

**Bank of Ireland (UK) plc (the Company)**  
**Board Terms of Reference**

**1. Roles and Responsibilities**

The Board is responsible for the leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board approves the Company's strategy, ensures that the necessary financial and human resources are in place for the Company to meet its objectives and reviews management performance. The Board has oversight of the Company's values and standards; the development of the Company's Culture; the delivery of fair treatment to all customers and specifically, the extent to which the Bank is acting to deliver good outcomes to retail customers; the allocation of Prescribed Responsibilities under the UK Senior Manager & Certification Regime (SM&CR); and ensures that the Company's obligations to its shareholder, regulators, customers, colleagues and others are understood and met. The Board approves the risk appetite, capital, liquidity and operating plans of the Company. ESG, Customer and Culture considerations are incorporated into Board decisions.

In its deliberations, the Board will give full consideration to the Wates Corporate Governance Principles for Large Private Companies (the Wates Principles) and will take into account the long-term interests of shareholders, investors, customers and other stakeholders in the Company and the public interest. The Board will also give due consideration to laws, regulations and any published guidelines or recommendations.

**2. Membership**

In keeping with the Board's diversity policy (in place and as agreed from time to time), the Board should have the appropriate balance of skills, experience, independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively. The Board should be of sufficient size that the requirements of the business can be met and that changes to the Board's composition can be managed without undue disruption. The Board should not be so large as to be unwieldy. The Board should comprise an appropriate balance of executive and non-executive directors, including independent non-executive directors, such that no individual or small group of individuals can dominate the Board's decision-taking.

**3. Meetings and Quorum**

The Board will meet with such frequency and at such times as it may determine. It is expected that the Board will meet at least six times a year. In accordance with the Company's Articles of Association (Articles) the quorum for meetings of the Board is three Directors. While not strictly required by the Articles, the quorum should where possible include at least one Independent Non-Executive Director. The Company Secretary or his/her nominee shall act as the secretary of the Board.

**4. Voting and Conflicts of Interest**

In keeping with the Articles of the Company, decisions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes the Chair of that meeting shall have a second or casting vote.

The Directors have a duty to act in the best interests of the Company and must act in accordance with the Articles and the Company's Conflicts of Interest Policy at all times. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company must declare the nature of this interest to the Board at the earliest opportunity. Directors will not participate in any decision making/ discussion of the Board where it could be reasonably perceived that conflicts of interest exist.

**5. Delegations**

In accordance with the Articles, the Board has established the following Board Committees whose

specific delegated authority is contained in each Committee's terms of reference. The terms of reference of each Board Committee is approved by the Board and reviewed on an annual basis.

- Risk Committee
- Audit Committee
- Nomination Committee
- Remuneration Committee

From time to time the Board establishes other ad-hoc Board committees as it considers necessary.

In accordance with the Articles, the Board has delegated the implementation of the strategy set by the Board to the Chief Executive Officer who is supported by the Executive Committee (ExCo).

From time to time the Board delegates the custody and use of the common seal of the Company to certain functions within the Bank and authorises the Secretary to put in place agreements governing its custody and use.

#### **6. Delegation from the Shareholder and Matters Reserved for the Board**

The sole shareholder of the Company is the Governor and Company of the Bank of Ireland (the Shareholder). The following matters have been delegated to the Board from the Shareholder:

- Approval of business strategy and direction for BOIUK, within the parameters of the Bank of Ireland Group (BOIG) strategy;
- Overseeing and monitoring the assessment of business performance;
- Assessing the compliance of the business with the capital, funding and liquidity and asset quality requirements (ICAAP, ILAAP, Authorisation letter) of the licence;
- Oversight of the relationship with Regulators including understanding the impact of Regulatory requirements;
- Dividend Policy;
- Development and approval of product strategy, pricing and approach which supports the fair treatment of all customers and the delivery of good outcomes to retail customers;
- Development of BOIUK Risk Appetite Statement within the parameters of the BOIG Risk Appetite Statement;
- Approval of commercial lending up to £20m, which can be extended to £25m where there is a reasonable expectation of the amortisation plan bringing the exposure down to £20m in the next 2-3 years. In addition, and always subject to the Group Credit Framework and approval protocols in place, a small number of credit exposures that exceed £25m, currently in place for public sector customers, may be extended in excess of the £20m and £25m limits;
- Establishment of remuneration strategy, policy and individual packages for senior management personnel through the Nomination and Remuneration Committees, subject to the Statutory and Regulatory requirements applying to BOIG and the overall Group policy framework;
- Appointment and retirement of, and ensuring appropriate succession plans are in place for, senior management personnel with subsequent ratification by BOIG, where required;
- Appointment and retirement of, and ensuring appropriate succession plans are in place for, Directors of the Board;
- Monitoring the delivery of services from BOIG; BOIUK has step in rights to rectify any failure by BOIG;
- Fixed asset expenditure up to a limit of £5m per asset;
- Determination of charity budgets and donations up to £50k;
- Determination of office locations and strategy for any office relocations; and
- Amendment to corporate branding at local subsidiary level, within the parameters of the BOIG

branding strategy.

The Board has adopted all the above as matters reserved for the Board. In addition, the Board has also reserved the following as a matter reserved for the Board:

- Approval of any investments or material expenditure in excess of an aggregate of £5m per Board approved project.

#### **7. Specific Roles**

The Board has designated a number of specific roles comprising:

- Chair
- Chief Executive Officer (Executive Director)
- Chief Risk Officer (Executive Director)
- Chief Finance Officer (Executive Director)
- Independent Non-Executive Director, including a Customer & Consumer Duty Champion
- Group Non-Executive Director
- Company Secretary

#### **8. Matters Reserved for the Shareholder**

The Shareholder has reserved the following matters which require the prior approval of the Shareholder:

- Approval of the remuneration payable to Non-Executive Directors;
- Establishment of any wholly or partly owned subsidiary of BOIUK;
- Change of ownership or name of BOIUK or any subsidiary thereof;
- Final ratification of BOIUK Board-level strategy;
- Issuance of additional equity capital or subordinated debt;
- Provision of insurance cover (e.g. Directors and Officers liability, buildings, etc) with limits approved by the Group Risk Policy Committee;
- Capital investment expenditure / fixed asset expenditure greater than £5m on any individual asset;
- Initiation of any external merger, disposal or acquisition activity;
- External charity donations greater than £50k; and
- Any guarantees provided by BOIUK for other subsidiaries unless in the normal course of business.

The Board will ensure that it seeks the prior approval of the Shareholder in respect of all matters reserved for the Shareholder.

#### **9. Delegation of Authority to the CEO and CRO**

The Board delegates authority to the Chief Executive Officer (CEO) for the execution of Board agreed strategy and for all operational matters which are not reserved for Board decision.

This authority is delegated to the CEO and is exercised on his behalf by the ExCo and applies in the case of any investment or material expenditure that is clearly consistent with Board approved strategy and does not exceed an aggregate of £5m per Board approved project.

The Board authorises the CEO to delegate the above authority to members of the ExCo whose signatures shall be effective to bind the Company. Such authority may be restricted to the extent that the CEO sees fit and updated from time to time at the discretion of the CEO.

The Board delegates its lending authority of up to £20m to the Chief Risk Officer (CRO) and the UK Chief Credit Officer (within certain parameters as defined in the Group Credit Framework) and

authorises the Board Risk Committee to review, on a quarterly basis, a summary of any lending decisions taken by the CRO that exceed the core limit of £20m. In accordance with the Group Credit Framework, the Board also authorises the CRO and the UK Chief Credit Officer to delegate lending authorities at various lower levels to relevant credit personnel, and to review these from time to time.

#### **10. Information and Support**

The Board will have access to sufficient resources in order to carry out its duties, including access to the Company Secretary's Office and Legal Services for assistance as required. As and when required, the Board may access professional advice. The Board is authorised to seek any information it requires from any employee of the Company to enable it to discharge its responsibilities.

#### **11. Inconsistency with Articles**

In the event of any inconsistency between these Terms of Reference and the Company's Articles, the Company's Articles will prevail.

#### **12. Board Effectiveness Review**

The Board will review its effectiveness on an annual basis, with an independent, externally facilitated review to be undertaken every three years, and consider its findings at a meeting of the Board. The results of any Board effectiveness reviews will be submitted to the Group Nomination, Governance and Responsible Business Committee for noting within three months of its conclusion.

#### **13. Review**

The Board will review these terms of reference periodically as it requires.

Approved by the Board on 15 September, 2023