1-year graduate Graduate Certificate with 32 students drawn from very diverse backgrounds, one which helped create a network of like-minded professionals across different businesses all interested in sustainability (we still meet up regularly). Then, after completing the first year, I continued on to the MSc with six other students. My fellow students on the MSc course came from accountancy, banking and investments backgrounds and included self-employed consultants as well as people who worked for large multinationals.

What did the course cover?

The course covered a range of subjects including funding for renewable energy projects and understanding the differences between the different renewable energy technologies in order to work out the finance required. It covered examining sustainability reports from companies from an investor perspective, policy and regulations around climate change in the EU, carbon trading, taxation and law.

What did you like about it?

I liked that the course curriculum did not stick rigidly to the financing of sustainable energy but covered the whole concept of sustainability. If we're going to change the world we're going to need the finance to do it.

Why did you decide to take the course?

I was inspired to take the course after learning about our carbon trading desk and managing carbon investments for clients of Private Banking for Bank of Ireland. It's a subject that I absolutely love.

How have you used what you've learned?

I am involved in the management of a portfolio of global equities and bring the course work to bear in the energy and utilities sectors within that framework. Clients, when they see my biography, invariably ask about the MSc which indicates the growing awareness of social and environmental responsibility among investors.

Deirdre Timmons, Private Banking, Bank of Ireland

Ireland's only Carbon Trading desk

When the EU ETS (Emissions Trading Scheme), the largest multi-country, multisector greenhouse gas emissions trading system in the world, was launched in 2005, we became the first Irish bank to offer a transactional capability in the carbon markets to the 100 Irish companies included in the scheme. Activity has broadened as the scheme has matured, with a focus not only on compliance buying and selling but also on devising investment products and initiating relative value transactions. We provide the service to the bulk of the 100 companies in the scheme and transact approximately 450,000/CO2e annually.

Investing in the low-carbon economy

In Paris in 2015, the new UN accord to replace the Kyoto treaty may have a profound impact on carbon-related businesses, leading to pension funds selling their carbon-related shares and looking for 'equity baskets' formed of shares in companies best placed to benefit from low carbon economy. We are currently researching a structured product to respond to this upcoming need, which has "stranded assets" as an investment theme.

Bank of Ireland is regulated by the Central Bank of Ireland

Wind power

Our current portfolio of wind farms produce in excess of 350 MW of electricity, enough to power over 200.000 homes. For example, we provided the total debt funding facilities for the 9MW wind farm at Hollyford in Co Tipperary, owned by the Viridian Group. The wind farm is fully operational and exporting electricity to the grid. The wind sector, in particular, has formed the cornerstone of renewable energy financing in Ireland and is likely to remain a very active sector over the coming years as Ireland continues to work towards achieving its national renewable energy targets, consistent with EU plans.

Cleantech and greentech

Bank of Ireland-backed seed funds totalling €50m invest in start-up and early stage companies. Almost 100 investments have been made, with a number in emerging sectors such as cleantech and greentech.

ResourceKraft

In 2010 the Bank of Ireland Seed & Early Stage Equity Fund in conjunction with Kernel Capital led a €600,000 investment in Limerickbased ResourceKraft, an energy cost control technology specialist. ResourceKraft's suite of energy management solutions enables organisations to identify energy use and waste, reduce costs, remotely control output, and comply with regulatory and industry standards.

Ikon Semiconductor

Kernel Capital, through the Bank of Ireland Kernel Capital Venture Funds, have invested over €1.8m in Dublin-based Ikon Semiconductor, a FAB-less semiconductor company focused on developing innovative, highly integrated and efficient solutions for the rapidly-growing LED lighting industry.

Bank of Ireland is regulated by the Central Bank of Ireland.

Focus

Green goes mainstream

"In the next 10-15 years, across the globe, investment in 'green' projects is estimated to be in the billions and trillions of US dollars. In this context, there must be a role for the financial services sector to help ensure that finance is made available to the right projects. Ireland should try to attract some of that business which will help create jobs. At the same

Investing in sustainability

time, Ireland is seen internationally as a clean market for the generation of green energy from offshore wind farms etc.

So there's an opportunity to connect indigenous Irish 'green' businesses with foreign direct investment. By creating the Green IFSC, we have helped put Ireland on the map for this type of investment. What next? This has to become mainstream, so it can go to the next level and start to encompass a whole range of businesses related to sustainability from insurance to risk analysis.



Padraig Rushe, Director, Corporate Banking and a founder member of the Green IFSC

Focus

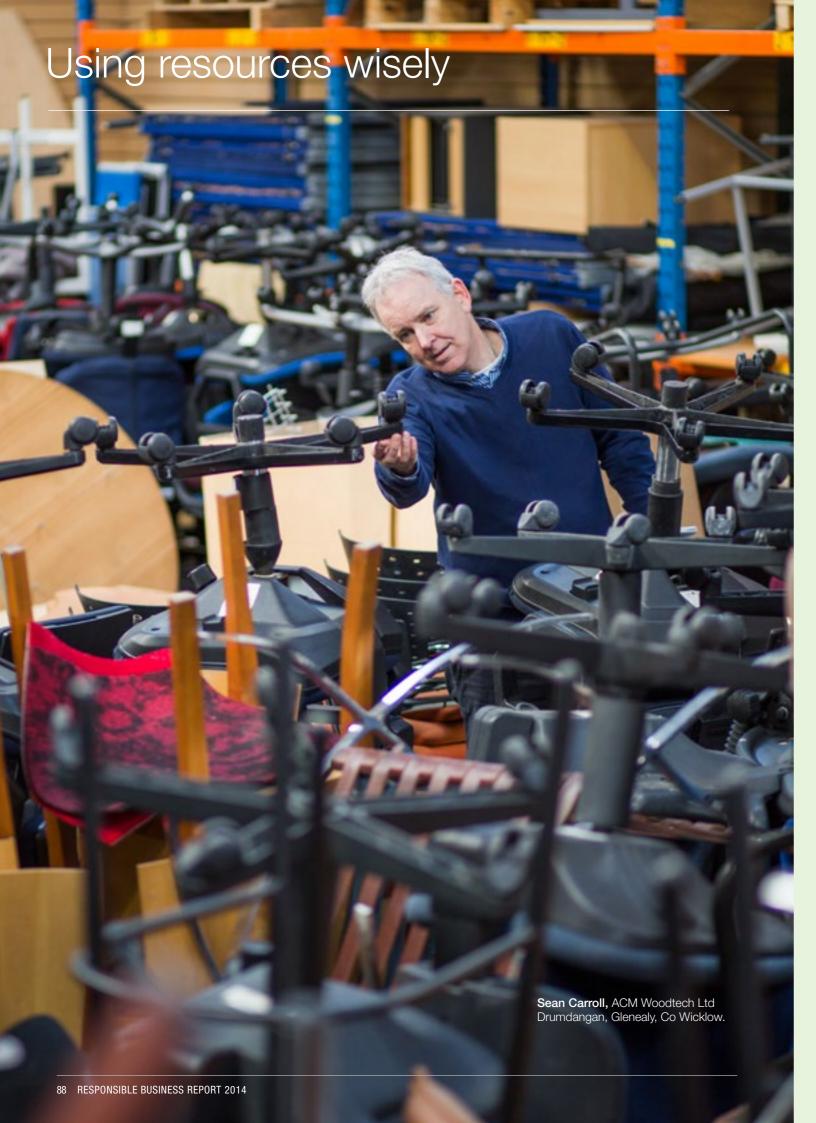
One hour of sunlight could power the world

The energy from one hour of sunlight on the earth's surface would be sufficient to meet the world's annual electricity needs, yet the technology to harvest this energy remains too expensive for solar electricity generation to become a mainstream source of electricity. Nines Photovoltaics (Nines) is a Dublin-based firm which secured €350,000 from Bank of Ireland's Seed & Early Stage Equity Fund managed by Kernel Capital.

Nines say its technology reduces this harvesting cost by dramatically changing the processes used to manufacture solar cells. As the number of global solar installations continues to rise, solar cell manufacturers continue to look for innovative solutions to reduce costs and increase efficiencies in order to survive. They are currently ramping up their process development and entering the market with a disruptive new technology that will address the manufacturer's needs.

"Kernel Capital's support enables us to execute on our plans. Their in-depth knowledge and experience have proven invaluable," says Edward Duffy, CEO, Nines Photovoltaics.

Edward Duffy, CEO, Nines Photovoltaics



Using resources wisely

General waste separation and improvement

Currently 90% of the general waste collected at our premises is recycled or reused, with 10% sent for incineration.

Furniture recycling

All new furniture requests are checked against items that we hold in our Wicklow storage facility and if we have stock in storage then we use that first, prolonging the life of the furniture.

Cycle to Work Scheme

The Bank supports the Government-led Cycle to Work Scheme – providing our employees with a number of opportunities during the year to sign up for the programme. In the five years since the scheme was introduced, 2,553 bikes have been purchased. As well as promoting greener commuting, the scheme also encourages employee fitness and health. We have recently installed 110 cycle racks across our sites to provide additional facilities for our staff who cycle to work. We also hosted 'Cycle to Work' days with an emphasis on both pedal bicycles and electric bikes in our large administration sites.

Paperless account statements

We are currently rolling out electronic statements for our personal and business current accounts and credit card accounts, replacing their paper counterparts. These statements form our largest print run and number in the millions each year, so the more customers we can persuade to switch to eStatements the greater the savings in paper. In order to encourage customers to adopt electronic statements, we have arranged to hold up to seven years of statements securely online for them. Since the introduction of e-statements, 1.5 million pages of paper have been saved, thanks to customers choosing to receive their statements electronically rather than by post.

Interview

Respecting biodiversity

"Biodiversity - the range of natural infrastructure – is disappearing across the planet at an alarming rate. This loss doesn't just damage the global ecosystem, it also represents a massive business risk. As diversity is compromised, the opportunity for new products, new technologies and new business also recedes.

Joining the dots between finance and vanishing habitats might seem fanciful, but there is now a growing movement in the business community that seeks to account for the environmental impact and usage of scarce resources that have been previously regarded as cost-free.

Funding of the repair, maintenance and protection of biodiversity - far from being a sentimental option - has a strong business rationale. According to a UN Environment Programme study, a global annual investment of \$45 billion in biodiversity would protect \$5 trillion in ecosystem services. In an Irish context, biodiversity is estimated to contribute at least €2.8 billion each year to the Irish economy.

Over 25% of Ireland's land is made up of wetlands or forestry. In addition to five national parks, there are 76 nature reserves, 68 wildfowl sanctuaries, as well as National Heritage Areas comprising fens, bogs, salt marshes, dunes, lakes, grasslands and native woodlands covering a total of over 800,000 hectares.

The supply of potential biodiversity investment propositions in Ireland is abundant and will support the existing tourism sector which is an essential part of Ireland's GDP. The financial community can develop innovative solutions such as 'green bonds' to help finance these projects. At a time when Ireland is looking for fresh ways to create jobs, attract investment and seek growth opportunities, biodiversity could help support economic regeneration."

Paul J Harris,

Head of Natural Resource Risk Management, Global Markets is a member of the Green IFSC Steering Group



Invoice management

We stopped accepting paper invoices by post from May and all invoices are now sent by email. This new approach reduces paper in circulation and is key to ensuring that we can meet our commitments to pay all our suppliers within 30 days. All our suppliers are now paid electronically.

Bank of Ireland is regulated by the Central Bank of Ireland.

For good Governance

We hold ourselves to the highest standards, in line with the expectations of our stakeholders including customers, regulators, shareholders, government, colleagues, and employee groups. Good and responsible governance helps us maintain our high standards.



Katie McDonagh,

Senior Auditor, Finance & Governance, Group Internal Audit

Committed to high standards

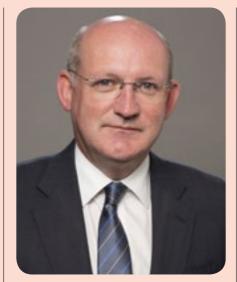
Corporate Governance

Our Corporate Governance Framework refers to the mechanisms, processes and responsibilities among different parties in the Group including the Court, Management and Staff. Corporate Governance includes the processes through which the Group's objectives are set and pursued in the context of the social, regulatory and market environment.

Managing risk responsibly

Doing business responsibly requires us to oversee our activities effectively. To help us achieve this, we have a Group Risk Framework in place, which outlines our integrated approach to risk management and ensures that all risk types are taken into consideration when making business decisions. The Framework identifies the Group's formal governance process around risk - how we identify, assess, measure, manage and report risk. It ensures we handle risk in a consistent manner, using robust processes. It also means that all Group employees have an understanding of their responsibilities with regard to risk management so that they can execute their roles on a day-to-day basis in accordance with the risk management principles.

The Group has robust governance arrangements which include a clear organisational structure with well defined, transparent and consistent lines of responsibility. These identify manage, monitor and report the risks the Group may be exposed to. It also has adequate internal control mechanisms which are consistent with and promote sound and effective risk management.



Peter Morris, Chief Governance Risk Officer

"The Bank of Ireland Group serves a wide range of customers with a variety of products and services across several jurisdictions. It is appropriate that an organisation of our size and scale operates with robust Corporate Governance standards. Such standards play a vital role in delivering a safe, sustainable way of working, serving our customers and our stakeholders alike."

Peter Morris, Chief Governance Risk Officer

There are two key functions in the Group responsible for managing different aspects of risk - the Credit & Market Risk function and Group Governance Risk function. In addition, a number of other Group functions have responsibility for other key risk types, namely Group Treasury (Liquidity Risk), Group Communications (Reputation Risk), and Group Finance (Pension Risk). These central risk functions are responsible for ensuring that policies and processes are in place to manage risks. Through these policies and processes, the Group ensures that risks are correctly identified, assessed and reported, and risk events are appropriately managed or escalated.

Group Internal Audit

Group Internal Audit has responsibility for the review and assessment of the Group's internal control framework, to provide independent, reasonable risk-based assurance to management and the Group Audit Committee on the design and operating effectiveness of the Group's internal control framework.

External audit

PricewaterhouseCoopers are engaged as the Group's External Auditors. The External Auditors conduct an audit on, amongst other things, the financial statements and financial reporting framework of the Group. The Group's auditors conduct their work in accordance with international standards on auditing.

Policies, standards and procedures

The Group has defined and implemented policies, standards and procedures to ensure that it operates to the highest of standards, both from the perspective of the Group's legal, regulatory and compliance requirements, and also in an ethical, fair and consistent manner. The Group's policies and standards set out clearly the Group's objectives and provide direction to its staff, management and Court in carrying out their various day-to-day activities.

Committed to high standards

Three lines of defence

The Group operates a management model which helps the Group to effectively and robustly maintain high standards of risk management and governance. This model is based on a "three lines of defence" approach, which extends across the organisation, in an appropriate manner, to support the Group in meeting its objectives in this regard.

Business Management

Primary responsibility and accountability for risk management lies with management across all of the Group's businesses and functions.

Management are responsible for the identification, management, mitigation and reporting of risks and controls as appropriate.

Risk Management

Central risk management functions are responsible for maintaining independent risk oversight of business management.

These central risk management functions define policies and strategies, and design tools, processes and requirements, which the business management must use in managing

Internal Audit

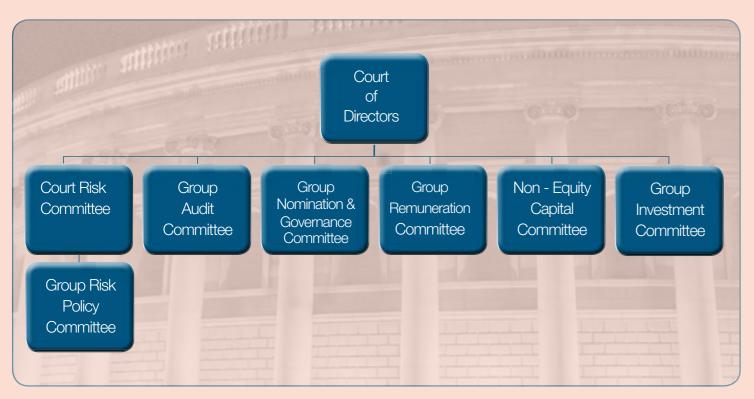
Group Internal Audit provide independent, reasonable risk-based assurance to internal and external stakeholders.

Group Internal Audit provide assurance on the effectiveness and sustainability of the Group's internal control environment and culture.



Our governance structure

Our conduct



Court of Directors

The Court of Directors provides leadership to the Group within the boundaries of the Group's Risk Appetite and a framework of prudent and effective controls which enable risk to be managed. It sets the Group's strategic aims, ensuring that the necessary financial and human resources are in place for the Group to meet its objectives, and it reviews management performance. The composition of the Court is reviewed on an annual basis to ensure that there is an appropriate mix of skills and experience.

Court Risk Committee (CRC)

The Court Risk Committee comprises nonexecutive directors and maintains oversight of the Group's risk profile, including adherence to Group risk principles, policies and standards. It also monitors the risk elements of any due diligence appraisal of any merger or acquisition activity. The Committee oversees the other Executive and Senior Management Risk Management Committees.

Group Risk Policy Committee (GRPC)

The GRPC is the most senior management risk committee and reports to the CRC. Membership comprises members of the Group Executive team and Group-wide divisional and control function executives. It is responsible for managing all risk types across the Group, including monitoring and reviewing the Group's risk profile and compliance with

risk appetite and other approved policy limits, and approving risk policies and actions within discretion delegated from CRC.

Group Audit Committee

The Group Audit Committee has many responsibilities, key amongst them is to assist the Court in monitoring the integrity of the financial statements, and to oversee all matters relating to the relationship between the Group and the External Auditors. This Committee also has responsibility for a number of elements of the Group's Internal Audit function, including the terms of reference, the effectiveness of the function and ensuring that it is adequately resourced and is free from undue influence by management or other restrictions.

Group Nomination & Governance Committee

The Nomination & Governance Committee is responsible for leading the process of appointments and renewals for the Court of Directors and the Court Committees. The Committee also oversees the Group's Corporate Responsibility Programme, and seeks to ensure that there is adequate succession planning for key Group roles.

Group Remuneration Committee

The Remuneration Committee is responsible for the oversight of the Groups' remuneration policy, with specific reference to the Governor, Directors, Senior Executives and employees

whose activities have a material impact on the Group's risk profile. The Committee considers, agrees and approves a strategy that supports the Group's objectives of long-term sustainability and success, sound and responsible risk management and good corporate governance.

Non-Equity Capital Committee

The Non–Equity Capital Committee is a Court–delegated committee with authority to approve the details of individual capital transactions and other capital market transactions under delegated approvals from the Court.

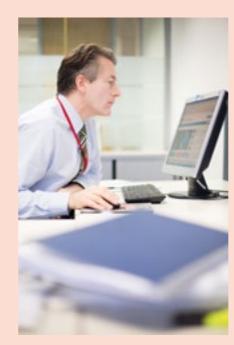
Group Investment Committee

The Group Investment Committee is responsible for evaluating all material investment, divestment and capital expenditure proposals, determining those within its authority and recommending those outside its authority to the Court for approval. It is also responsible for monitoring the implementation of such proposals and ensuring satisfactory delivery of expected benefits

Group Code of Conduct

The Bank of Ireland Group Code of Conduct (the Code) is the standard that we set ourselves for what we say and do in our relationships with our customers, suppliers, employees, shareholders, Government and regulators. It is our commitment to the behaviours that are expected from ourselves and our colleagues. The Code gives us guidance on how these behaviours should apply to all activities of the Group.

All staff are required to follow both the spirit and the letter of this Code in our dealings with others, both internally and externally. The Code cannot be specific to each and every situation that we may encounter. However, the intention of the Code is very clear. Each employee has a personal responsibility to read the Code and understand what it means. If any staff are in doubt about any part of the Code they are advised to consult with our managers. If they suspect that a breach of this Code or of any Group policy has occurred, staff are obliged to report this to their manager or raise a concern under the Speak Up policy.





Speak Up!

At one time or another, our colleagues may have concerns about what is happening at work. Usually these concerns are easily resolved. However, when the concern is about potential unlawful conduct, bribery, financial malpractice, danger to the public or the environment, possible fraud or risks, it may be difficult for colleagues to know exactly who they should talk to and what they should do. So in 2014, we published our new Speak Up! guidelines, encouraging colleagues to express their genuine concerns and explaining how to get their issue heard so that issues are not left unresolved.

Policies & Standards

The Group will continuously ensure that its policies and standards will remain upto-date. Such updates will ensure that ongoing improvements to the Group's risk management framework are incorporated and that the policies and standards take account of relevant industry, regulatory or legislative developments and guidelines. One policy which was recently revised is the Group Anti-Money Laundering, Countering the Financing of Terrorism and Financial Sanction Policy. This Policy sets out the standards expected of Bank of Ireland staff when dealing with customers and their accounts in order to protect the Group and its customers.

There is an onus on colleagues to ensure that they complete customer due diligence, understand the customer's intended account activity (for example the customer Source of Funds and Source of Wealth) and where

suspicion arises, they must report the incident to their Money Laundering Risk Officer.

Group Corporate Responsibility Forum

Our Group Corporate Responsibility Forum reviews all potential investments that may contain environmental and social risks, rejecting those projects where the risk is deemed unacceptable.

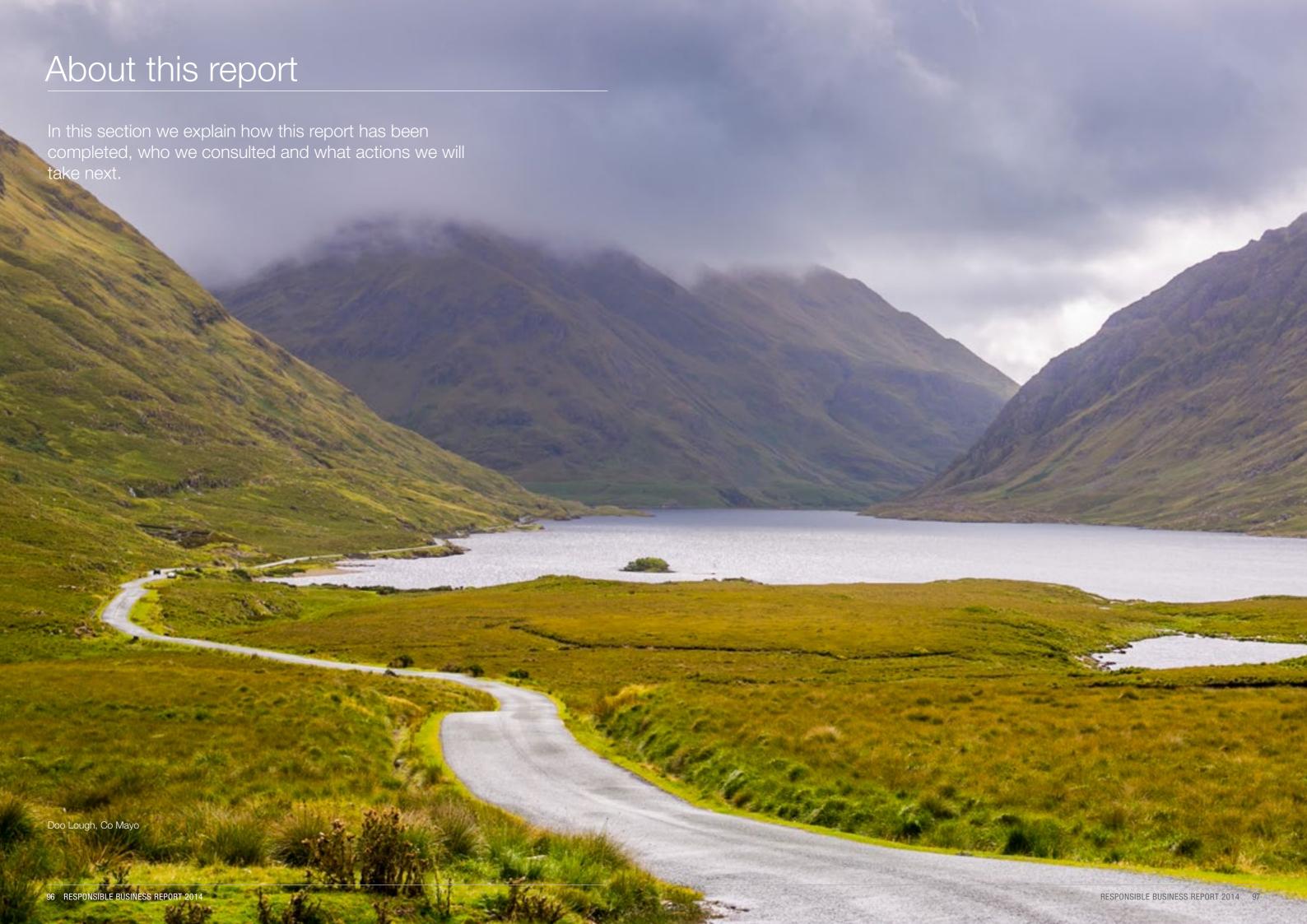
Paying suppliers promptly

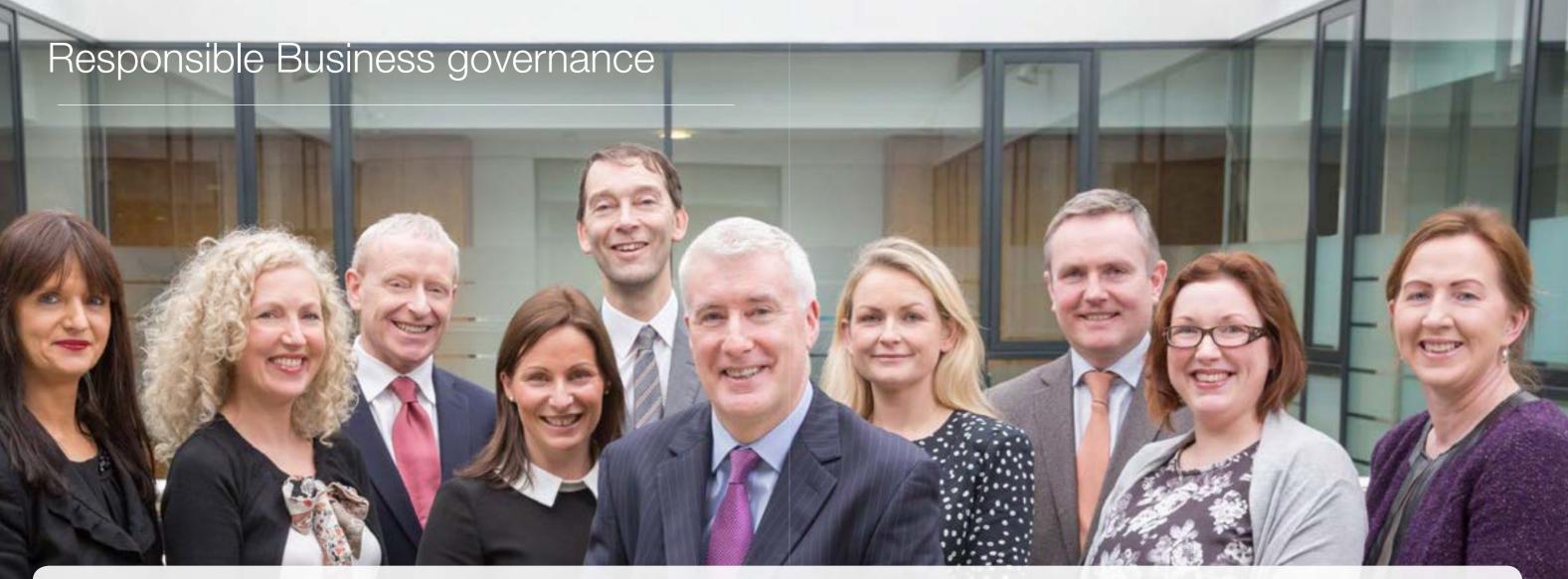
We endeavour to ensure that all valid supplier invoices are paid within 30 days of receipt. Since early November 2009, if we fail to pay an SME vendor within 30 days, or on their agreed payment terms, we commit to paying Late Payment Interest to them. Late payments are investigated to identify the root cause and appropriate actions are taken to reduce the chance of them happening again.

Single Supervisory Mechanism

In November, the European Central Bank (ECB) assumed banking supervision responsibilities for 130 banks including Bank of Ireland. In advance, the ECB conducted a comprehensive assessment to assess resilience under base and stress economic scenarios. This exercise was based on a uniform methodology and harmonised definitions. The scale of the enterprise was unprecedented and we passed the comprehensive assessment with substantial capital buffers.

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Corporate Social Responsibility (CSR) Steering Committee

In October 2014, we set up a Corporate Social Responsibility Steering Committee with members drawn from across the Group and from a diverse range of backgrounds. The Committee is chaired by Pat Farrell, Head of Group Communications. Meeting every two months, its members have overall responsibility for setting direction for the Responsible Business programme and delivering against key commitments.

Pictured above are the Steering Committee members (left to right) Orla Darby, Audrey Nolan, Mick Sweeney, Emer Haughey, Neil Cubley, Pat Farrell (Chairperson), Evelyn Carroll, Barry McLoughlin, Rose Clear, Maria McDonagh. Not pictured are Maureen Stanley, Hilary O'Meara, Ger Heffernan and Mike Butler.

Oversight of the report

The Group Executive Committee receives regular updates on progress and reviews the annual CSR report, while the Nominations & Governance Committee receives twice-yearly updates on progress.

Reporting approach

The Steering Group agreed to adopt a running five-year reporting cycle. In our 2014 Report, published in February 2015, (year one), the report contains an overview of the Bank's position under each of the five pillars - Customer, Colleagues, Community, Environment and Governance.

What's in this report

This is our first annual Responsible Business report, covering customer, colleague, community, environmental, and governance performance. Published in February 2015, it covers the period 1 January to 31 December 2014.

A snapshot of 2014

In this first report, we have gathered together a comprehensive account of many of the diverse initiatives in 2014 under the overall heading of Responsible Business. We are aware that however wide-ranging our research it is possible that we may have omitted some initiatives and will strive to establish a more rigorous reporting mechanism in 2015.

Audience

As we compiled the report, we understood that it would be of interest to very many stakeholders with varying interests. We have included both a highlights section and a detailed section for each of the report pillars to provide a choice for the reader.

Report content

The first section contains discussion and comment on what we mean by Responsible Business, why we are publishing the Report now and our objectives in doing so. It is followed by brief descriptions of our history, activities and business. A review of the highlights of 2014 is followed by in-depth reports on our five pillars - customer, community, colleagues, environment and governance.

Materiality

We are at the start of our journey. In 2015, we hope to establish what issues matter most to our stakeholders and to use what we learn from them to shape our objectives, which we plan to publish in our report next year.

Level of assurance

We have made the best efforts to ensure that the information provided in this report is complete and accurate. We have worked with Business in the Community Ireland for guidance and best practice in reporting. We will continue to develop the report in line with best practice in future editions.

Additional information

If you would like to contact us regarding this report please use the email address below:

Email: responsiblebusiness@boi.com

This publication is also available in Braille and other formats. Email: responsiblebusiness@boi.com

