

Corporate Governance Statement

Chair's Introduction

Dear Reader,

2023 was a transformational year for PTSB as we work towards our ambition of being Ireland's best personal and business bank through exceptional customer experiences.



I am privileged to have been appointed Chairperson of the PTSB Board and while I am very pleased to present my first statement on corporate governance in this annual report, I do so with sadness following the passing of my predecessor Robert Elliott in December 2023. Robert was a remarkable Chairperson whose contribution to the Group was transformational as he led the Board and supported the Executive Committee in the acquisition of certain parts of the Ulster Bank's business, positioning the Group for sustainable growth and success into the future. He had a profound impact on the organisation, those who he worked with and he will be greatly missed.

There were a number of changes to the Board during 2023 with the retirement of Ken Slattery, Andrew Power and the appointment of Catherine Moroney and Rick Gildea. I want to express my deep appreciation to Ken and Andrew for their invaluable contribution to the Board over their tenures and look forward to working with Catherine and Rick over the years ahead.

It was against the backdrop of the Ulster Bank transaction that I re-joined the Board of the Bank in January 2023 having previously served as a Board Director from 2014-2020. My first observations on re-joining the Board is just how far the Bank has come in such a short period of time, in particular under the leadership of Eamonn Crowley who was appointed as CEO in 2020. It is tangible to see how both the commercial ambition and culture of the organisation has moved on significantly during that time. There is a mindset within the Bank to build trust with customers and to deliver on the bank's ambition to be Ireland's best personal and business bank through exceptional customer experiences. We are making progress in that regard, but there is more to do.

Corporate governance is important for me. It is how the organisation is effectively directed and controlled to deliver value for shareholders while being mindful of the impact on customers, colleagues, communities and our environment. As the Ulster Bank transaction was drawing to a close in H1 2023, the Board recognised the growing importance of PTSB within the Irish retail banking landscape and the associated increase in shareholder, regulatory, economic and societal expectations on it. Both the Board and I felt the time was right to undertake a thorough review of the bank's governance arrangements to ensure that it was positioned for sustainable growth and that it had both the capability and capacity to do so safely.

This review required an enterprise wide assessment of the Bank and I was very pleased with the manner in which the wider senior management team at the bank collaborated in bringing forward a Board approved plan to deliver:

- 1. Improvements in the effectiveness of governance arrangements at the Board and the Executive level.** Implementation of the Individual Accountability Framework (IAF) will be leveraged to improve clarity of accountabilities and responsibilities, ensuring there are no gaps and that risk ownership and responsibilities for meeting regulatory obligations are clear across the business and the three lines of defence.
- 2. Improvements in strategic planning,** including through completion of a strategy refresh, building greater strategic capability (setting and monitoring), and process enhancements (e.g., related to capital and liquidity planning).
- 3. Enhancements to and better embedding of risk management processes and capabilities across the Bank,** including strengthening, capability and capacity across the first and second lines of defence.

- 4. Evolving data and technology strategies which underpin the overall business strategy,** including through anticipating future needs and ensuring the Bank has a resilient operational base, including through its approach to third party risk management.
- 5. Ensuring sustainability is embedded** within the Bank's strategic planning processes and embedding an integrated approach to delivery of the Bank's sustainability strategy.

I look forward to working with my Board colleagues over the coming months to ensure that we deliver on the commitments we have set for ourselves and to hold ourselves to the standards of corporate governance expected of a systemically important pillar bank.

The following report sets out the detail to our approach to corporate governance principles and practices, how we implement and endeavour to achieve compliance with the UK Corporate Governance Code and how our Board and its Committees operated during the year.

The reports from the Chairs of the Board Audit, Risk and Compliance, Nomination Culture and Ethics, and Remuneration Committees on pages 148, 158, 153 and 161 respectively highlight the key activities and areas of focus for each Committee.

A handwritten signature in dark ink that reads "Julie O'Neill". The signature is written in a cursive, flowing style.

Julie O'Neill
Chairperson

CBI Corporate Governance Code

The 2015 Central Bank of Ireland Corporate Governance Requirements for Credit Institutions (the "CBI Code") imposes statutory minimum core standards upon credit institutions, with additional requirements upon entities designated as High Impact Institutions. The Company's retail banking subsidiary, PTSB, was subject to the provisions of the CBI Code during the reporting period. PTSB has been designated as a High Impact Credit Institution under the CBI Code and is subject to the additional obligations set out in Appendix 1 of the CBI Code. PTSB has also been designated as LSI for the purposes of the Capital Requirements Directive (SI 158/2014) and is subject to the additional obligations set out in Appendix 2 to the CBI Code. A copy of the CBI Code is available on the CBI's website www.centralbank.ie.

Compliance Statement with UK Corporate Governance Code and Irish Annex

The Company's shares are admitted to trading on the Main Securities Market of Euronext Dublin and the London Stock Exchange and the Company must comply or explain against the provisions of the 2018 UK Corporate Governance Code (the "UK Code") and the Irish Corporate Governance Annex (the "Irish Annex"). A copy of the UK Code is available on the UK Financial Reporting Council's website www.frc.org.uk and the Irish Annex is available at www.euronext.com/en/markets/dublin.

Details of how the Group applied the main principles and supporting provisions of the UK Code are set out in this Corporate Governance Statement, the Business Model and Strategy section, the Risk Management section and in the Directors' Report on Remuneration. These also cover the disclosure requirements set out in the Irish Annex, which supplement the requirements of the UK Code with additional Corporate Governance provisions. The Board confirms that the Company has complied with the detailed provisions of the UK Code and Irish Annex during 2023, save as set out in the following paragraphs which at this time are classified as indefinite in nature.

Committee Independence

Provision 24 and 25 of the UK Code requires both the audit and risk committee (where established) to consist of Independent Non-Executive Directors. Paul Doddrell's membership of the Board Audit Committee ceased at the end of 2023 and this committee now consists entirely of independent non-executive directors. Paul Doddrell and Marian Corcoran are members of the Board Risk and Compliance committee which is chaired by and has a majority of independent non-executive directors within their membership. The Board believes it appropriate to ensure that the aforementioned committees consist of members with appropriate knowledge, experience and skills and, notwithstanding the basis of their appointment, can demonstrate effective contribution through an independent mind-set. The Board believes it is in the best interest of the Bank to utilise Mr Doddrell's and Ms Corcoran's considerable risk management experience on the Board Risk and Compliance Committee.

Remuneration

Provision 33 of the UK Code requires that the Remuneration Committee should have delegated responsibility for setting the remuneration for all executive directors and the Chairperson. However, under EBA guidelines on sound remuneration practices, the Remuneration Committee is designated as being responsible for the preparation of decisions to be taken by the Board regarding the remuneration for executive directors and other identified staff. The Board's view is that, from a regulatory perspective, the Group is compelled to comply with the EBA guidelines and therefore its remuneration policy reflects this position.

Provision 38 of the UK Code states that pension contribution rates for executive directors, or payments in lieu, should be aligned with those available to the workforce. Since 2019, the Board has approved certain enhancements to staff defined contribution pension schemes

where, based on market benchmarking, the maximum employer contributions were increased up to 16% linked to increases in each employee's own contributions and subject to certain age-based eligibility criteria. In carrying out these reviews, the Remuneration Committee paid due cognisance to existing State Agreements relating to remuneration and the Group's ability to provide competitive reward arrangements to retain and motivate executive talent in an increasingly competitive marketplace. Given the particular challenges faced in attracting and recruiting the most senior talent, in 2022, the Board approved increases in the Executive Directors' maximum pension contribution to 16%, or 20% in the case of the CEO. Given the difficulties experienced in respect of senior talent acquisition, and aligned with the current approach for members of the Bank's Executive Committee, it was also agreed to exempt the Executive Directors, including the CEO, from the age-related eligibility criteria.

Corporate Governance Statement

Stakeholder Engagement

“How the Board ensures effective engagement with, and encourages participation from the Company’s Stakeholders”

Stakeholder Engagement

A key role of the Nomination, Culture and Ethics Committee is to ensure there is effective engagement with and participation from the Bank’s key stakeholders. Reputation management is an integral part of the corporate affairs strategy for the Bank.

Sustainability Materiality Assessment

The Bank takes a number of factors into consideration when assessing where to prioritise resources for its sustainability activity. These include, but are not limited to: the Bank’s business model and strategy; principal risks; sector issues; public policy and regulation; and, the impact of the Bank’s activities on wider society.

To understand the issues that are important to stakeholders, in 2021 the Bank engaged a sample of stakeholders to complete a comprehensive Materiality Assessment of the Bank’s Sustainability programming.

The assessment offered insight into the relative importance of specific Environmental, Social and Governance (ESG) issues relevant to conducting business in a responsible way, and assisted the Bank in building out a Sustainability Strategy which was launched in November 2021. Central to the Bank’s Sustainability Strategy is a focus on climate change and supporting the transition to a low carbon economy.

Reference to the Bank’s stakeholders includes the Bank’s customers (personal and small business), colleagues (Board, management, employees and unions), the Bank’s investors, suppliers, society (community partners and industry influencers) and the Bank’s regulators.

Outside of the materiality exercise, the Bank interacts with stakeholders at regular intervals during the year through the following:

- Customers – Voice of the Customer Programme, focus groups, surveys, in person through the branch network and through the Bank’s online digital channels (website, App, customer contact centres etc.);
- Colleagues – Every Voice Counts employee engagement survey, regular micro-pulse surveys, team meetings, virtual and in person networking forums, internal intranet platform, a Bank-wide communications platform and app, in-house digital screens, four Employee Resources Groups, People Experience Council and other channels as appropriate;
- Investors – AGM and shareholder services, financial reporting, roadshows, industry conferences and other channels as appropriate;
- Suppliers – Regular supplier engagement processes and procedures, supplier on boarding and contracting and other channels as appropriate;
- Society – Community Partners, Media, Government Officials and industry influencers such as the BPF and Irish Banking Culture Board; and
- Regulators – Regular engagement and regulatory reporting and other channels as appropriate.

Focus for 2024

During 2024, the Bank will complete an exercise in double materiality in line with Corporate Sustainability Reporting Directive (CSRD) Regulation. The exercise will assess both stakeholder impact and financial materiality of the issues that are critical to our business and will form an integral part of our stakeholder engagement strategy for the year.

In Addition the Bank is committed to building on the progress achieved and to continue to rollout a series of proactive engagements amongst key stakeholders that will allow the Bank to cultivate relationships, gain trust and build further the reputation of the Bank. The Bank’s

Corporate Development and HR Function will continue to ensure that feedback from colleagues, customers and communities is measured effectively in line with the Bank’s Purpose and that key insights are brought to the Nomination, Culture and Ethics Committee on a regular basis.

Shareholder Engagement

Transparent and frequent communication with the Group’s shareholders is a key priority. The Group has an Investor Relations team, headed by the CFO, and there is a comprehensive schedule of investor engagement which the CEO and CFO participate in on behalf of the Board, along with selected Senior Executives and representatives from the Investor Relations team. All engagements are structured in such a way as to ensure market sensitive information is not disclosed. The Group also has an active market engagement programme in place where it reports financial results live through a webcast twice a year (typically in March and July) and updates the market on trading twice a year typically in May and October. The Group publishes all results, including the webcasts to a dedicated Investor Relations section on its website. The Group also reports other relevant information to the market on a timely basis. Following the release of full-year results, the CEO and CFO facilitate a roadshow which provides an opportunity for institutional shareholders to provide feedback directly.

The Investor Relations team, together with the CEO and the CFO, provide regular updates to the Board on the types of activities mentioned above, along with market reactions, in order to ensure that the members of the Board are aware of the views of the investment community and are considered in their decision making. The CEO, CFO and Chairperson seek regular engagement with major shareholders. The Group’s shareholder engagement strategy will continue to evolve as the level of free float increases, but will always apply best practice in this regard.

Workforce Engagement

The UK Corporate Governance Code places an obligation on boards to keep workforce engagement mechanisms under review so that they remain effective. Furthermore, the Code also states that where the Board chooses to implement alternative arrangements to those set out in the Code, it should explain in its Annual Report what alternative arrangements are in place and why it considers that they are effective.

There are currently a number of ways the Board engages with the Group's workforce and hears the employee 'Voice' on an on-going basis through alternative arrangements to those set out in the UK Code. A summary of these alternate arrangements are outlined in the below table:

Mechanism	Detail
Board and Committee Meetings	During 2023 the Board met in total on 18 occasions and this facilitated regular Board engagement with subject matter experts from across the Bank.
Nomination, Culture and Ethics Committee	Dedicated Board Committee with accountability for culture, behaviour, ethics and reputation management oversight in the Bank. Biannual review of employee 'Speak Freely' concerns raised through a Colleague Conduct Report.
Employee Events	Attendance at and participation in employee events on an on-going basis. Examples include the Employee Resource Group initiatives such as the Diversity, Equity and Inclusion 23 – 25 Strategy Launch, Gold Accreditation from the Irish Centre for Diversity Launch, Better Balance Webinars, Values in Practice Awards and Sustainability events. Board members also attended / participated in the bank's 'People Leader's conference' (in-person event attended by all people managers) and the 'All together now' summit event (in-person all-colleague event) which presented the Bank's business strategy and brand repositioning to colleagues.
Employee Representative Bodies	CFO and HR Director bi-annual engagements with Employee Representative Bodies to update them on the organisational trading position, the Bank's purpose and strategy together with opportunities and challenges being faced. Other Executive and Senior Leadership Team members meet the Employee Representative Bodies on an as needed basis depending on the agenda and business requirements.
Employee Surveys	The Employee collective voice is shared with the Board Nomination, Culture and Ethics through a variety of employee surveys that are run throughout the year. Examples include the Every Voice Counts annual survey, Every Voice Counts Micro-pulse surveys and the Irish Banking Culture Board (Éist).
Employee Engagement Group	The Company Secretary (Board Nominee) attends the People Experience Council (PEC) to support the Board and gain a greater understanding of culture / employee sentiment. Nomination Culture and Ethics Committee met with the Bank's People Experience Council in November 2023.

Corporate Governance Statement

Stakeholder Engagement (continued)

A People Experience Council was inceptioned in 2020 to support the embedding of culture with a mandate and a set of accountabilities. Their role is to lead out on Culture across the Bank, provide a collective voice (qualitative data) to the organisation and solicit People Experience Leads across their functions to champion organisational engagements. Leads are made up of colleagues from all areas of the business, representing a diverse group of employees at all levels. The Nomination Culture and Ethics committee identified an opportunity for the Board to engage with this group and to be updated on the employee sentiment and mood on the ground. As part of this group, the Board not only gains a deeper understanding of the drivers behind the employee engagement survey results (PTSB Every Voice Counts survey, IBCB Éist survey), they also gain diverse perspectives on what actions will address the areas for development and also any emerging areas of discontent from employees. It is intended that attendance by Non-Executive Directors will continue indefinitely.

All material organisational changes are discussed and consulted on in advance with employee representative bodies. It is important in the context of these discussions that colleagues understand the financial and strategic position of the Bank over its 5 year planning period and where appropriate, aligned to engagement protocols, provide member representations. During 2023, the CFO attended engagement sessions with Employee representative bodies to explain and provide context to the Bank's current and medium term outlook as part of negotiations on reward.

Having reviewed the series of employee engagement during 2023, the Nomination, Culture and Ethics Committee was satisfied that this engagement was effective and in compliance with the UK Code.

Board Decision Making

The Board has a clear understanding of the Bank's key stakeholders and how the operations of the Bank effect the environment and communities in which it operates. The Bank's Stakeholder Engagement Programmes facilitate a clear and unfettered information flow to and from the Board. This allows the Board to make informed decisions that are both in the best interest of the Company and facilitate a clear understanding of how decisions impact on the Bank's stakeholders, wider community and environment.

A key focus for the Nomination Culture and Ethics Committee is to ensure that directors are able to make a positive contribution to the long term sustainable success of the Company. Directors are more likely to make good decisions and maximise the opportunities for the Company's success if the right skillsets and breadth of perspectives are present on the Board. The Nomination Culture and Ethics Committee, aligned with the Bank's Purpose and Ambition, considers the appropriate skillsets and perspectives and sets them out in a Board approved Suitability Matrix. Appointments to the Board are recommended in accordance with the Suitability Matrix. The key skillsets and experience that each of the Directors bring to the Board are set out in the Board Biographies section.

Directors' Report

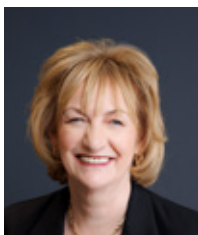
The Directors' Report and the Statement of Directors' Responsibilities forms part of the Corporate Governance Statement.

Corporate Governance Statement

Board of Directors

A key focus for the Board is to ensure that directors are able to make a positive contribution to the long term sustainable success of the Company. Directors are more likely to make good decisions and maximise the opportunities for the Company's success if the right skillsets and breadth of perspectives are present on the Board. The Nomination Culture and Ethics Committee, aligned to the Group's Purpose and Ambition, considers the optimal knowledge, experience and skills requirements of the Board and sets them out in a Board approved Suitability Matrix. Appointments to the Board are guided by the Board Assessment and Suitability Policy, Board Diversity Policy and Board Suitability Matrix. The key knowledge and experience that each of the Directors bring to the Board is set out in the Biographies below.

JULIE O'NEILL (68) **INDEPENDENT NON-EXECUTIVE DIRECTOR**



Appointed to Board:
17 January 2023

Nationality:
Irish

Committee Membership:
Remuneration Committee,
Nomination, Culture and Ethics
Committee (Chair)

Principal External Appointments:
Director at XL Insurance
Company SE and Architas Multi-
Managers Europe.

Key Strengths, Skills and Experience

Julie is an accomplished business leader with extensive executive and board experience, having held a number of senior government positions, including Secretary General of both the Department of Transport and the Department of Marine and Natural Resources and previously held a number of other prominent Non-Executive Director roles, including: Chairperson of the Convention Centre Dublin and Non-Executive Director, AXA Life Europe and Ryanair Group plc.

Julie previously served a six-year term on the Permanent TSB Group Holdings plc Board (2014 to 2020) as an Independent Non-Executive Director, the latter 4 years as the Board's Senior Independent Director. During this period she played a significant role as a Board member in guiding positive transformation of the Bank. Julie's has extensive business and leadership experience and brings an in-depth knowledge of the Bank and wider banking/insurance industry to the Board.

- Certified Bank Director
- Bachelor of Commerce
- MSc Policy Analysis

EAMONN CROWLEY (54) **CHIEF EXECUTIVE OFFICER**



Appointed to Board:
10 May 2017

Nationality:
Irish

Committee Membership:
None

Principal External Appointments:
PTSB nominee director of
the Banking and Payments
Federation Ireland (BPF) and Irish
Banking Culture Board (ICB).

Key Strengths, Skills and Experience




Eamonn brings to the Board extensive international banking, accounting, corporate treasury and leadership experience with a significant customer focus which is reflected in the Bank's Purpose, Ambition and Strategy to build trust and grow a sustainable Bank for the longer-term.

Eamonn was appointed CEO in June 2020. Before joining PTSB as Chief Financial Officer in 2017, Eamonn worked as Chief Financial Officer at Bank Zachodni WBK S.A. ("BZ WBK"), Banco Santander's publicly listed Polish retail and commercial bank. (BZ WBK was formerly 70% owned by AIB. Banco Santander acquired that AIB stake in 2010.) During his period as CFO, Eamonn executed the merger of BZ WBK with Kredyt Bank to form Poland's number three bank, placed over 20% of the bank on the Warsaw Stock Exchange through a Euro 1.2bn secondary IPO and led the acquisition of a controlling stake in Poland's number one Consumer Bank. Prior to joining Santander, Eamonn worked for the AIB Group in a variety of different roles.

- MBA Smurfit Business School
- Certified Accountant (FCCA) and Member of Association of Corporate Treasurers

Corporate Governance Statement

Board of Directors (continued)

NICOLA O'BRIEN (53) CHIEF FINANCIAL OFFICER	Appointed to Board: 4 August 2022	Key Strengths, Skills and Experience
	Nationality: Irish	Nicola is a qualified Chartered Global Management Accountant (CGMA) and finance professional with significant banking and leadership experience having worked in the Retail Banking sector in Ireland for more than 25 years. Nicola brings a wealth of commercial, strategic, financial, operational and regulatory knowledge to the Bank together with experience in delivering large complex programmes successfully.
	Committee Membership: None	Nicola was appointed CFO in August 2022, having spent more than 5 years with the Bank in a number of senior leadership positions, prior to joining PTSB her career spanned 18 years in the Irish Financial service sector (Bank of Ireland) holding senior finance leadership roles across Retail Ireland, Group Customer Operations and Group Finance.
	Principal External Appointments: None	<ul style="list-style-type: none">• ACMA & CGMA• Certificate in Company Direction (IOD)
RONAN O'NEILL (70) SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR	Appointed to Board: 26 July 2016	Key Strengths, Skills and Experience
	Nationality: Irish	Ronan, a chartered accountant, brings to the Board extensive banking and leadership experience with a particular competency in finance, risk and treasury. His strong strategic and corporate development insights enable Ronan to provide challenge and support to the development of the Bank's organisational change programmes. His previous experience as a member of the Group Risk Committee at AIB is of particular benefit to the Board Audit Committee which Ronan chairs.
	Committee Membership: Audit Committee (Chair) Nomination, Culture and Ethics Committee	Prior to retiring from AIB in 2013, Ronan was Chief Executive Officer of AIB (UK) plc and a member of the AIB Group Leadership Team. Ronan had responsibility for SME Business in the UK and the retail banking business of First Trust in Northern Ireland. He put in place a strategic plan to revitalise AIB's UK and NI businesses and oversaw its implementation.
	Principal External Appointments: None	<ul style="list-style-type: none">• Fellow Chartered Accountants Ireland• Certified Bank Director• Bachelor of Commerce from UCD• Fellow, Institute of Bankers
RUTH WANDHÖFER, (48) INDEPENDENT NON-EXECUTIVE DIRECTOR	Appointed to Board: 30 October 2018	Key Strengths, Skills and Experience
	Nationality: German/British	Ruth has substantial banking and leadership experience with extensive knowledge of both regulatory and market strategy, and together with her insight on regulatory and financial technology innovation provides invaluable insight for the Board as it provides oversight for the Group's digital and payments transformation programmes.
	Committee Membership: Audit Committee Remuneration Committee	Ruth was MD and Global Head of Regulatory and Market Strategy at Citi from 2007 to 2018 where she drove regulatory and industry dialogue in addition to developing product/market strategy in line with the evolving regulatory and innovation landscape. Prior to joining Citi, Ruth was Policy Advisor for Securities Services and Payments at the European Banking Federation.
	Principal External Appointments: Director at: RTGS Global Ltd; Aquis Exchange Plc and Leximar Ltd (personal consultancy company).	<ul style="list-style-type: none">• MA in Financial Economics (UK)• MA in International Politics (FR)• LLM in International Economic Law (UK)• PhD Finance• Certified Bank Director

**MARIAN CORCORAN,
(59)****NON-EXECUTIVE
DIRECTOR**

Appointed to Board:
24 September 2019

Nationality:
Irish

Committee Membership:
Risk and Compliance Committee
Nomination, Culture and Ethics
Committee

**Principal External
Appointments:**
Director HP International Bank
DAC, Director of IDA Ireland,
Chair DCU Educational Support
Services DAC, and Director of
MC2 Change Limited (personal
consultancy company)

Key Strengths, Skills and Experience

Marian has broad experience in technology and business transformation, executive leadership and strategy development. Marian brings to the Board wide-ranging experience in advising and leading transformational programmes in multiple industries including banking. Marian's experience of risk management brings invaluable experience to the Board Risk and Compliance Committee. Marian's cross-industry skills in stakeholder management, risk management, corporate governance and technology-enabled transformation benefits the Board as the Group's strategy and change programmes evolves at an ever increasing pace. Marian has a strong track record in championing inclusion and diversity.

Marian is an experienced non-executive director and a former executive director and partner in Accenture Ireland. Marian has extensive experience in strategy delivery, delivery of technology-enabled change and business transformation both locally and internationally. During her career in Accenture Ireland she operated in a number of key senior executive positions including as Executive Director on the Board. Marian was also a member of the Irish Public Service Pay Commission.

- Chartered Director
- Certified Bank Director
- Professional Certificate in Leadership Coaching
- BSc Biotechnology

**DONAL COURTNEY
(59)****INDEPENDENT NON-
EXECUTIVE DIRECTOR**

Appointed to Board:
3 October 2018

Nationality:
Irish

Committee Membership:
Audit Committee
Risk and Compliance Committee
(Chair)

**Principal External
Appointments:**
Director at Iput plc and Special
Olympics Ireland

Key Strengths, Skills and Experience

Donal is highly experienced finance, accounting and risk professional across leasing, lending and property financing with a particular competence in financial reporting, governance and internal controls. Donal brings to the Board experience in asset financing and funding vehicle structures such as collateralised loans and securitisations. Donal has extensive risk and audit experience holding audit and risk committee chair positions at IPUT plc and formerly at Dell Bank International and Unicredit Bank Ireland plc.

Donal is a former SVP and CFO at Capmark Bank Europe, a licensed real estate financing bank with operations in UK, France and Germany. Prior to this, Donal held Executive Director roles with the Irish operations of Orix Corporation, Airbus Industrie and GMAC Commercial Mortgage where he gained extensive experience in the aircraft leasing, financing and commercial property sectors. Donal is a qualified Chartered Accountant and started his career with Arthur Andersen where he went on to become a practice manager in its financial services division working with a broad range of clients across the leasing and banking industries.

- Fellow of Chartered Accountants Ireland
- BBS Trinity College, Dublin
- Certified Bank Director
- Accredited Funds Professional, Institute of Bankers
- Certificate in Sustainability Strategy, Risk and Reporting from Chartered Accountants Ireland

Corporate Governance Statement

Board of Directors (continued)

PAUL DODDRELL (56) NON-EXECUTIVE DIRECTOR



Appointed to Board:
26 November 2020

Nationality:
British

Committee Membership:
Nomination, Culture and Ethics
Committee
Risk & Compliance Committee

**Principal External
Appointments:**
Director at Cabot Financial
Ireland Ltd, Coastline Housing
Limited and 3 to 48 Ltd (personal
consultancy company)

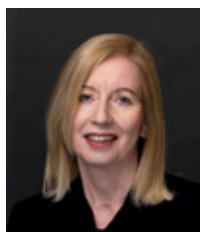
Key Strengths, Skills and Experience

Paul has significant executive leadership experience spanning finance, asset servicing, lending, operations, sales with specific management expertise in business strategy development and execution; risk management and change management. Paul's strategic insights and experience particularly in the area of mortgage servicing and credit provide core skills which the Board requires.

Paul is a highly experienced financial services executive and Board member who has successfully operated at executive management level in a number of organisations globally. Paul served as Pepper Group's Managing Director for Shared Services, and led the successful establishment and growth of Pepper's financial services operations in Ireland. Previously Paul held a number of key executive roles at GE Capital. Paul is currently a Non-executive Director and chair of the Audit and Risk committees at Cabot Financial Ireland.

- Chartered Management Accountant – ACMA, CGMA
- Certified Six Sigma Master
- BA(Hons) Business Studies
- Certified Bank Director

CELINE FITZGERALD (61) INDEPENDENT NON- EXECUTIVE DIRECTOR



Appointed to Board:
30th March 2021

Nationality:
Irish

Committee Membership:
Nomination, Culture and Ethics
Committee
Remuneration Committee (Chair)

**Principal External
Appointments:**
Director at: VHI Health And
Wellbeing DAC; VHI Health And
Wellbeing Holdings DAC; and;
Chair, Pieta House CLG.

Key Strengths, Skills and Experience

Celine is a former Non-Executive Director at the commercial semi-state company Ervia and has previous senior executive experience in the telecommunications (senior executive at Vodafone 1999 – 2007) and the managed services (CEO of Rigney Dolphin 2007 - 2012) industries. Celine was a Non-Executive Director on the VHI Main Board between 2010 and 2020 and was General Manager at the charity Goal between 2016 and 2018. Celine has also contributed her time to many other charitable foundations and is the current Chair of the charity Pieta House.

Celine is an experienced senior executive and Independent Non-Executive Director and has led culture transformation in challenging environments. Celine has had practical experience of handling ethical challenges in the charity sector during her time as Managing Director of Goal. Celine has an in-depth understanding of strategic differentiation to deliver customer value. Celine's knowledge and experience will be of significant benefit for the Board in its role to lead on evolving an open ethical, risk aware and inclusive culture which is focussed on building trust with customers, colleagues and communities.

- BA Management
- Chartered Director
- Certified Bank Director

ANNE BRADLEY (64)
INDEPENDENT NON-
EXECUTIVE DIRECTOR



Appointed to Board:
30th March 2021

Nationality:
Irish

Committee Membership:
Audit Committee
Risk and Compliance Committee

Principal External Appointments:
Director at: Northern Trust International Fund Administration Services Ireland Ltd and Pieta House CLG.

Key Strengths, Skills and Experience

Anne's experience is centred on transformation and business change and her cross industry knowledge and experience will support the Board as the Group continues to implement its digital transformation strategy while maintaining resilient and reliable IT systems. Anne's has extensive experience in technology and has operated at senior levels, leading on IT resilience, emergency response, technology evaluation, crisis management, operational efficiency and IT infrastructure.

Anne worked with Aer Lingus/IAG Group until 2020 where, during a 40 year career she held a number of senior executive roles. Between 2015 and 2018 she was Director of IT with Aer Lingus and thereafter Head of Group IT Delivery/Digital Development (2018 -2020) with IAG Group. Anne was an Independent Non-Executive Director at Bus Eireann from 2015 to 2018 and more recently joined the Board of Northern Trust International Fund Administration Services Ireland Ltd.

- Fellow of the BCS The Chartered Institute for IT
- Chartered Director
- Certified Bank Director

CATHERINE MORONEY (61)
INDEPENDENT NON-
EXECUTIVE DIRECTOR



Appointed to Board:
12th December 2023

Nationality:
Irish

Committee Membership:
Audit Committee
Risk and Compliance Committee

Principal External Appointments:
Council member Dublin Chamber of Commerce; Director at Cynergy Bank (UK) Limited, and Saburai Consulting Limited (personal consultancy company)

Key Strengths, Skills and Experience

Catherine brings extensive experience in business banking to the Board as the Bank further develops its business banking proposition. Catherine has also held a number of non-executive board positions and committee chair/member roles including audit, risk and remuneration committees where she has gained valuable skill and expertise in leading customer-facing businesses with a focus on strategic planning, business growth, innovation, transformation and sustainability programmes.

Catherine is an accomplished business leader who has spent a large portion of her career at senior executive level in the Irish financial services sector (AIB Bank).

RICK GILDEA (71)
INDEPENDENT NON-
EXECUTIVE DIRECTOR



Appointed to Board:
12th December 2023

Nationality:
USA and UK

Committee Membership:
Risk and Compliance Committee
Remuneration Committee

Principal External Appointments:
Trustee at The Shakespeare Globe Trust

Key Strengths, Skills and Experience

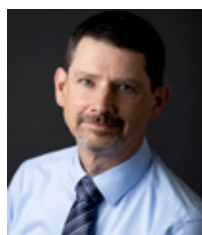
Rick Gildea's background in corporate banking (JP Morgan Chase) brings deep experience of client coverage and risk management together with capital markets expertise to the Board.

Rick spent a large portion of his career at senior executive level in investment and corporate banking roles in London and New York, prior to pursuing a non-executive career. Most recently, Rick was an independent Non-Executive director at Alpha Bank (a domestic and international bank listed on the Stock Exchange in Athens) where he chaired the remuneration committee and was a member of the risk committee with a particular focus on non-performing loan risk management.

Corporate Governance Statement

Board of Directors (continued)

CONOR RYAN (52) COMPANY SECRETARY



Conor was appointed Company Secretary in 2017. As Company Secretary and Head of Corporate Governance, Conor is responsible for advising the Board, through the Chairperson, on all governance matters. The role of Company Secretary is to align the interests of different parties around the boardroom table, facilitate dialogue, gather and assimilate relevant information, and support effective decision-making. Conor is a fellow and past president the Chartered Governance Institute in Ireland (ICSA) and a Certified Bank Director.

2023 Board Meeting Attendance and Directorships

Member	Appointed	Ceased	Number of Years on Board	2023 meetings	Number of Directorships held
Non-Executive Directors					
Julie O'Neill	17 Jan 2023	-	1.0	18/18	4/3
Ronan O'Neill	26 Jul 2016	-	7.5	18/18	2/1
Donal Courtney	03 Oct 2018	-	5.3	18/18	5/2
Ruth Wandhöfer	30 Oct 2018	-	5.3	17/18	7/3
Marian Corcoran	24 Sep 2019	-	4.4	18/18	6/3
Paul Doddrell	26 Nov 2020	-	3.1	16/18	7/2
Anne Bradley	30 Mar 2021	-	2.8	18/18	4/2
Celine Fitzgerald	30 Mar 2021	-	2.8	18/18	5/2
Rick Gildea	12 Dec 2023	-	0.0	1/1	4/1
Catherine Moroney	12 Dec 2023	-	0.0	1/1	4/2
Andrew Power	26 Sep 2016	19 May 2023	6.8	8/8	6/2
Robert Elliott	31 Mar 2017	30 Mar 2023	6.0	7/7	4/2
Ken Slattery	30 Aug 2013	12 Dec 2023	10.3	18/18	6/3
Executive Directors					
Eamonn Crowley	10 May 2017	-	6.7	18/18	9/1
Nicola O'Brien	04 Aug 2022	-	1.4	18/18	2/1

Notes:

PTSB is the sole direct subsidiary of PTSBGH. During 2023, the composition of the Boards of PTSBGH and PTSB were identical. Meetings of the Boards of PTSB and PTSBGH run concurrently. Concurrent Board meetings or consecutive Board meetings of PTSB or PTSBGH held on the same day are counted as a single attendance above.

Number of Directorships: the first number stated is the total number of directorships held and the second number is the number of directorships as counted under Article 91(3) and (4) of Directive 2013/36/EU (for the purposes of calculating these directorships, multiple directorships within a group are counted as a single directorship and directorships in organisations which do not predominantly pursue commercial objectives are also not included). Directorships are those held at 31 December 2023 or at time of cessation from the Board. A full listing of each Board member's external directorships are available in the Group's Pillar 3 Disclosures Report available at <https://www.permanenttsbgroup.ie/investors/result-centre/year/2023>.

Corporate Governance Statement

Leadership and Effectiveness

Division of Responsibilities

The roles and responsibilities of the Board collectively, the Executive and Non-Executive Directors, the Chairperson, Senior Independent Director and Company Secretary, are clearly laid out and documented in a Board Manual, which is reviewed and updated on a regular basis by the Board and at least annually.

The Chairperson

Julie O'Neill's responsibility as Board Chairperson is to ensure the efficient and effective working of the Board. Her role is to lead and manage the business of the Board, promoting the highest standards of corporate governance, ensuring accurate, timely and clear information for the Board, and to lead the process for the annual performance evaluation of the Board, its Committees and the Non-executive Directors. The Chair promotes a culture of openness and debate by facilitating the effective contribution of Non-Executive Directors in particular, and ensuring constructive relations between Executive and Non-Executive Directors. The Chair has a strong working relationship with the CEO, Eamonn Crowley, and acts as a confidential sounding board for the Directors. Julie O'Neill is also Chair of the Nomination Culture and Ethics Committee.

The Senior Independent Director

Ronan O'Neill is the Board's Senior Independent Director and his primary role is to support the Chairperson on all governance related matters. In addition, he specifically leads the annual appraisal of the Chairperson's performance, acts as an intermediary for other Directors, and ensures that the views of the Non-Executive Directors are heard. He is available to shareholders, should they wish to raise any matter directly.

The CEO

The Board delegates executive responsibility to Eamonn Crowley, the CEO, for the Bank's operations, compliance and performance. The role of the CEO is to select and lead an effective team to manage the Bank. The executive management team is called the Executive Committee (ExCo), details of which are set out on pages 130 to 131. The CEO is responsible for the formulation of the Group's strategic, operating and financial plans, for review and presentation to the Board, and for the implementation of these plans. The CEO is also required to provide information and insight to the Board that is reliable, relevant, timely, clear and balanced, in order to assist the Board in monitoring the performance of the Group and in making well informed and sound decisions.

The Company Secretary

Conor Ryan, Company Secretary and Head of Corporate Governance, assists the Chairperson in promoting the highest standards of corporate governance. The Company Secretary supports the Chairperson in ensuring Directors receive timely and clear information so they are appropriately equipped for constructive debate and informed decision making. The Company Secretary is a central source of guidance and advice on Board policy, procedure and governance. All Directors have access to the advice and services of the Company Secretary and Head of Corporate Governance.

Corporate Governance Statement

Leadership and Effectiveness (continued)

Executive Committee

EAMONN CROWLEY
CHIEF EXECUTIVE



NICOLA O'BRIEN
CHIEF FINANCIAL
OFFICER



GER MITCHELL
CHRO & CORPORATE
DEVELOPMENT
DIRECTOR



Ger has been a member of the Executive Committee since 2012. Ger is an experienced commercial leader who has held a number of senior retail, commercial and customer roles prior to his appointment as HR Director in 2017. In 2020 Ger's role was expanded to include 'Corporate Development' which brings the strategic disciplines of; marketing, brand, corporate affairs, customer experience, sustainability and communications together with organisation design, talent development, people experience and culture evolution. The HR and Corporate Development Function leads the embedding of the Bank's Purpose; to build trust by making a difference in the lives of customers, colleagues and communities, every day. HR and Corporate Development lead a number of strategic programmes focused on Brand, Culture and Reputation; Customer Strategy and Experience; Enterprise Transformation, including Hybrid Workplace; and Sustainability.

ANDREW WALSH
LEGAL COUNSEL



Andrew has extensive legal advisory experience, in both private practice and in-house roles. Andrew joined the Bank in 2014 and became a member of the Executive Committee in 2015. Prior to joining the Bank, Andrew was a partner in a leading corporate Irish law firm, where he worked for over 10 years. While in private practice, Andrew advised a number of Irish and international banks and financial services institutions.

In his role as Legal Counsel, Andrew leads the Bank's Legal function. The Legal function is responsible for overseeing all legal aspects of the Bank's business, as well as inputting into the Bank's strategic decisions and identified growth opportunities. The Legal function also provides support to ensure that the Bank's operations, products and service strategies are designed to consistently adhere to legislative/regulatory requirements and best practice.

CLAIRE HEELEY
HEAD OF INTERNAL
AUDIT



Claire, a Chartered Accountant with over 20 years' experience, joined the Bank in 2021 as the Bank's Head of Group Internal Audit from KPMG, where her most recent role was Managing Director, Risk & Regulatory Consulting. In this role Claire led major risk transformation projects and the delivery of internal audit services to a portfolio of financial services clients for over six years. Prior to her role as Managing Director, Risk & Regulatory Consulting, Claire held a number of senior roles including: Retail Division Audit Partner in the Group Internal Audit division of Bank of Ireland and Deputy Group Secretary of Bank of Ireland.

Internal Audit provides independent assurance to the Board over the adequacy and effectiveness of the governance, risk management and control processes in operation across the Bank. Claire is a regular attendee at Group Executive Committee meetings but, in accordance with good governance practice, has no voting rights. Claire has a direct reporting line to the Chairperson of the Board Audit Committee.

BARRY D'ARCY
CHIEF RISK OFFICER



Barry D'Arcy was Chief Risk Officer of KBC Bank Ireland and a member of the KBC Ireland Executive Committee and Board of Directors. Barry had undertaken a number of roles in KBC Ireland including Head of the Finance function of the bank. Barry has accumulated extensive experience in his career across the financial services and technology industry. Barry holds a Bachelor of Business Studies from the University of Limerick and is a member of the Chartered Institute of Management Accountants.

Barry in his role of Chief Risk Officer is responsible for the risk, compliance and regulatory activity of PTSB

TOM HAYES
CHIEF TECHNOLOGY OFFICER



Tom is an experienced business transformation and technology leader with deep experience in leading Digital change and operational resilience. Tom joined the Bank in 2017 from AIB where he had most recently held the role of Head of Digital Transformation Delivery. Tom had held various senior technology leadership roles at AIB including: Head of Customer Engagement Technology, AIB Digital and Group Head of IT Infrastructure & Operations.

PTSB Group Technology has responsibility for the development and implementation of the Bank's Technology strategy, the implementation of the Digital Transformation roadmap and the full portfolio of IT Change Delivery. This involves close collaboration across the Bank and especially with the Retail Banking and Group Operations teams to design and deliver on the Bank's Digital Transformation. The Division also has responsibility for the day-to-day critical technology operations, resilience and protection of technology enabled customer services.

PATRICK FARRELL
RETAIL SALES DIRECTOR



Patrick has over 25 years' experience across the banking industry. Patrick joined the Bank in December 2018 as Retail Banking Director. Patrick has previously held senior management roles in Strategy, Product and Proposition Development, Marketing, Private Banking and, Retail Sales and Service Distribution.

The Retail Banking Division is responsible for all sales and service channels and the Bank's product management strategy. The Function has multi-channel oversight across sales and service with a focus on improving customer experience, meeting customer needs and wants, enabling income growth and delivery. The division closely collaborates with the Corporate Development and HR Team on customer propositions and experience.

PETER VANCE
CHIEF OPERATING OFFICER

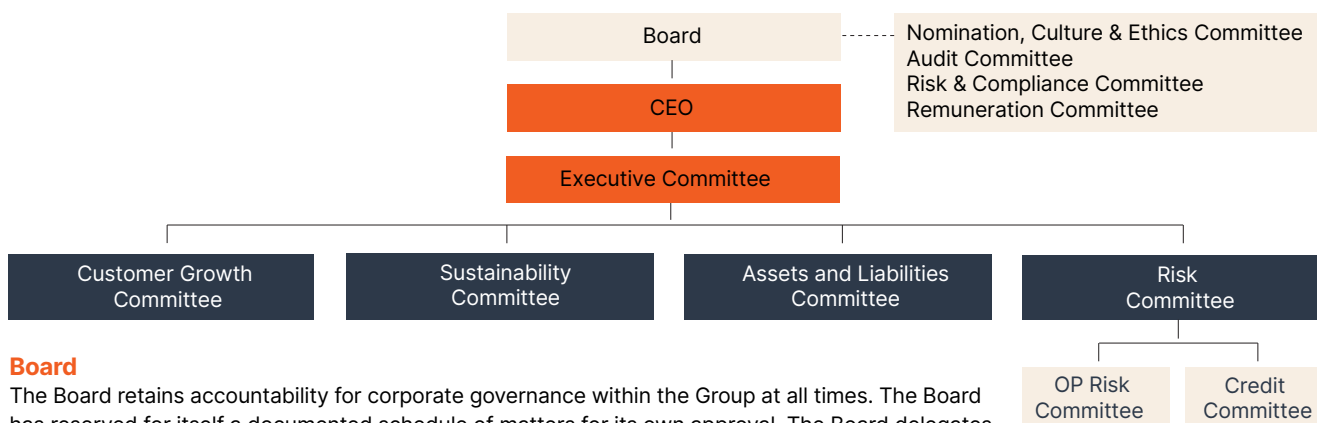


Peter joined the Bank as Chief Operating Officer (COO) in 2021 with 25 years' experience in Financial Services. As COO, Peter is responsible for Group Change & Transformation, Enterprise Service Delivery including Payments, Financial Crime, Collections & Recoveries as well as other key functions.

Prior to joining PTSB, Peter held senior positions as Head of Group Operations and Executive Head of Direct Sales & Service Channels in AIB. In this role, Peter was responsible for leading multiple activities in both Ireland and the UK including; Payments, Treasury services, Financial Crime, SME Lending and the Customer Service Centre.

Corporate Governance Statement

Governance Structure, Roles and Responsibilities



Board

The Board retains accountability for corporate governance within the Group at all times. The Board has reserved for itself a documented schedule of matters for its own approval. The Board delegates executive responsibility to the CEO for the Group's operations, compliance and performance. The CEO is the principal executive accountable to the Board for the day to day management of the Group. The CEO has established the Executive Committee whose terms of reference are approved by the Board.

Without prejudice to the powers delegated to it, the Board, directly or through its Committees, has exclusive powers regarding a number of matters including acting on behalf of the shareholders to oversee the day-to-day affairs of the business, ensuring the Group's sustainability by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders, customers, colleagues and other key stakeholders. In addition to business and financial issues, the Board will determine the business strategies and plans that underpin the corporate strategy, whilst ensuring that the Group's organisational structure and capability are appropriate for implementing the chosen strategies. The Board must deal with challenges and issues relating to corporate governance, sustainability and corporate ethics.

Board

- Sets and oversees performance against strategy.
- Ensures business activity aligns with the Company's stated Purpose, Ambition, Values and Culture.
- Set and oversees all risk, financial, compliance and performance standards.
- Demonstrates leadership (sets the tone from the top)

In line with its legal and regulatory obligations, the Board has established Audit, Risk, Remuneration and Nomination committees as described below. Being composed of the same members and in managing a common agenda, Board Committee meetings of the Company and PTSB run concurrently.

Nomination, Culture and Ethics Committee

Julie O'Neill (C)
Marian Corcoran
Celine Fitzgerald
Ronan O'Neill
Paul Doddrell

- Reviews structure, effectiveness and composition of the Board.
- Reviews all new Director and senior management appointments.
- Oversees succession planning and performance for directors and senior management.
- Review/monitors the design, implementation and effectiveness of the Company's Purpose, Ambition and Values.
- Oversees the Company's Culture, Ethics, Diversity, Workforce Engagement, and Responsible Business Programmes.

Audit Committee

Ronan O'Neill (C)
Donal Courtney
Anne Bradley
Ruth Wandhöfer
Catherine Moroney

- Oversees internal financial controls.
- Reviews full year and half-year financial statements.
- Oversees all relevant matters pertaining to the external auditors.
- Monitors the output of internal audit findings.
- Monitors the effectiveness of the Internal Audit Function.
- Reviews discoveries of fraud and violations of laws and regulations as raised by the head of GIA.

Risk and Compliance Committee

Donal Courtney (C)
Marian Corcoran
Paul Doddrell
Anne Bradley
Rick Gildea
Catherine Moroney

- Oversees financial and non-financial risks.
- Monitors and makes recommendations to the Board on the Company's appetite for risk.
- Oversees credit, funding and liquidity policies.
- Reviews the Company's regulatory obligations and treatment of customers.
- Review and provide guidance to the Board on the Company's capital and liquidity position for use in strategic decision making.
- Oversight and guidance to the Board on Recovery and Resolution Planning.
- To assess the impact of Climate and Environmental Risk on the Group's overall Risk Profile.

Remuneration Committee

Celine Fitzgerald (C)
Julie O'Neill
Ruth Wandhöfer
Rick Gildea

- Oversees remuneration and reward strategies.
- Ensures remuneration strategy is aligned with the Company's appetite for risk.
- Oversees senior management reward.
- Monitoring relevant external benchmarks for posts within the scope of Committee.

Catherine Moroney joined the Board Audit Committee and Board Risk Compliance Committee on her appointment on 12 December 2023.

Rick Gildea joined the Remuneration Committee and Board Risk and Compliance Committee on his appointment on 12 December 2023.

Ruth Wandhofer moved from the Board Risk and Compliance Committee to Board Audit Committee on 31 December 2023.

Paul Doddrell moved from the Board Audit Committee to the Nomination, Culture and Ethics Committee on 31 December 2023.

Celine Fitzgerald assumed the Remuneration Committee Chair position on the 23 February 2024.

Executive Committee

The Executive Committee reports upward through the CEO to the Board, and where delegated, has the power to act on behalf of the Board. The Executive Committee advise the Board on matters ranging from business performance, strategy, planning, policy, people and culture, investment and risk. The Executive Committee is accountable for the operations, compliance and performance of the Group. It is responsible for delivery of all delegated governance commitments. The terms of reference of the Executive Committee are approved by the Board.

The Executive Committee has established a number of sub-committees made up of senior management with relevant expertise to address the delegated obligations of each sub-committee. The duties of these sub-committees are based on providing organisational direction on behalf of the Executive Committee. Each Executive Committee member provides relevant leadership to the sub-committees, making sure objectives are met. The relevant Executive Committee member ensures the Executive Committee is updated on all material matters considered by the sub-committees. The Group Risk Committee has responsibility for oversight of bank-wide risk management and internal control issues and all members of the Executive Committee are members of the Group Risk Committee.

Executive Committee

- Developing and implementing (as approved by the Board) the Group's Strategy, Strategic Direction and Operating Model
- Allocating, and re-allocating, the Group's resources (financial and people) to ensure that commitments are executed and delivered
- Accountable for the Group's operations, compliance and performance
- Oversees day-to-day management of the Group
- Forum for Group-wide functional issues

Risk Committee	Assets and Liabilities Committee	Credit Committee	Operational Risk Management Committee	Customer Committee	Sustainability Committee	Resilience Committee
<ul style="list-style-type: none"> • Oversight of Group wide Risk Management and internal control Issues • Developing the structure and content of the Group's Risk Management Architecture • Maintains, monitors and enforces adherence to risk policies and frameworks • Recommends changes to risk appetite and internal capital and liquidity levels • Measure and monitor the total risk position of the Group and to maintain a Risk Register of top risks facing the Group, together with an assessment of the probability and severity of those risks 	<ul style="list-style-type: none"> • Manages assets and liabilities, treasury investments, capital management and asset allocation • Manages risks, hedging and ALM systems • Refresh and recommend to Risk and Compliance Committee for approval a number of Treasury and Liquidity related Policies • Reviews the ongoing capital adequacy for the Group • Reviews the output from internal capital stress testing programmes • Oversees the Capital Risk related activities and supporting Policies 	<ul style="list-style-type: none"> • Recommends relevant Portfolio Credit Risk elements of the Group's RAS for approval by the Board • Monitors adherence to the Group's Credit Policy and Framework • Monitors the portfolio Credit risks to which the Group is exposed • Escalation point for customer lending decisions • Maintains and assesses the portfolio Credit Risk profile against set limits and approves (within governance) remediation plans to restore Risk Appetite where required • Reports any breaches of approved limits in accordance with agreed protocol 	<ul style="list-style-type: none"> • Monitors the Operational and IT risks to which the Company is exposed • Oversees risk mitigation, performance and prioritisation related to the management and control of risk • Reviews and discusses the outputs and results of control testing • Creates awareness of commonly experienced operational & IT risk matters, to share learnings and enhance the control environment across the Company • Review and monitor KRIs and the operational and IT Risk Appetite Statement • Review emerging risks and other relevant operational and IT risk metrics 	<ul style="list-style-type: none"> • Prioritise opportunities, resources and capabilities to deliver sustainable commercial growth • Oversight of significant business propositions and strategies that have a material customer impact • Approval body for product governance arrangements • Review body for all high impact customer events, issues and complaints • Monitor and report on customer performance indicators aligned to the Group's strategic pillars • Monitor and report on conduct risk indicators against the Board approved risk appetite and conduct risk principles • Serve as the central oversight body for all significant customer matters ensuring fair treatment of customers 	<ul style="list-style-type: none"> • Oversight of development and implementation of the Group's Sustainability Strategy and related KPIs • Monitor and report progress against Sustainability objectives • Oversees the Sustainability related activities and provide support and guidance into sustainability activities across the Group 	<ul style="list-style-type: none"> • Monitor and report on Operational Resilience, Digital Operational Resilience and Third Party resilience activities and risk profile • Oversees the development and implementation of the Bank's Resilience strategy and Digital Operational Resilience Strategy and related activities • Oversight of Group third party and outsourcing relationships, including performance, issues management and risks

Corporate Governance Statement

Board Leadership and Effectiveness

“The Board has overall governance responsibility for the operations of the Group”

Board Role and Responsibilities

The Board as a whole is collectively responsible for the leadership, strategic direction and policy, operational performance, financial matters, risk management and compliance of the Bank. The Board exercises leadership, integrity and judgement in directing the Bank, based on transparency, accountability and responsibility. The Board is also the focal point for the implementation of best practice corporate governance within the Bank. All Directors must take decisions objectively in the interests of the Bank. The key responsibilities of the Board as a whole are to:

Key Responsibilities of the Board	
Customers	<p>Ensure the Bank's culture, systems and practices build trust and promotes the fair and transparent treatment of customers, both existing and new.</p> <p>Deliver a positive customer-focused culture that is both embedded through adherence to the Bank's purpose, ambition and values and can be effectively demonstrated through regular updates from Management.</p>
Culture and Diversity	<p>Setting the Bank's purpose, ambition and values, and monitoring culture and alignment to the Bank's purpose and values.</p> <p>Embedding the Bank's Organisational Culture and Diversity, Equity and Inclusion Programmes.</p>
Strategy	<p>Question, challenge, assist in the development of, and approve the strategic and operating plans proposed for the Bank by Management. Ensure that an appropriate level of balance exists between its strategic contribution and that of its monitoring and policing activity.</p> <p>Identifying the ESG factors considered material to the business and ensuring they are monitored and managed as part of the Bank's strategic formulation.</p>
Stakeholders	<p>Ensuring regular engagement and effective communication with stakeholders in order to understand their views on governance and performance against strategy.</p>
Shareholders	<p>Ensuring directors develop a clear understanding on the views of shareholders.</p>
Risk Appetite and Risk Management	<p>Define the strategy for the ongoing management of material risks and ensure that the Board is sufficiently briefed on major risk factors (both current and emerging) by ensuring there is a robust and effective internal control framework that includes well-functioning risk management, compliance and internal audit functions as well as an appropriate financial reporting and accounting framework.</p> <p>Provide leadership for the Bank within a framework of prudent, ethical and effective controls which enable risk and compliance to be assessed and managed.</p>
Capital Structure	<p>Set and oversee the amounts, types and distribution of both internal capital and own funds adequate to cover the risks of the Bank.</p> <p>Be accountable, particularly to those who provide the Bank's capital.</p>
People and Reward Strategy	<p>Ensure that there is a remuneration framework that is in line with the risk strategies of the Bank.</p> <p>Ensure that there is a robust and transparent organisational structure with effective communication and reporting channels.</p> <p>Ensure that Management create and develop a performance culture that drives sustainable value creation and not expose the Bank to excessive risk of value destruction.</p> <p>Ensure that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success and that the workforce is able to raise any matters of concern.</p>
Oversight	<p>Make well informed and high quality decisions based on a clear line of sight into the business.</p> <p>Ensure that the Bank has a robust finance function responsible for accounting and financial data.</p>
Governance Arrangements	<p>Review regularly the appropriateness of its own governance arrangements and conduct internal as well as external evaluation of the Board's effectiveness.</p> <p>Review corporate governance matters such as Group Frameworks, terms of reference and succession plans.</p>

Directors must act in a way they consider, in good faith, would promote the success of the Bank for the benefit of shareholders as a whole and, in doing so, have regard (amongst other matters) to the likely consequences of any decision in the long-term; the need to foster the Bank's business relationships with customers, suppliers and others; interests of the Bank's employees; impact of the Bank's operations on the community, environment and tax payer; and desirability of the Bank maintaining a reputation for high standards of business conduct.

Board Decisions

There is an effective Board to lead and control the Bank with members who have diverse expertise in various aspects of the Bank's business. The Board has reserved to itself for decision, a formal schedule of matters pertaining to the Bank and its future direction, such as the Bank's commercial strategy, major acquisitions and disposals, Board membership, the appointment and removal of senior executives, executive remuneration, trading and capital budgets, risk management and compliance frameworks. This schedule is updated on a regular basis and at least annually. On an annual basis, the Board approves a Risk Appetite Statement (RAS) together with its strategic, operating and financial plans. The RAS is a description of the level and types of risk the Bank is willing to accept or to avoid, in order to achieve its business objectives.

The Board delegates day-to-day management of the Bank to the CEO. The Board relies on the Risk Appetite and the delivery of strategic, operating and financial plans to be implemented by the CEO, the Bank's Executive Management Committee and their Management sub-committees. All strategic decisions are referred to the Board. Documented rules on management authority levels and on matters to be notified to the Board are in place, supported by an organisational structure with clearly defined authority levels and reporting responsibilities.

Board Focus Areas and Priorities

As in previous years, the Board adopted a set of objectives closely aligned to the Bank's purpose, ambition and strategic objectives. A key focus for the Board during 2023 was providing enhanced oversight on the execution of the remaining elements (circa. €1.5bn of a mortgage book and an Asset Finance business, and new colleagues) of the transaction announced at the end of 2021 to acquire certain elements of the Ulster Bank Retail and SME franchise. The Board ensured that the Bank's human and financial resource allocation was being prioritised to ensure safe execution of the transaction with Ulster Bank while also maintaining secure and resilient systems to support customers. This included providing oversight on the execution of the Bank's digital banking programme which is transforming front end and back end systems to support customers and colleagues, improve the Bank's competitiveness and deliver value to shareholders. The Board focused on maturing the Bank's SME Strategy to complement the acquisition of the Lombard and Ulster asset finance business which will be supported through digital enablement and personal customer service. The Board continued to focus on the execution the Bank's sustainability strategy and preparing for new ESG disclosure requirements.

In 2023 following the completion of the acquisition of substantial parts of the business of Ulster Bank, the Group launched its new brand repositioning and business strategy to better reflect the enhanced position of the Bank in the Irish market. In repositioning the Bank for the future, the Bank was rebranded from Permanent TSB to PTSB. The new brand promise, 'Altogether More Human', underpins the Group's brand position and delivery of a better banking experience for customers. Aligned to the new brand and business strategy, the Board evolved the Bank's Purpose 'Working together to build trust with our customer and communities', and its Ambition 'To become Ireland's best personal and business Bank through exceptional customer experiences'.

As set out in the Chairperson's introduction to governance on page 118, following the completion of the Ulster Bank business asset acquisition, the Board led a thorough review of the Bank's governance, strategy and operations in recognition of PTSB's increased importance in the Irish retail banking landscape and the associated regulatory, shareholder, economic and societal expectations on it. A comprehensive forward-looking plan was developed and approved by the Board. The plan is constructed to drive organisational improvement across the Bank through 10 interrelated themes, with 30 actions to be delivered over an 18 month period. The Board believes execution of the Plan will deliver a more sustainable business, with strengthened core capabilities and enablers to support success and meet stakeholder expectations.

A key focus in 2024 will be the execution of the aforementioned Board plan. Through these and other actions, the Board aims to deliver a sustainable business model strongly underpinned by its financial, technology, human resources capabilities and effective risk management. The Board will also ensure it has considered the strategic assumptions it is reliant upon and the risks to and from the strategy, to enable it to build resilience against future shocks. Furthermore, the Board is ensuring the Bank is taking a longer-term view on its investments in people and technology, seeking to anticipate future change, both expected (e.g., technological, climate) and unexpected (e.g., through building resilience and improving agility).

“The Board is responsible for setting, approving and overseeing the implementation of the overall business strategy taking into account the Bank's long-term financial interests and sustainability”

Corporate Governance Statement

Board Leadership and Effectiveness (continued)

Strategy Development

The Board has responsibility for developing the Bank's purpose, ambition, values and strategy, ensuring these are the drivers of the Bank's evolving culture.

The Bank's strategy is reviewed and refreshed annually. In December 2023, the Board approved a refreshed Strategic Direction for the Bank. Throughout 2023, this Strategic Direction was developed and refined with significant input from the Board. This includes a refreshed Purpose, Ambition and Brand Promise for the Bank, as well as a clearly defined 10-year direction of travel to deliver on its Ambition. The Bank's four approved strategic priorities (Connected Customer Experience; Sustainable Business Growth; Secure and Resilient Foundations; and, Cultural evolution) remain the primary communication mechanism for the Bank's Strategy, both internally and externally. When aligned to the Bank's Purpose and Ambition, the strategic priorities will frame and drive delivery of the Bank's strategy in the medium-term.

The annual strategy refresh is undertaken as part of the Bank's Strategic Planning Process, which links Strategic, Financial, Resource and Change Delivery plans to the Bank's Risk Appetite Statement, ICAAP, ILAAP, Recovery Plan and Resolution Plan.

The role of the Non-Executive Directors is to help Management: develop, constructively challenge and critically review proposals on strategy; oversee and monitor strategy implementation; and, address any weaknesses identified regarding its implementation. While there is a formalised strategy development and approval process as set out below, there is also regular and ongoing discussion and challenge of strategy development and execution at Board meetings. The effectiveness of the strategy development process is a key element of the annual Board review where feedback is sought on the process' effectiveness during the year in review.

3 Stage Annual Strategy Development Process

Strategy Session 1 (October 2023)

This is a standalone strategy meeting which addresses key strategic themes in the external market and internal environment in which the Bank operates. The session is structured around presentations from management and external partners. For example, in

2023, the meeting included interactive presentations on: the regulatory environment in which the Bank is operating; shareholders' views on PTSB; and, domestic macro-economics and the evolving global financial context. The first strategy session outlines the point of departure for the Bank, as well as key risks and challenges facing the Bank over the planning period. The Board discusses and debates the key areas of strategic focus for the Bank over the coming years and discusses the relevant priorities of the Bank, reflecting on the alternative viewpoints provided from external partners during the session. This is a key opportunity for Non-Executive Directors to provide feedback and input to the Bank's Strategic Plan before the first advanced draft is presented to Board at Strategy Session 2 (alongside the related draft Financial and Change Delivery plans).

Strategy Session 2 (Late November 2023)

At the second Board Strategy meeting, advanced drafts of the Bank's Strategic Plan (including Strategic Direction, Financial Plan and Change Delivery plan) are presented to the Board for further discussion, input and iteration. The Bank's Executive Management team sets out how Board feedback from Strategy Sessions 1 has been addressed and incorporated into each respective plan. This session provides an important governance checkpoint for the Board has to provide input and challenge to the plans in advance of formal approval of each respective plan by year end. This session also provides an opportunity for the Second Line of Defence to present their challenge and assessment of the proposed plans. Similarly to the first Strategy Session, this meeting includes deep-dives into key strategic programmes or themes.

Final Sign-Off (Mid-December 2023)

Following completion of the second strategy session, and through continued engagement with the Bank's Management Team, the final draft Strategic, Financial, Resource and Change Delivery plans are presented to Board for formal Approval. This takes place in mid-December as part of the agenda for the standing monthly Board meeting.

The Board is responsible for overseeing the implementation of the overall business strategy. On an ongoing basis throughout the year, the Board receives management updates on key strategic programmes

of work as well as on agreed KPIs and reporting metrics.

Independence

The independence status of each Director on appointment is considered by the Board. In addition, the independence status of each Director is reviewed on an annual basis to ensure that the determination regarding independence remains appropriate. In determining independence, the Board will consider guidance on independence provided within the UK Code.

The Board has carried out its annual evaluation of the independence of each of its Non-Executive Directors, taking account of the relevant provisions of the UK Code, namely whether the Directors are independent in character and judgment and free from relationships or circumstances which are likely to affect, or could appear to affect the Directors' judgment.

With the exception of Marian Corcoran and Paul Doddrell, who were each nominated for appointment to the Board under the terms of a Relationship Framework with the Minister for Finance of Ireland, the Board is satisfied that each of the current Non-Executive Directors fulfil the independence requirements of the UK Code. The Chairperson meets the UK Code requirement to be independent on appointment.

Each of the Chairperson and all of the Non-Executive Directors bring independent challenge and judgement to the deliberations of the Board through their character, objectivity and integrity.

Board Size and Composition

The composition of the Board and its Committees is reviewed by the Nomination, Culture and Ethics Committee and the Board annually to ensure there is an appropriate mix of knowledge, experience and skills. This detailed assessment considers tenure, succession planning, Board diversity and assessment of the continued collective suitability of the Board. The Board has a target size of 12 Directors. In addition to having Directors with a broad range of knowledge, experience and skills, a principal consideration used to determine the size of the Board is the ability to resource all of the Board's Committees with at least four Non-Executive Directors and without need for over reliance on any one Director or small group of Directors.

Save where a Director is nominated for appointment by the Minister for Finance under the Relationship Framework, the Board requires that all Non-Executive Directors are Independent Non-Executive Directors. The Board believes there is an appropriate combination of Executive and Non-Executive Directors such there is sufficient independent challenge and oversight of management and that no individual or small group of individuals can dominate Board decision making.

At 31 December 2023, the Board comprised twelve Directors: the Chairperson, who was independent on appointment, the CEO, the CFO and ten Non-Executive Directors, eight of whom have been determined by the Board to be independent Non-Executive Directors. Changes to the Board during 2023 included the appointment of Ms Catherine Moroney and Mr Rick Gildea as Independent Non-Executive Directors on 12 December 2023. Biographies of each of the Directors are set out in the Board of Directors section on pages 123 to 128. The wide range of knowledge, experience and skills encapsulated in the biographies are harnessed to the maximum possible effect in the deliberations of the Board. Having Directors with diverse backgrounds in areas such as risk management, banking, change management, digital/IT, strategy, finance, culture evolution, change management and auditing provides both subject matter expertise and facilitates a broad spectrum of review and challenge at Board meetings, particularly when addressing major issues affecting the Bank.

Decisions on Board membership are taken by the Board or by shareholders with recommendations coming from the Nomination, Culture and Ethics Committee.

Term of Office

The term of office of Non-Executive Directors is three years, (with an option for a further three years) and is subject to satisfactory performance that is reviewed annually. In accordance with the UK Code, all Directors are required to seek re-appointment by election at the AGM. Non-Executive Directors will automatically retire from the Board after six years. It is always at the discretion of the Board to invite a Non-Executive Director to continue for a further 3 year period and any term beyond this will only be exercised in exceptional circumstances.

The Chair is proposed for re-appointment by the Directors on an annual basis. The term of office of the Chair is six years. Julie O'Neill who joined the Board on 17 January 2023 succeeded Robert Elliott as Chair when he stepped down from the Board on the 31 March 2023. All members of the Board will stand for re-election at the 2024 AGM.

Executive Directors' service contracts are reviewed by the Remuneration Committee and approved by the Board. Existing Executive Directors' contracts provide for a rolling 6 month notice period for all Executive Director Board appointments from 2020. Holders of Executive office in the Company will vacate the office of Director on ceasing to hold Executive office. Directors who hold any directorship in a subsidiary of the Company will vacate said directorship on ceasing to be a Director of the Company and no Director will receive compensation for loss of office as a Director of a subsidiary of the Company.

2023 Board Performance Evaluation

The Board seeks to improve its performance and the effectiveness of its activities on an ongoing basis. Board and committee assessments are a critical part of driving continuous improvement in Board performance. A well-executed assessment can help the Board provide real insights into how it operates and how directors work with one another.

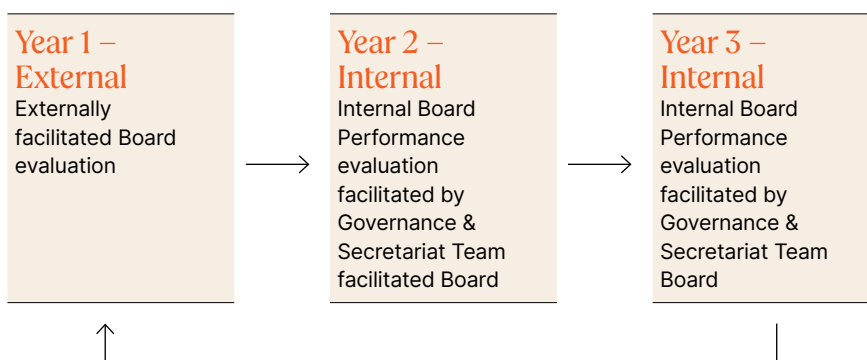
The Board has a formal and rigorous performance evaluation process to assess the effectiveness of the Board, its Committees, the Chairperson and individual Directors. The performance evaluation is conducted internally on an annual basis, and externally facilitated every three years. An externally facilitated evaluation of performance last took place in 2021 and will take place again in 2024; the 2023 approach was internally coordinated by the Office of the Company

Secretary under instruction and guidance from the Chairperson.

The evaluation of the Board and its Committees considers the balance of skills, experience, independence and knowledge of the Board, its diversity, including gender balance, how the Board works together as a unit, and other factors relevant to its effectiveness. In addition, the evaluation ensures that Board committees have the requisite expertise to properly discharge their duties.

A revised approach to the 2023 internal evaluation was discussed and agreed by the Chairperson, some of the changes for 2023 included the following:

- New Board and Board Committee questionnaires with questions focused on key areas of Board effectiveness including Board Composition; Succession; Training; Induction; Engagement with Management; Meetings; Board Information; Board Oversight; Strategy; Culture; and Risks. The development of questions was based on peer reviews, desktop industry research, regulatory notices/speeches and feedback from the Board and Committee Chairpersons.
- Each Board Committee discussed the findings of their individual Committee questionnaire in January 2024; the outputs of these discussions were included in the Board Evaluation Report presented to the Nominations, Culture and Ethics Committee and the Board in February 2024.
- The Chairperson reviewed the survey results and discussed with each Director their own responses as part of their regular engagement and as part of Directors annual performance review. Feedback from these meeting's also informed the final version of the Board training plan for 2024.



Corporate Governance Statement

Board Leadership and Effectiveness (continued)

2023 Board Performance Process

<p>Stage 1. Agree the approach with the Chairperson.</p>	<ul style="list-style-type: none"> Review the existing board evaluation process (qualitative and quantitative) and propose amendments to the Chairperson. After discussion and agreement by the Chairperson to the final process, engage with individuals and teams to set out the evaluation process.
<p>Stage 2. Gather information and insights from questionnaires and interviews.</p>	<ul style="list-style-type: none"> Issue a self-assessment governance questionnaire to the Board/Board Committees and a more focussed questionnaire to ExCo (on ExCo perception of Board Governance). Arrange 1 to 1 performance meetings in between the Chairperson and Non-Executive Directors. These meetings also assessed the training requirements for individual directors and collectively for the Board. The Senior Independent Director (SID) engaged with Directors to seek feedback on the Chairperson's Performance. The Chairperson completed the annual performance evaluation of the CEO and reported on same to Nomination, Culture and Ethics Committee.
<p>Stage 3. Individual Board Committees reviewed the results of their Committee questionnaire.</p>	<ul style="list-style-type: none"> During January 2024, each Board Committee held a meeting and discussed the results of the individual committee assessments. Feedback and actions from these meetings informed the overall Board Evaluation and actions to improve Board and Board Committee effectiveness.
<p>Stage 4. At the February 2024 Nomination, Culture and Ethics Committee and Board meetings, outputs from all the internal assessments were considered.</p>	<ul style="list-style-type: none"> Considered feedback from the Board, Board Committee and ExCo Questionnaires. Considered a suite of governance obligations including but not limited to Director Independence; a Board and Committee tenure report; an attendance schedule for 2023 Board and Board Committee meetings; an assessment of external directorships and time commitments; a review of conflicts of interest and, certification of director fitness and probity requirements. Considered the Performance evaluation of the Chairperson, Non-Executive Directors, Executive Directors and CEO. Reviewed and closed the 2022 Board Action Plan. Reviewed and recommend approval of 2023 evaluation findings to Board and to subsequently approve an action plan to address the findings.

Outcomes and Actions of 2023 Board Performance Evaluation

During a meeting held on 20 February 2024, the Nomination Culture and Ethics Committee received a report from the Company Secretary on the performance evaluation of the Board for 2023. The Committee was satisfied the Chairperson, the Non-Executive Directors, and the Executive Directors contributed effectively to Board debate and discussion and demonstrated a knowledge and understanding of the business, its risks and material activities. The performance of the Chairperson was evaluated by the Senior Independent Director based on feedback gathered as part of the Board questionnaire and individual feedback from non-Executive and Executive Directors. The review confirmed that Ms Julie O'Neil had made a strong start to her role as Chairperson of PTSB, leveraging her previous experience with the Bank, developing effective internal and external stakeholder relationships, and evolving the operating rhythm of the Board. The feedback noted Ms O'Neill as an effective Chairperson with a measured approach

guiding the Board into a new phase post the acquisition of parts of the Ulster Bank of Ireland's business. The Board confirmed its continued support for Julie O'Neill in the role of Chairperson and her proposed re-election at the 2024 Annual General Meeting (AGM).

Areas discussed by the Committee included Board composition, Board succession planning, Board induction, Board oversight of the business and its risks, culture, Board meetings and information flows to the Board. The Board noted the improvements that had been made in these areas over the previous 12 months. The Committee carried out a detailed assessment of individual and collective Board strength taking into account the longer term strategic direction of the Bank and its evolving risk profile. Arising from this, the committee considered and made a number of recommendations concerning Board training/development and the future knowledge, experience and skills requirements of the Board.

As set out in the Chairperson's introduction to governance on page 118, following the completion of the Ulster Bank business asset acquisition, the Board led a thorough review of the Bank's governance, strategy and operations and this included reflection upon the Board's own governance arrangements. The Board believes there is further room to improve the effectiveness of its own operations and will continue to monitor and assess its own performance in that regard. Key focus areas in 2024 will include.

2024 Board Performance Themes and Focus Areas

Theme	2024 Actions and Outcomes
Risk	Continue to prioritise oversight on the effectiveness of the Bank's risk management framework with focus on ensuring the effective utilisation of the three lines of defence model. The Board recognise that mind-set and behaviour is a critical ingredient to driving an effective risk management and internal control environment and has requested Board Risk and Compliance Committee support to ensure it is setting the right tone on risk culture expectations for the Bank.
Culture	Enhanced focus on developing, maintaining and monitoring the desired culture of the Bank now that it has become a larger organisation through the Ulster Bank transaction.
Strategy	Ensuring strategy execution is a core focus on the Board agenda with simple and clear KPIs (business performance and capability) to support Board oversight and challenge. Ensuring the Bank's Strategic Planning process continues to evolve and that it is fully resourced to do so.
Board Reporting	The Board should continue to encourage the timely delivery of management reporting to the Board with a focus on ensuring the right level of strategic insight is provided to support effective decision making.
Sustainability	Ensuring that the Bank's Sustainability agenda is getting the right level of management and Board oversight and the Bank continues to moving at pace to fully integrate sustainability within its strategy planning process.
Succession Planning	Ensuring the future knowledge, experience and skills for both Board and the Executive Committee (aligned to strategic direction and risk profile) are understood and there are effective succession plans in place.
Board Operating Rhythm	Meetings of the Board and its committees are optimised to ensure both Board and Management time is used effectively.

Director Induction and On-Going Business Awareness

On appointment to the Board or to any Board Committee, all Directors receive a comprehensive induction training schedule tailored to their individual requirements. The induction, which is designed and arranged by the Company Secretary in consultation with the Chairperson (and approved by the Board Nomination, Culture and Ethics Committee), will include meetings with Directors, Senior Management and key external advisors, to assist Directors in building a detailed understanding of the Group's operations, management and governance structures, including the functioning of the Board and the role of Board Committees and key issues facing the Group. Directors will also be encouraged, where appropriate, to make site visits to see the Group's operations first hand. Where appropriate, additional business awareness briefing sessions and updates on particular issues identified in consultation with the Chairperson and Non-Executive Directors will be arranged by the Company Secretary. These will be held regularly to ensure that Non-Executive Directors have the knowledge and understanding of the business to enable them to contribute effectively at Board meetings. The business awareness and development needs of each Non-

Executive Director will be reviewed annually as part of the performance evaluation process.

2023 Board Training and On-Going Business Awareness

Board Training Sessions

A number of Board training sessions were facilitated during 2023 to support on-going business awareness and Director development. Topics for Board training sessions are recommended by the Board Nomination, Culture and Ethics Committee and include a balance of technical, governance and professional development. Training delivered during 2023 included: Cyber Security; ESG Regulations and Disclosures; Carbon Emissions Deep Dive; Asset Finance Marketplace; Operational Resilience; Individual Accountability Framework including SEAR; and AML/CTF training.

Board Briefings

In addition to formal Board training sessions, a number of Board briefings were presented to the Board during 2023. The purpose of these briefings is to ensure Directors have the knowledge and understanding of the business to enable them to contribute effectively to meetings, by providing insight into impending changes which may impact on the Board's responsibilities, the Bank's progress in implementing such changes, or to present industry updates. Board briefings presented during 2023 included: macro-economic outlook; capital and liquidity planning; recovery planning simulation exercise; market abuse update; legal and regulatory developments; geopolitical developments; Department of Finance Retail Banking Review, Brand and Marketing deep dives; Investor/Shareholder perspectives; and, Technology developments.

Individual Director Development

An individual training plan is developed for each Director on appointment and reviewed annually by the Chairperson. The purpose of individual training plans is to support individual Director development. Each Director is required to undertake the Institute of Bankers Certified Bank Director programme. Directors are also offered the option of attending suitable external educational courses, events or conferences designed to provide an overview of current issues of relevance to their work on the Board. Led by the Chairperson, the Non-Executive Directors met without the Executive Directors present.

Corporate Governance Statement

Board Leadership and Effectiveness (continued)

Board Meetings

The table on page 128 shows Board membership and directors' meeting attendance during 2023. There were 11 scheduled Board meetings for 2023 (including 2 strategy sessions). All scheduled Board meetings were held in-person. In addition to scheduled meetings, additional meetings of the Board, and some of its Committees (detailed in each Committee report) were held throughout the year to receive updates and deal with time-critical matters. There were 7 additional Board meetings held in 2023.

Agendas and papers are circulated to Directors electronically via a secure online Board portal in sufficient time to facilitate review by the Directors.

At each of the scheduled Board meetings the directors received reports from the Chairperson, Board Committee Chairpersons, the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer and other members of the executive management team, as appropriate. Other senior executives attended Board meetings throughout the year to present reports to the Board. This provided the Board with an opportunity to engage directly with management on key issues. The Board is particularly focussed on strategy, customer experience, commercial/financial performance and risk/compliance matters at each of its meetings. The minutes of Board committees are made available to all Directors through a designated reading room in the Board portal. The Board portal also contains an extensive document repository and is the primary method of communication with Directors.

The Board, Board Committees and the Bank's Executive Committee operating rhythm supports a proactive and focused agenda planning and paper preparation process. This process includes pre-meetings of the Board between the Chairperson, CEO and Company Secretary to ensure the Board and Executive Management are aligned on Board agendas.

Board Committees

The Board has established four permanent Committees to assist in the execution of its responsibilities. These Committees are:

- Audit
- Risk & Compliance
- Nomination, Culture & Ethics
- Remuneration

Other Committees are formed from time to time to deal with specific matters. During 2021, the Board established a committee of the Board to provide support on the corporate transaction to acquire certain elements of the Ulster Bank business in Ireland. This committee operated until September 2023 when it was closed post the migration of the final element of the Ulster Bank business. The committee operated within a Board approved terms of reference and consisted of the following members: Julie O'Neill (Chairperson), Eamonn Crowley, Marian Corcoran, Anne Bradley, Paul Doddrell, Ronan O'Neill and Donal Courtney; Robert Elliot ceased to be a member on 31 March 2023 when he retired from the Bank.

At the end of 2023, the Board Audit, Remuneration and Nomination Culture & Ethics committees were composed of Independent Non-Executive Directors and the Board Risk and Compliance Committee was composed of a majority of Independent Non-Executive Directors. The Membership and the Chairpersonship of each committee are reviewed annually.

Each of the Board Committees has a Terms of Reference, under which authority is delegated by the Board, and which are reviewed annually. The Terms of Reference of each Committee are available on the Bank's website <https://www.permanenttsbgroup.ie/document-centre>. The Board Committee Chairpersons are expected to attend the AGM and be available to answer questions from shareholders.

Corporate Governance Statement

Risk Management and Internal Control

Board responsibilities

The Board has overall responsibility for maintaining a system of risk management and internal control which provides reasonable assurance of effective and efficient operations, internal financial and operational control, and compliance with laws and regulations.

The Group's business involves the acceptance and management of a range of risks, consistent with its corporate purpose. The Group's system of risk management and internal control is designed to ensure the delegation of responsibility for risk oversight and management is appropriate to the nature and type of risk faced by the Group.

Provision 29 of the UK Code requires the Board to review annually the effectiveness of the Group's system of risk management and internal control. This requires a review to cover all material controls including financial, operational and compliance controls. Monitoring of risk management and internal control is an ongoing part of the governance process at Board Audit and Board Risk and Compliance Committee meetings. The Board Audit Committee reviews a control environment report on a regular basis which provides a holistic perspective of the control environment within the Group. The Board Audit Committee also receives reporting at each meeting from the Head of Group Internal Audit (GIA) on the effectiveness of the control environment through reporting on findings that arise from internal audit activity. On a bi-annual basis, the Board Audit Committee reviews the interim and final Audit Opinion prepared by the Head of GIA. The Audit Opinion considers the adequacy and effectiveness of the governance, risk and control environment within the Group and specifically how they relate to individual business areas, it also takes into account the strategies, objectives and risks of the organisation. The Board Audit Committee reviews the internal controls in place over financial reporting in order to provide reasonable assurance the half-year and full-year accounts materially presents a true and fair view of the Group's financial position and performance. The Board Risk and Compliance Committee receive updates at each meeting from the Bank's Chief Risk Officer and Head of Compliance concerning the Bank's operational and compliance controls.

The Chairs of the Board Audit Committee and Board Risk and Compliance Committee report on all material risk and control related matters to the Board at each scheduled meeting, as does the Chief Risk Officer who attends a material portion of each Board meeting.

The Board has a particular focus on ensuring that appropriate governance structures are in place to address issues raised through internal review and by feedback from stakeholders, including regulators. There was no significant failure of the Group's system of risk management and internal control during 2023 leading to a material financial loss.

Internal Control Procedures

The Group's internal control procedures are designed to safeguard the Group's net assets, support effective management of the Group's resources, and provide reliable and timely financial and operational reporting both internally, to Management and those charged with governance, and externally to other stakeholders. They include the following:

- An organisational structure with formally defined lines of responsibility and delegation of authority;
- As set out in the Risk Management Section a 'Three Lines of Defence' model has been adopted by the Group for the effective oversight and management of risks across the Group, with GIA being the Third Line of Defence;
- A corporate governance structure has been defined showing the key governance and decision making bodies of the Group; each governance body has a terms of references that sets out its key areas of responsibility;
- The preparation and issue of financial reports, including the consolidated Annual Report, is managed by the Group Finance department with oversight from the Board Audit Committee. The Group's financial reporting process is controlled using documented accounting policies and reporting formats issued by the Group Finance department to all reporting entities (including subsidiaries) within the Group in advance of each reporting period end. The Group Finance department supports all reporting entities in the preparation of financial information. Its quality is underpinned by arrangements for segregation of duties to facilitate independent checks

on the integrity of financial data. The financial information for each entity is subject to review at reporting entity and Group level by Senior Management. In addition to reviewing and approving the full year Annual Report, the Interim and Annual Report are also reviewed by the Board Audit Committee in advance of being presented to the Board for their review and approval;

- Comprehensive budgeting systems are in place, with annual financial budgets and a five year medium term financial plan prepared and considered by the Board. Actual results are monitored and there is monthly consideration by the Board of progress against budgets and forecasts;
- There are clearly defined capital investment control guidelines and procedures set by the Board;
- Responsibilities for the management of credit, investment and treasury activities are delegated within limits to line management. In addition, Group and divisional Management have been given responsibility to set operational procedures and standards in the areas of finance, tax, legal and regulatory compliance, human resources and information technology systems and operations;
- GIA's responsibility for the independent assessment of the Group's corporate governance, risk management and internal control processes. The Head of GIA reports directly to the Chairperson of the BAC;
- The reviews by the Board Audit Committee on the scope, nature and independence of the work of undertaken by GIA;
- The reviews by the Board Audit Committee of progress with the internal audit programme of work. The Head of GIA reports regularly to the BAC in private session. The BAC also reviews the Interim and Annual Report and the nature and extent of the external audit. There are formal procedures in place for the external auditors to report findings and recommendations to the Audit Committee. Any significant findings or identified risks are examined so that appropriate action can be taken;
- Under the Group's Internal Control Framework, there are divisional control frameworks in place within each business unit under which Executive Management reviews and monitors, on an on-going basis, the controls in place,

Corporate Governance Statement

Risk Management and Internal Control (continued)

both financial and non-financial, to manage the risks facing that business;

- The monitoring of regulatory compliance within the Group by the Head of Regulatory Compliance who reports to the CRO and who also provides regular updates to the Board Risk and Compliance Committee; and,
- Established systems and procedures to identify, control and report on key risks. Exposure to these risks is monitored at Board level by the Board Risk and Compliance Committee. As a standing item on both Board Risk and Compliance Committee and Board agendas, the CRO regularly reports on all material issues related to activity within the Group's risk and control environment. The CRO is a member of ExCo, Chairs the Group Risk Committee and has reporting lines to the CEO and Chairperson of Board Risk and Compliance Committee.

The Board Risk and Compliance Committee reviews the compliance and risk management programmes and monitors the risk profile of the Group. The Board Risk and Compliance Committee supports the Board in carrying out its responsibilities for ensuring that risks are properly identified, reported, assessed and controlled, and that the Group's strategy is consistent with the Group's Risk Appetite.

The Remuneration Committee is responsible for oversight of the Group's remuneration and reward strategies. It ensures the remuneration strategy is aligned with the Group's appetite for risk, business strategy, values, culture and ambitions, and oversees Senior Management reward.

The Nomination, Culture and Ethics Committee is responsible for the culture, behaviour, ethics and reputation management oversight in the Group.

The Board is committed to nurturing a Speak Freely culture where it is safe and acceptable for all to raise any concerns that they may have about practices, processes or behaviours that do not meet these standards or align with the Group's Ambition, Purpose and Values. The Group's Speak Freely Procedure protects colleagues who wish to raise a concern, or to make a protected disclosure, relating to an actual or potential wrongdoing in the workplace. Speak Freely focuses on encouraging colleagues to raise a concern via a number of different

channels by creating a psychologically safe environment in which to do so. In addition, the Group also has in place a Colleague Conduct Policy, which outlines the standards of responsibility and ethical behaviour to be observed by all the Group's employees. The Board Nomination, Culture and Ethics Committee receives regulator reporting on key themes and issues reported through the Speak Freely process.

Internal Control over Financial Reporting

The Group operates a Financial Control Framework (a divisional framework of the Group's Internal Control Framework) over financial reporting to support the preparation of the consolidated financial statements. The effectiveness of the Group's systems of control over financial reporting are reported on to the Board Audit Committee on an annual basis. The main features are as follows:

- A comprehensive set of accounting policies are in place relating to the preparation of the interim and annual financial statements in line with IFRS, as adopted by the EU;
- A control process is followed as part of the interim and annual financial statements preparation, involving the appropriate level of Management review of the significant account line items, and where judgments and estimates are made, they are independently reviewed to ensure that they are reasonable and appropriate. This ensures that the consolidated financial information required for the interim and annual financial statements is presented fairly and disclosed appropriately;
- The Interim and Annual Report are subject to detailed review and approval through a process involving Senior and Executive finance personnel;
- Summary and detailed papers are prepared for review and approval by the BAC covering all significant judgmental and technical accounting issues together with any significant presentation and disclosure matters; and
- A GIA function with responsibility for providing independent, reasonable assurance to key internal committees and Senior Management, and to external stakeholders (regulators and external auditors), on the effectiveness of the Group's risk management and Internal Control Framework.

Corporate Governance Statement

Board Diversity Report

PTSB recognises the benefits of having a diverse Board and sees diversity at Board level as an important element in delivering on the Bank's stated Purpose and Ambition.

Diversity

A diverse and inclusive culture is essential to the long-term success of PTSB and enables the Group to respond to diverse customer and wider stakeholder needs. The Group embraces diversity at all levels of the organisation and appreciates the different perspectives and unique value each Board member and employee brings to the role and the value that creates for the business, colleagues, community and wider stakeholders. Further details on the Group's Organisational Culture, Diversity and Inclusion Programmes are set out on page 37

Board Diversity Policy

The Board has a Diversity Policy which is reviewed annually. The Board Diversity Policy sets the target for gender diversity and also sets guidance on the appropriate mix of financial versus non-financial

knowledge and experience on the Board as well as the geographic location/background of Directors. The Policy also describes how the Board will consider other key metrics when carrying out succession planning activities or Board recruitment/refreshment. The Board Diversity policy is published on the Group's website: <https://www.permanenttsbgroup.ie/document-centre>.

The Group recognises the benefits of having a diverse Board whose members reflect a wide range of knowledge, skills and experience with differences in educational and professional background, ethnicity, gender, age, cognitive and personal strengths, and other qualities, in order for the Board to be able to discharge its duties and responsibilities effectively, in addition to having a diverse senior leadership and executive management succession pipeline. The Group sees

diversity at Board level as an important element in delivering on the Bank's stated Purpose and Ambition.

The Board also recognises how diversity of thought is necessary to provide the range of perspective, insight and challenge which enhances collective decision-making and reflects positive behaviour, conduct and culture of the Board and the wider Group. A diverse Board includes and makes good use of differences in the knowledge, experience and skills (in particular those identified as relevant to the business and culture of PTSB) as set out in the Board Suitability Matrix, including regional and industry experience, education and professional experience, together with other diversity aspects of Directors. These differences are considered in determining the optimum composition of the Board, and where possible, balanced appropriately.

In December 2023, the Board Diversity Policy was reviewed and updated setting the following target and guidance principles for 2024:

Area of Diversity	Rationale	Guidance or Target
Knowledge Experience and Skills	The Board aims to engage a broad set of qualities and competencies when recruiting Board members to achieve a variety of views and experiences and to facilitate independent opinions and sound decision-making within the Board.	Target: A majority of Non-Executive Directors, the Board Chairperson together with the Chairpersons of the Audit and Risk and Compliance Committee should have core relevant banking and/or financial services knowledge and experience (obtained working for a financial institution or through the provision of services to a financial institution).
Board Suitability Matrix	<p>The Board regularly reviews the knowledge, experience and skills of the Board to ensure they are aligned with the current, emerging and future needs of the Bank.</p> <p>Note: Knowledge examines achievement in education, training and practice.</p> <p>Experience looks at the practical and professional experience gained.</p> <p>Skills focus on personal attributes, how the person is capable of behaving and acting.</p>	<p>Knowledge and Experience:</p> <ul style="list-style-type: none"> • Retail Personal and/or Business Banking • Culture and Ethics • Sustainability • Customer Advocacy/Experience • Accounting/Auditing and Model Governance • Risk Management • Governance and Oversight • Technology (including Cyber/Resilience/Artificial Intelligence/Digital Evolution/Fintech) • Organisational Change • Strategy Development/Execution • Legal and Regulatory (Ireland and EU) • Capital Markets/Treasury/Investor Relations • ESG/Sustainability/Climate • Data and Analytics • Workforce capability and strategy <p>Skills:</p> <ul style="list-style-type: none"> • Authenticity • Decisiveness • Communication • Judgement • Customer and Quality Orientated • Leadership • Loyalty • External Awareness • Persuasive • Teamwork • Sense of Responsibility • Integrity • Independence of Mind • Innovative • Neurodiversity

Corporate Governance Statement

Board Diversity Report (continued)

Area of Diversity	Rationale	Guidance or Target
Gender	<p>The Board understands that gender is an essential component of Board diversity facilitating a more independent mindset at Board bringing together richer more informed debate and challenge.</p> <p>Cognisant of its role model ambitions for the rest of the Bank, the Board ensures that gender diversity is extended to Senior Board positions within the Bank.</p>	<p>Target 1: The Board will be gender balanced (50% between Directors identifying as male or as female). Where the Board (or Board Committee) has an uneven number of Directors, a rounding down of the majority gender is deemed to have achieved balance.</p> <p>Target 2: At least one of the Chairperson, Chief Executive Officer, Senior Independent Director or Chief Financial Officer) positions will be held by a female (including those self-identifying as a female).</p>
Geographic Location	<p>The Board should be comprised of directors who understand the social, economic, business and cultural environment in which the Group operates. However, the Board also understands the benefit of having an 'external' perspective, to draw learnings and insights from other jurisdictions and cultures to support independent and effective decision making.</p>	<p>Target: Between 20% - 30% of the Non-Executive Directors should be in a position to draw on current or recent knowledge and experience obtained from having lived or worked outside of Ireland.</p>
Age and Ethnicity	<p>The Board recognises that in addition to tenure of knowledge and experience, value should also be placed on the timing of when knowledge and experience is acquired. This is ever more relevant where rapidly evolving developments in technology, innovation and customer behaviour will play an ever greater role in delivering the Group's Ambition. The Board also recognises the importance that diversity on the Board brings particularly given the diverse age and ethnic profile of the Group's customer and colleague base.</p>	<p>Guidance: For each Director appointment, the Board will consider age, ethnicity and other demographics of the Group's customer and colleague base together with relevant Board composition benchmarking data to inform the design of any role profiles. In doing so, the Board will have regard to the requirements under the FCA Listing Rules and the Parker Review in respect of non-white ethnic minority representation on the Board. Consideration will also include latest Irish census data on non-white ethnic minorities.</p>

The Board recognises the challenges in setting diversity targets that it may not be in a position to achieve in the medium term. Therefore, at this time, in the interests of ensuring the Board has the appropriate balance of knowledge, experience and skills to deliver the Group's stated purpose and ambition, and having regard to the latest benchmarking data on non-white ethnic minorities in Ireland being the geographical provenance of the Group's customer and colleague base, the Board has not set a target for having at least one member of the Board from a non-white ethnic minority background in its Diversity Policy. Notwithstanding this, when considering Board appointments, the Board will have regard to the requirements under the UK FCA Listing Rules and the Parker Review in respect of non-white ethnic minority representation on the Board. The Group is committed to having a diverse Board, to achieving the targets and guidance set out in its Diversity Policy and to ensuring an open and fair recruitment and selection process that reflects relevant metrics of diversity for each Director appointment in the best interests of the Group and its stakeholders.

Objective of Board Diversity Policy

The Board is mindful of its commitment to having a diverse Board and recognises the importance of age, ethnicity and other demographics of the Group's customer and colleague base which inform the design of the role profile for each Director appointment, in addition to gender, knowledge, experience and skills. All Board appointments are made on merit, in the context of the aggregate knowledge, experience and skills that the Board as a whole requires to be effective. The Nomination, Culture and Ethics Committee discuss and agree annually all measurable objectives for achieving diversity on the Board and recommends them to the Board for adoption. When setting diversity objectives, the Nomination, Culture and Ethics Committee considers relevant Board diversity benchmarking data published by competent authorities including the Central Bank of Ireland and the European Banking Authority, national census data and other relevant international bodies and organisations. At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

How the Board Diversity Policy was implemented during 2023

All Board appointments are made on merit, in the context of the knowledge, experience and skills that the Board as a whole requires to be effective and having regard to the Diversity Policy. The balance and mix of appropriate knowledge, experience and skills of Non-Executive Directors are taken into account when considering a proposed appointment and is reviewed annually by the Board.

The Board Nomination Culture and Ethics Committee carries out an evaluation of Board performance annually. A part of that review considers the succession planning, composition and diversity needs of the Board. In November 2023, the Committee carried out a detailed analysis of Board and Committee composition, Board Independence levels, Board diversity analysis, review of the Board Suitability Matrix (desired mix of knowledge, experience and skills) and potential retirements over the following two year period. This comprehensive assessment allows the Board to plan for knowledge, experience, skills and other diversity needs of the enlarged Group for the future in line with its strategic priorities and evolving risk profile.

The behaviours likely to be demonstrated by potential Non-Executive Directors are also considered when interviewing for new appointments to ensure an environment in which a range of perspective, insight and challenge which enhances collective decision-making and reflects positive conduct and culture of the Board is expected, achieved and maintained in the Boardroom. In reviewing Board composition, the Nomination, Culture and Ethics Committee considers the benefits of diversity, including gender, and looks to ensure there is appropriate representation from other industry sectors. In addition to core financial services knowledge and experience, the Board also can draw from expertise in technology, change and risk management, customer advocacy, aviation, healthcare, ESG/sustainability and climate risk, capital markets, workforce planning and remuneration, communications and charities sector strategy development and governance.

The Board considers the skills, experience and expertise, including education and professional background, in areas relevant to the operation of the Board. All candidates for appointment need to demonstrate the financial literacy required for a proper understanding of the Group's activities and associated risks. The Nomination, Culture and Ethics Committee seeks to ensure a proportion of the Board has a deep understanding of financial products and has established guidelines to ensure Board candidates are selected on merit, based on their skills, competencies, qualifications and ability to commit sufficient time to the role, and in line with the Board Diversity Policy.

2023 Board Diversity Progress

At 31 December 2023 the Board female/male stood at 58:42 (60:40 for Non-Executive Directors) against a gender diversity target of 50:50. This exceeds the new UK FCA Listing Rules target to have at least 40% female representation on the Board.

The Board has also met and exceeded its diversity target of having at least one senior board position held by a female with both the Chairperson and Chief Financial Officer positions held by females during the year, exceeding the UK FCA Listing Rules and is also in line with the role model ambitions of the Board in

increasing diversity and inclusion across the rest of the Group.

The Board broadly achieved gender balance with regard to its Committee composition and has regard to wider diversity aspects among the members of the Board Committees.

The Board continues to review and monitor progress on diversity of the Executive Committee the senior leadership team and throughout the wider Group as part of its commitment to improve gender diversity and other wider diversity aspects of the workforce.

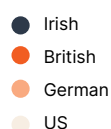
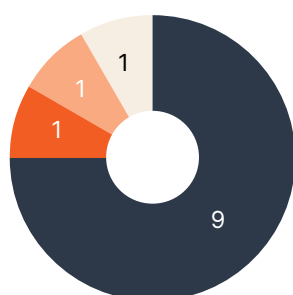
The Board has not set a target for having at least one member of the Board from a non-white ethnic minority background in its Diversity Policy as now required under the UK FCA Listing Rules as the Board recognises the challenges in setting diversity targets that it may not be in a position to achieve in the medium term.

The Board exceeded its objective of requiring a majority of Non-Executive Directors, the Board Chairperson together with the Chairpersons of the Audit and Risk and Compliance Committees to have relevant banking and/or financial experience and is satisfied that all Directors have attained the required financial literacy threshold. The Board diversity ratio of Non-Executive Directors with experience gained from living or working outside of Ireland to bring an external perspective and insights from other jurisdictions and cultures stood at 30% in line with its target range of between 20-30%. The other diversity aspects including age, nationality and independence are displayed in line with the guidance for Board appointments as set out in the Board Diversity Policy.

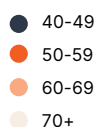
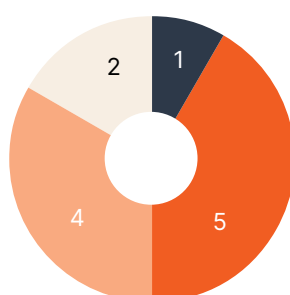
Corporate Governance Statement

Board Diversity Report (continued)

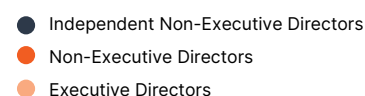
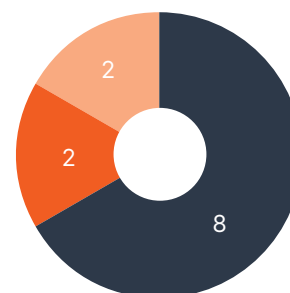
Nationality



Age Profile



Independence



2023 Board Diversity Measures

This section outlines the key diversity and inclusion metrics for Board and Executive Management at 31 December 2023, being the chosen reference date within the accounting period as required by the Listing Rules LR9.8.6 (9)-(11). This section also includes detail of tenure, age, skills and experience. All information on the Board and Executive management gender identity and ethnic background was manually gathered

Gender Identity

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	% of executive management
Men	5	42%	2	8	80%
Women	7	58%	2	2	20%
Other categories	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

Note: Executive Directors are counted in both Board and Executive Management disclosures. Company Secretary included in Executive Management disclosure.

Ethnic Background

	Number of board members	% of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British/Irish or other White (including minority-white groups)	12	100%	4	10	100%
Mixed/Multiple Ethnic Groups	-	-	-	-	-
Asian/Asian British/Irish	-	-	-	-	-
Black/African/Caribbean/Black British/Irish	-	-	-	-	-
Other ethnic group, including Arab	-	-	-	-	-
Not specified/ prefer not to say	-	-	-	-	-

Note: Executive Directors are counted in both Board and Executive Management disclosures. Company Secretary included in Executive Management disclosure.

2024 Board Diversity Priorities

Area of Diversity	Board Objective	2024 Board Action
Gender	The Board remains committed to maintaining gender diversity on the Board.	<ul style="list-style-type: none"> Board Gender Diversity Target maintained at least 50% female; and, Encourage initiatives that promote broader inclusive gender diversity across the Group, in line with the Organisational Culture, Diversity and Inclusion Programmes.
Alignment to customer and colleague base	The Board acknowledges the Group has a diverse customer and colleague base and should take account of same in considering the diversity requirements of the Board.	<ul style="list-style-type: none"> The Board Diversity Policy recognises the importance of ensuring the Board has a clear line of sight on the diverse makeup of the Group's colleague and customer base when considering appointments to the Board; Customer diversity metrics such as age, ethnicity and gender will influence how the Board thinks about its own construct; and, Receive reports on actions taken by the Bank to foster a more inclusive, equitable and diverse organisation including colleague surveys and customer experiences.
Board Diversity Policy	The Board recognises there are many aspects of diversity such as age, social and ethnic backgrounds, gender, cognitive and personal strength, skills and experience, and the importance of ensuring wider diversity is considered for Board appointments.	<ul style="list-style-type: none"> Consider the aspects of diversity relevant to the operation of the Group, such as gender, age, cognitive, social/ethnic background, personal strengths, education and professional background; Ongoing review of the Board Diversity Policy to ensure all relevant aspects of diversity are included in the Policy; Ongoing review the Board Suitability Matrix to ensure that the diverse range of knowledge, skills and experience required by the Group is represented at Board level; and Encourage initiatives that promote broader inclusive gender diversity at Board level, in addition to ensuring a diverse senior leadership and executive management succession pipeline.
Board Recruitment and Selection and Suitability	The Board remains committed to having a diverse range of knowledge, experience and skills, including education and professional background, in areas relevant to the operation of the Board, while ensuring that the recruitment and selection process for members of the Board is an open and fair process.	<ul style="list-style-type: none"> Maintain a majority of Non-Executive Directors, including the Board Chairperson, together with the Chairpersons of the Audit and Risk Committees, to have banking and/or financial experience and this will also be taken into account when recommending appointments; Between 20% - 30% of the Non-Executive Directors should be in a position to draw on current or recent knowledge and experience obtained from having lived or worked outside of Ireland given the Bank's strategic priorities and evolving risk profile; Retain the requirement that all candidates for appointment need to demonstrate the financial literacy required for a proper understanding of the Group's activities and associated risks; Ensure that a proportion of the Board has a deep understanding of financial products; Review Board recruitment and selection procedures, to ensure Board candidates are selected on merit, based on their knowledge, experience and skills, and have the ability to commit sufficient time to the role, with due regard to relevant aspects of diversity; and Undertake an assessment of individual and collective suitability, taking into account relevant aspects of diversity to determine the continued individual and collective suitability of members of the Board.
Board Succession Planning	The Board is responsible for overseeing succession plans for the Board and Senior Executives.	<ul style="list-style-type: none"> Review Succession Plans of the Board and Senior Executives ensuring they are sufficiently robust; that talent management and development plans are in place with live talent maps to ensure a diverse pipeline of successors at senior leadership team level; Ensure the Group pipeline of successors takes account of the Group's diversity measures and ambitions; and, Ensure Board succession planning reflects the requisite time for the selection, recruitment and appointment process.

Corporate Governance Statement

Board Audit Committee

The Audit Committee ensures that the financial and internal control policies, practices and decisions of the Group are carried out appropriately, and are properly aligned to strategy and the interests of its Shareholders.



Dear Reader,

I am pleased to present my report as Chairperson of the Board Audit Committee (the "Committee" or "BAC"). The Committee, as defined in its Terms of Reference primarily ensures the proper implementation of the Group's financial and internal control policies, practices and decisions. It aims to align these with Group strategies and shareholder interests, while operating within applicable regulatory and legal requirements.

2023 was a key year for the Group in the context of the completion of the Ulster Bank transaction, migration of the Lombard asset finance business and launch of 'PTSB Asset Finance'. In this context it was important for the Committee to ensure the control environment within the acquired businesses, particularly controls that supported financial reporting were robustly challenged for the purposes of ensuring this Annual Report represented a true and fair view of the Group's financial position and performance.

At the Group's AGM in May 2023, KPMG were appointed as External Auditor's following a competitive tendering process in 2022. Both I as Chair and the Audit Committee have worked closely with KPMG through the preparation of the financial statements to understand the issues being raised through the audit process and ensuring the audit process and external auditors were effective in that regard. I have been very pleased with the level of detailed work and challenge carried out by the external auditors who, in their first audit, have the opportunity to examine the Bank's control environment with fresh perspective.

A key area of focus for the Committee during 2023 was to fully integrate preparations for a series of sustainability related reporting obligations that would (or have) come into effect over the short to medium term. This included understanding and defining an integrated approach to disclosures relating to Pillar 3 (ESG disclosures), EU Taxonomy, TCFD, NFRD and CSRD. It was pleasing to see how the Bank's Sustainability Committee was leading an integrated and coordinated approach to sustainability within the Bank with external reporting a key pillar within the Bank's Sustainability Programme. It is clear that a key challenge for the Bank will be ensuring that data is ready to support the necessary disclosures and I am pleased with the progress we have made to date in this regard.

Through the year I have continued to work closely with both the Head of Group Internal Audit and Chief Financial Officer who are both key accountable executives to the Board Audit Committee. I am pleased with the progress the Bank has made over the last 12 months, but there is more to be done to reflect the fact that, post the acquisition of the Ulster Bank businesses, PTSB is a larger and more systemically important bank that with appropriate balance sheet growth will revert to ECB supervision. This will require focus to ensure the Bank's systems of risk management and internal control continue to adapt to both the internal and external environment and this evolution of the Bank's systems and mindset will be a key focus for both the Audit and Risk and Compliance Committees in 2024.

As the Committee now focusses on 2024 and beyond, particular attention will be given to working closely with the Board Risk and Compliance Committee on assessing the impact of interest rates and cost of living challenges on customers and the subsequent risk to loan impairment that may arise therefrom.



Ronan O'Neill
Chairperson, Board Audit Committee

Composition and Operation

The Board Audit Committee ('BAC') consists of five Non-Executive Directors. The biographical details of each member are set out on pages 123 to 128. Neither the Board Chairperson nor the CEO is a member of the Committee. The Board requires the Chairperson of the BAC to have recent and relevant financial experience. The Chairperson of the Committee is responsible for leadership of the Committee and for ensuring its effectiveness. Together the members of the Committee bring a broad and diverse range of relevant knowledge and experience contributing to effective governance.

The members of the BAC meet together at the start of each scheduled meeting in private session. The head of GIA is then invited to join the meeting so the Committee can review and discuss internal audit activity without senior management present. Subsequent attendance by senior management, the external auditors and others is by invitation only and managed to ensure the ongoing independence of the Committee. The Board requires that a minimum of one member is common to the BAC and the Board Risk and Compliance Committee. Donal Courtney and Anne Bradley are members of both Committees.

2023 Committee Meeting Attendance

Member	Appointed	Ceased	Number of Years on the Committee	2023 Meeting Attendance
Ronan O'Neill*	02 Nov 2021	-	2.2	9/9
Donal Courtney	03 Oct 2018	-	5.3	9/9
Anne Bradley	30 Mar 2021	-	2.9	8/9
Ruth Wandhöfer**	31 Dec 2023	-	0	0/0
Catherine Moroney	12 Dec 2023	-	0	0/0
Paul Doddrell	26 Nov 2020	31 Dec 2023	3.1	9/9
Andrew Power	26 Sep 2016	19 May 2023	6.8	4/4

* Chairperson

** Appointed to Committee after last meeting of the year had been held

Role and Responsibilities

The BAC monitors the effectiveness and adequacy of internal control, internal audit and IT systems and reviews the effectiveness of risk management procedures, in addition to reviewing the integrity of the Company's internal financial controls. The BAC monitors and reviews the effectiveness of the Group's Internal Audit (GIA) function and also considers the external auditor's independence and objectivity and the effectiveness of the audit process. The BAC also reviews discoveries of fraud and violations of laws and regulations as raised by the head of GIA.

The BAC monitors the integrity of the Financial Statements of the Company, reviewing significant financial reporting judgements contained therein, to ensure that they give a "true and fair view" of the financial status of the Group and to recommend to the Board whether to approve the Annual and Interim Reports

and also to recommend to the Board that it believes that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the necessary information for shareholders to assess the Group's position, performance, business model and strategy.

In considering whether the Annual Report is fair, balanced and understandable, the Committee reviewed the Annual Report and considered whether the Financial Statements were consistent with the financial review elsewhere herein. The Committee also reviewed governance and approval processes in place within the Group as they were relevant to the Financial Statements. These included the completion by Management of disclosure checklists to ensure all required disclosures required by applicable company law, listing requirements and accounting standards are included in the draft Annual Report which was reviewed by various Executives and Management of the Group.

The Committee also had regard to the significant judgements relating to the Financial Statements that are set out in this report. Each of these significant issues were addressed in papers received by the Committee from Management and in the report received by the Committee from the external auditors and were discussed in the Committee's meeting with the external auditors.

The BAC also had regard to the assessment of internal control over financial reporting, details of which are outlined in the Risk Management and Internal Control section of the Corporate Governance Statement.

Matters considered by the Committee in 2023

During 2023, the Committee spent a significant amount of time considering those issues set out in the Significant Financial Reporting Judgments and Disclosures and, recommending for approval to the Board, the Annual Report and Interim Report.

During 2023, the Committee also:

- Reviewed GIA activity throughout the year, including a review of performance against the 2023 internal audit plan;
- Reviewed the Group's Pillar 3 policy and disclosures;
- Approved the GIA Charter, resourcing model and considered the effectiveness of the function;
- Reviewed External Auditor independence and effectiveness;
- Approved the new Task Force on Climate-Related Financial Disclosures Report;
- Reviewed the continued recognition of a Deferred Tax Asset (DTA) on tax losses carried forward;
- Approved changes in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS);
- Reviewed impairment provisions;
- Reviewed control environment reports
- Reviewed the effectiveness of internal control over financial reporting;
- Approved the Internal Audit Plan for 2024;

Corporate Governance Statement

Board Audit Committee (continued)

- Reviewed the governance and approval arrangements underlying the fair, balanced and understandable assessment of the Annual Report;
- Assessed the Longer Term Viability and Going Concern Statements;
- Reviewed the disclosures on compliance with the UK Corporate Governance Code;
- Reviewed non-impairment provisions including legacy, legal and compliance liabilities; and
- Reviewed the basis, background and level of Non-Audit fees paid to PwC and KPMG.

Financial Reporting and Significant Financial Judgments and Disclosures

During the year, the BAC reviewed the External Auditors' findings, and the following significant financial judgments made, the related disclosures for the 2023 Financial Statements as set out on the current and the following page.

Expected Credit Loss Provisions

The Committee considered the Group's methodology including assumptions and parameters for generating the Group's allowance for Expected Credit Loss (ECL) for its secured portfolios. The Committee discussed with Management in detail any changes and revisions made to the Group's IFRS 9 ECL models, macro-economic scenarios, significant increase in credit risk, and post model adjustments.

Multiple scenarios

The Committee reviewed and approved the macro-economic scenarios for use in IFRS 9 ECL estimation, which included the central scenario used for financial planning purposes, a more favourable scenario, and an adverse scenario.

Expert credit judgements

At 31 December 2023, the impairment provisions included €135 million of Management's adjustments to modelled outcomes. A key focus of the Committee during the year was an assessment of the level and rationale for such adjustments.

The Committee concluded that a robust governance framework existed to monitor provisioning adequacy and that the assumptions and judgements applied by Management were appropriate. The Committee was satisfied that the provision and related disclosures in the financial statements were appropriate.

Recognition and Recoverability of Deferred Tax Assets

The Committee considered the extent of DTAs recognised by the Group in respect of unutilised tax losses, and in particular, the future profits of PTSB against which losses may be utilised in future years. The Committee noted that the Group's performance and strategic outlook has improved, as outlined in more detail under "Going Concern" and "Longer Term Viability" below.

Accordingly, in line with the requirements of IAS 12 "Income Taxes," Management have formed the view that the carried forward tax losses within PTSB could be utilised against future profits which will be generated by PTSB. This requires significant judgments to be made about the projection of long-term profitability because of the period over which recovery extends.

Having considered the above, the Committee agreed with Management's assessment that it was probable that the level of DTAs recognised in the financial statements at 31 December 2023 would be recovered. The Committee noted that IFRS does not allow for the DTA recognised to be discounted notwithstanding that it will likely take a significant number of years to be fully recovered.

Impairment review of the Group's subsidiary undertaking

The Company carries its investment in its subsidiary undertaking at cost less impairment and reviews whether there is any indication of impairment at each reporting date. Impairment testing involves comparing the carrying value of the investment to its recoverable amount. The recoverable amount is the higher of the investment's fair value or its value in use (VIU). An impairment charge arises if the carrying value exceeds the recoverable amount.

Management provided the Committee with a paper that detailed the recoverable amount of the investment. The Committee reviewed the paper and calculations and is satisfied with the recoverable value of the subsidiary and that no impairment was required.

IT Access

Certain matters in relation to IT access controls have been communicated to the BAC through the external audit process. The Committee is however satisfied there are sufficient mitigating controls in place from a financial reporting perspective.

Going Concern

Note 1 of the financial statements includes details of the going concern of the Group and Company, which outlines the Directors' view that the Group will continue as a going concern for a period of 12 months following the signing of this report.

In making the judgment, the Committee was provided with detailed papers containing Management's considerations of the risks and uncertainties as they may pertain to going concern. The Committee reviewed these judgments, and agree with Management's view that the Group continues on a going concern basis and that there are no material uncertainties.

Longer Term Viability

In accordance with the requirements of the UK Corporate Governance Code, the Directors are required to issue a viability statement of the prospects of the Groups taking in account Group's current and projected financial position taking in account the principal risks facing the Group.

The period over which we consider longer-term viability

The Directors have assessed the viability of the Group over the three year term which falls within the time horizons considered for the Group's strategic planning and the regulatory stress testing frameworks employed by the Group. The Directors are satisfied that this is an appropriate period of assessment.

Assessing the governance and prospects of the Company and Group

In making this assessment, the Directors have assessed the key factors that are likely to affect the Group's business model and medium term plan which have been stress tested and sensitised for a downside scenario to reflect the challenges that the Group is facing, primarily on the Group's capital, solvency and liquidity position while taking into account other principal and emerging risks.

The Board has reviewed the Medium Term Plan (MTP) and the outputs from stress testing of capital and liquidity positions both pre and post management actions. The Directors have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

The stress testing is designed to explore the resilience of the Group to the potential impact of principal risks set out in the Annual Report, including in particular funding and liquidity, capital adequacy, the economic environment, regulatory risks and or a combination of these risks. A description of the Group and Company's principal risks together with the approach to risk identification and control are set out in the Risk Management section.

The Medium Term Plan is reviewed annually and with increased frequency when necessitated by significant changes in the external environment and is approved by the Board each year.

The Medium Term Plan closely aligns to Group's Risk Appetite Statement and Risk Management Framework and details the Group's future profitability, cash flow projections, capital requirements and the Group's key performance measures. Management's performance against the medium term plan is reviewed on an ongoing basis by the Board.

The Group made a profit for the 2023 financial year. While the Group remains strongly capitalised and has significant liquidity at the year-end, the future projections in the medium term plan which were sensitised for a downside scenario indicate no breaches in either regulatory capital and liquidity positions in the viability period of assessment to December 2026.

The assumptions underpinning the stress testing to determine the resilience of the Group's balance sheet, profitability and robustness of the business model were significantly conservative. While, the downside scenario marginally pushes out profitability, there were no breaches of regulatory requirements with a marginal recourse to internal buffers in the viability period.

There are certain key assumptions that are critical to the viability of the Group and these are outlined below:

Funding & Liquidity

The Group continued to have sufficient liquidity throughout 2023, and its liquidity position remains strong at 31 December 2023 with the Group holding a significant liquidity buffer. The Group has no reliance on ECB funding and is 90% deposit funded with plans to diversify its funding profile over the horizon of the next three years.

A key assumption in determining the longer-term viability is that the Group will continue to be able to access the required liquidity and funding across all channels during the period of assessment.

The Group continues to undertake a number of initiatives to improve its liquidity position in the areas of deposits, collateral optimisation, and wholesale markets activity.

The Directors and Management are aware that the Group's ability to monetise its contingent counterbalancing capacity is dependent on the underlying collateral remaining eligible.

Our funding plans assume, based on our interaction with wholesale markets and deposit trends that the required liquidity and funding will be available to the Group over the medium term.

Capital Adequacy

Capital Adequacy:

The Group made a profit for the year ended 31 December 2023. Directors and Management have reviewed the MTP and based on this, the Directors and Management are satisfied that the Group is well positioned to continue to deliver profits in future years.

Directors and Management have considered the forecast sufficiency of this capital base, and its ability to withstand additional stress scenarios such as the economic environment in Ireland deteriorating. At present, we do not have full certainty as to how our minimum regulatory capital requirements will evolve over the period to 2026; however, we expect to be in a position to meet those requirements in the medium term.

Reasonable Expectation of longer-term viability

Based upon the above assessment, the Directors have a reasonable expectation that the Group and Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment to 31 December 2026.

Provisions for Liabilities

The Committee considered the provisions made in the Financial Statements in order to assess the appropriateness of the underlying liabilities.

Management presented a paper outlining the requirements of IAS 37 and the basis of the provisions proposed. The Committee is satisfied that the provisions represent the best estimate of the potential liabilities at 31 December 2023.

Relationship with External Auditors

The Group's External Auditors are KPMG who were appointed by shareholders in 2023. Due to the mandatory firm rotation requirements, the outgoing External Auditors, PwC resigned in 2023 following the completion of the 2022 audit. The BAC provides a link between the Board and the external auditors, independent of the Company's Management. The external auditors regularly attend BAC meetings and the Committee meets with the external auditors at least once a year without Management present to discuss their remit and any issues arising from the audit.

The BAC reviewed the external audit plan prior to the commencement of the 2023 audit. The BAC met with the external auditor to review the findings from the audit of the Group financial statements. The BAC has an approved policy on the provision on non-audit services by the external auditor. The policy seeks to ensure that processes are in place to make sure that the independence and objectivity of the external audit process is not compromised. This includes monitoring the nature and extent of the services provided by the external auditor through its quarterly review of fees paid to the external auditor for audit and non-audit work, seeking confirmation from the external auditor that they are in compliance with relevant ethical and professional guidance and that, in their professional judgment, they are independent of the Group.

Corporate Governance Statement

Board Audit Committee (continued)

The BAC reviews all fee arrangements with the external auditor. Fees paid in respect of audit, other assurance services, tax advisory services and non-audit services are outlined in note 8 to the financial statements.

Other assurance services are services carried out by the auditors by virtue of their role as auditors and include assurance related work, reporting to the regulator and other assurance services. In line with best practice, the auditors do not provide services such as system design and valuation work which could be considered inconsistent with the audit role.

The amount of fees payable to external auditors for their audit services for the year 2023 was €1.8m (excluding VAT) payable to KPMG Ireland. €1.6m (excluding VAT) was paid in respect of non-audit services, which relate to various assurance works. The Company's external auditor generally performs these services. The Committee note that additional fees were paid to KPMG during 2023 before they were appointed as external auditors.

The external auditor is required to rotate audit partner every five years. The current audit partner is Frank Gannon who was appointed in 2023. The Committee also reviews the effectiveness, independence, and objectivity of the external auditor. The Committee also considered a paper by Management regarding auditor's efficiency and effectiveness.

The BAC reviews the effectiveness of the external auditor through discussion and assessment of its performance. The BAC has concluded that it was satisfied with the external auditor's performance.

Review of Group Internal Audit

The BAC approves the annual work programme for the GIA function and ensures that it is adequately resourced and has appropriate standing within the Group. The Head of Internal Audit has a direct reporting line to the Chairperson of the BAC and the BAC meets with the Head of Internal Audit on a regular basis without the presence of Management. The BAC receives regular reports from GIA, which include summaries of the key findings of each audit in the period. The BAC ensures co-ordination between GIA and the external auditor.

As set out in the Risk Management Section a 'Three Lines of Defence' model has been adopted by the Group for the effective oversight and management of risks across the Group, with GIA being the Third Line of Defence.

In line with the Institute of Internal Auditors (IIA) Standards (1300), the Head of GIA is required to develop and maintain a quality assurance and improvement programme that covers all aspects of internal audit activity. An internal quality assessment must be completed on an annual basis with an independent external assessment undertaken every five years to evaluate the Internal Audit Function's conformance with IIA Code of Ethics and Standards. The Group's Internal Audit function was reviewed by the Chartered Institute of Internal Auditors (IIA) in 2021 and an action plan has been approved by the BAC to address the findings of the IIA Report and the BAC is kept apprised with updates on same. The Audit Committee was satisfied that during 2023, GIA demonstrated flexibility and responsiveness to enable the function to focus on current and emerging risks, inclusive of audit requirements driven by both legislation and regulation, auditable processes within the Group and alignment with IIA Standards. A comprehensive assessment of the current GIA resource model and skills was also completed in 2023 aligned with the strategic plans and priorities of the Group, with an emphasis on ensuring adequate resources and skills in place to provide assurance in relation to the current and emerging risk profile of the Group. Through these measures the Audit Committee has assessed the effectiveness of internal audit function and is satisfied that the quality, experience and expertise of the function is appropriate to the needs of the Group.

Corporate Governance Statement

Nomination, Culture and Ethics Committee

The Board Nomination, Culture and Ethics Committee evaluate the skills and characteristics required of Board members and to ensure the tone on culture and leadership is set from the top.



Dear Reader,

As Chairperson of the Board Nomination, Culture and Ethics Committee (The "Committee"), I am pleased to present the report of the Committee for the year ended 31 December 2023. This report has been prepared by the Committee and approved by the Board. The report provides further context and insight into the role and responsibilities of the Committee together with a description of the work undertaken during 2023 as set out below.

On 30 March 2023, Robert Elliott retired as Chairperson of the Board and the Nomination, Culture and Ethics Committee, and I took over as Chairperson on 31 March 2023. In May 2023, Andrew Power stepped down from the Board at the conclusion of the Annual General Meeting (AGM). In December 2023, Ken Slattery retired from the Board and the Nomination, Culture and Ethics Committee having completed his term of office, and Paul Doddrell was appointed a member of the Committee. PTSB benefited greatly from Robert, Andrew and Ken's experience, diligence and exceptional commitment over their tenure and, on behalf of the Board, I thank them sincerely for their contribution to the Group.

Arising from the planned departures, the Committee oversaw the recruitment and selection of two new independent Non-Executive Directors; Catherine Moroney and Richard (Rick) Gildea who were appointed to the Board in December 2023. The Committee also oversaw the appointment of the Group's new Chief Risk Officer, Barry D'Arcy who joined in October 2023. I would like to acknowledge David Curtis who held the position of Interim CRO during the appointment process and thank him for his commitment during the period and throughout his long career with PTSB.

The Committee continues to engage in a meaningful way to shape and support evolution of the Group's espoused culture which is to have a customer-centric, open, inclusive, risk integrated,

growth culture characterised by integrity, innovation and accountability. In this regard the Committee has heard from many of the Group's colleagues and held discussion and debate on matters such as the execution of the Group's sustainability strategy, risk culture and integration to ensure good customer outcomes, continuing to review and embed a psychologically safe environment for colleagues to 'speak freely' and moving towards the next stage of the Group's Diversity and Culture maturity journey. The Committee has also actively engaged in understanding and supporting colleague wellbeing through attendance at People Experience Council (representative group on culture evolution and colleague wellbeing) discussing feedback from management on the outcome of the Group's Every Voice Counts colleague surveys and visiting colleagues in their work locations.

A key focus for the Committee in 2023 following the successful completion of the transaction with Ulster Bank was reflecting upon the Bank's Culture and evolution over the last number of years. Listening to feedback from colleagues across the enlarged organisation with a focus on building upon culture of accountability, trust with customers and communities, and sharing in the success of PTSB, the Bank has evolved its Purpose and Ambition which are the anchors of the Bank's refreshed business strategy and new PTSB brand.

During 2023, the Board and Executive Committee undertook a period of reflection with a view to identifying actions to strengthen the Group's core capabilities; to deliver on its strategic ambition while ensuring the resilience existed to effectively manage both known and unknown/emerging risks and to ensure the Bank remained safe and secure. One of the target outcomes was to enhance the effectiveness of Board and Executive Committee operations. The Committee has been actively involved in oversight on a series of actions underway and planned to strengthen Board and Executive

Committee capabilities taking into account the enlarged Bank, refreshed strategy and evolving risk profile. This included a robust assessment of the knowledge, skills and experience of the Board and Executive Committee to support its strategy for growth into the future, enhancing induction, training and development plans and succession planning. The Committee will continue to provide oversight in the delivery of those actions through enhancements to the Board and Executive Committee selection and recruitment process and, in strengthening the governance process for assessment of suitability of Senior Executives within the Bank In 2023 the Committee amended its Terms of Reference to review and recommend to Board all Executive Committee and all pre-approved control function (PCF) appointments.

Another key areas of focus for the Committee was the oversight on implementation of the Central Bank (Individual Accountability Framework) Act 2023 (IAF) which the Group sees as a positive development in supporting the building of trust with customers and colleagues through enhanced governance, performance and accountability and which reflects the culture, purpose and values of the Group. The Committee oversaw the development and implementation to date of the IAF through an extensive programme of work as it prepared for the introduction of new Conduct Standards at end December 2023 and the Senior Executive Accountability Regime in 2024 and beyond. The Committee approved a new Conduct Standards Policy and reviewed and approved updates to the Fitness and Probity Policy, Colleague Conduct Policies, and endorsed the updates to the Executive sub-committee 'Colleague Conduct Committee' to provide oversight of all conduct related matters. The implementation and embedding of IAF within the Group will remain a key area of focus for the Committee in 2024 with oversight

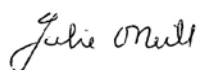
Corporate Governance Statement

Nomination, Culture and Ethics Committee (continued)

of elements of the Senior Executive Accountability Regime which comes into effect from 1 July 2024.

The Committee reviewed the Diversity, Equity & Inclusion (DE&I) strategy 2023-2025 and the programme of work which resulted in the Group receiving Gold Accreditation from the Irish Centre for Diversity during the year; a significant achievement which the Committee commends.

In 2023, the Committee oversaw the annual performance evaluation of the Board, its Committees and individual Directors, to understand how effectively they were performing while providing assurance to the regulatory authorities, stakeholders and investors of our commitment to the highest standards of governance and probity. The Committee also carried out a detailed assessment of Board and Senior Management succession plans, a review of the Board Collective Suitability Assessment including the Composition of the Board, Committee structure and composition with a view to aligning the Board skills with the strategic direction and risk profile of the Group, The Committee also approved enhancements to Board Training and Development plans having regard to the future requirements of the Board and, a more holistic approach to performance evaluation/reflection with a focus on enhanced Board effectiveness. The Committee approved a revised Board Diversity policy that takes account the importance of all diversity metrics in assessing the suitability of members of the Board to deliver the Group's Purpose and Ambition.



Julie O'Neill

Chairperson, Board Nomination, Culture and Ethics Committee

Composition and Operation

The Committee is composed of a majority of Independent Non-Executive Directors. The Board requires that the Board Chairperson and the Senior Independent Director (SID) are members of the Committee.

2023 Committee Meeting Attendance

Member	Appointed	Ceased	Number of Years on the Committee	2023 Meeting Attendance
Julie O'Neill*	17 Jan 2023	-	0.9	6/6
Ronan O'Neill	26 Jul 2016	-	7.6	6/6
Marian Corcoran	30 Mar 2021	-	2.7	6/6
Celine Fitzgerald	30 Mar 2021	-	2.7	6/6
Paul Doddrell**	31 Dec 2023	-	0	0/0
Robert Elliott***	31 Mar 2017	30 Mar 2023	6	2/6
Ken Slattery	28 Sep 2020	12 Dec 2023	3.3	6/6

* Chairperson from 31 March 2023

** Appointed to Committee after last meeting of the year had been held

*** Resigned as Chairperson on 30 March 2023

Responsibilities of the Committee

The Board Nomination, Culture and Ethics Committee is responsible for bringing recommendations to the Board regarding the appointment of new Directors and of a new Board Chairperson. The Board Chairperson does not attend the Committee when it is dealing with the appointment of a successor to the Board Chairperson. Decisions on Board appointments are taken by the full Board. All Directors are subject to re-appointment by election by the shareholders at the first opportunity after their appointment. The Committee keeps under review the leadership needs of the Group, both Executive and Non-Executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace. The Committee is also responsible for reviewing the effectiveness of the Board's operations, including the Chairperson and composition of Board Committees. The Committee also has responsibilities for supporting the Board on oversight on culture, ethics, and reputation management and employee engagement.

Executive Committee Appointments Chief Risk Officer

The Committee oversaw the appointment of Barry D'Arcy as Chief Risk Officer (CRO) and member of the Executive Committee in October 2023. A comprehensive induction, training and development plan for Mr D'Arcy was approved by the Committee who will provide oversight of the implementation thereof. In his new role, Barry is responsible for leading, managing and overseeing all Risk and Compliance related matters of the Group and strengthening the Company's risk management and compliance functions reflecting the emphasis the Group places on how it manages risk and complies with regulations. The CRO reports on all material risks to which the Group is or may become exposed and provides support and challenge to the by the First Line of Defence in executing their responsibilities under the Bank's Enterprise Risk Management Framework.

Succession Planning

The Committee undertakes regular reviews of both Board and Board Committee composition and ensures there is a comprehensive approach to ensuring regular and planned refreshment of Board and Board Committee membership. Arising from succession planning reviews in 2021 and 2022 the Committee agreed the need to identify replacements for Non-Executive Directors Andrew Power and Ken Slattery resulting in the appointments of Rick Gildea and Catherine Moroney in December 2023. Full details of the appointment process for these positions are set out below.

In January 2023, Julie O'Neill was appointed as an Independent Non-Executive Director and Chairperson designate pending the planned retirement of Robert Elliott on 30 March 2023.

The Committee maintained its focus on the Executive Committee (ExCo) talent pipeline and senior management succession plans reflecting the Board's responsibility to ensure appropriate plans are in place. The Committee oversaw the progress with development of robust talent management and succession planning for ExCo members which included the development of a diverse pipeline of successors at senior leadership team level in line with the talent management, development and succession planning programmes within the Group and which reflect the DE&I ambitions of the Group. This included talent mapping to identify strengths, development needs and future potential of identified successors internally and talent maps for potential external successors identified for certain ExCo roles.

Director Appointments

A key function of the Committee is succession planning for the Board. There were a number of new appointments to the Board during the year including the Board Chairperson on 31 March 2023 and two new Independent Non-Executive Directors; Catherine

Moroney and Rick Gildea appointed on 12 December 2023. Catherine Moroney was appointed a member of the Board Audit Committee and the Board Risk and Compliance Committee. Rick Gildea was appointed a member of the Board Risk and Compliance Committee and the Board Remuneration Committee. Further details on the appointment process is set out below.

Board Chairperson

Following regulatory approval and endorsement by the Board, Ms Julie O'Neill was appointed as Independent Non-Executive Director on the Board on the 17 January 2023 and took over as Board Chairperson on the 31 March 2023, following the conclusion of Mr Robert Elliott's term of office as Chairperson. A full description of the recruitment and selection process for the appointment of Julie O'Neill as Chairperson is set out on pages 131-132 of the 2022 Annual Report.

Independent Non-Executive Directors

Following a Board succession planning process conducted in 2022, a preferred candidate was identified to replace to replace Ken Slattery. Mr Slattery was due to retire at the conclusion of the Group's 2023 Annual General Meeting (AGM) along with Andrew Power each director having concluded their respective terms of office. A preferred candidate was identified who met requirements of the role profile following a comprehensive recruitment and selection process supported by executive search firm Odgers Berndston. The candidate was then endorsed by the Board but sadly passed away in January 2023 before their appointment could be completed.

In February 2023, recruitment specialists Odgers Berndston (Odgers) were re-engaged to support the candidate identification process to replace Ken Slattery and Andrew Power on the Board. Note: Neither the Company nor any of the Directors have any commercial relationship with Odgers outside of recruitment services that are provided from time to time to fill designated Board and Senior Management positions.

The Nomination Culture and Ethics Committee carried out a collective suitability assessment to understand the knowledge and experience gaps on the Board taking into account planned departure of Ken Slattery and Andrew Power from the Board. Having reviewed the Board Suitability Matrix (the desired mix of knowledge, experience and skills on the Board) and identifying the desired mix of knowledge, experience and skills on the Board, and being mindful of the Bank's business model expansion following the acquisition of certain aspects of the Ulster Bank business, it was agreed that the strength of the Board should be enhanced through the addition of knowledge and experience in the area of core financial services with a focus on business banking together with governance, regulatory, remuneration frameworks/policies, and capital markets. In addition, considering the future strategic direction of the Bank in light of its balance sheet trajectory which could over time bring it back under ECB supervision, it was agreed the Board could be strengthened through knowledge and experience in the areas of Single Supervisory Mechanism (SSM) and ECB requirements in the broader sense, with a preference for a candidate who could bring a European perspective and diversity of experience gained from living or working outside of Ireland.

Arising from the recruitment and selection process, two candidates were identified to fill the board vacancies. Following detailed assessment of the two candidates, recommendations were brought to the Committee who agreed that Catherine Moroney and Rick Gildea met the requirements of the role profiles for the vacancies on the Board. This position was then endorsed by the Board, and following regulatory approval by the Central Bank of Ireland, they were each appointed to the Board on 12 December 2023.

Corporate Governance Statement

Nomination, Culture and Ethics Committee (continued)

Committee Composition

During 2023 the Committee undertook a review of Committee composition in light of changes to the Board and the need to refresh the knowledge and experience of the Board's Committees following the planned departures of Andrew Power and Ken Slattery at the end of their respective terms of office together with the appointment of Rick Gildea and Catherine Moroney to the Board in December 2023. The Committee also reviewed committee composition in light of the UK Code requirement for the Audit Committee to consist of Independent Non-Executive Directors (as described on page 97 of the 2022 Annual Report). Arising from this review, Catherine Moroney and Rick Gildea joined the Risk and Compliance Committee. Ruth Wandhofer moved from the Board Risk and Compliance Committee to the Audit Committee, joined there by Catherine Moroney. Rick Gildea joined the Board Remuneration Committee. Paul Doddrell moved from the Audit Committee to the Board Nomination, Culture and Ethics Committee. No Director is a member of more than two Board standing Committees. Celine Fitzgerald succeeded Ken Slattery as Chairperson of the Remuneration Committee on the 23 February 2024 following receipt of regulatory approval.

Induction, Training and Professional Development

The Board recognises the high calibre and the varied level of knowledge, skills and experience of the Board. The Committee reviewed and enhanced the approach to induction, training and professional development of the Board members with a view to aligning the Board skills with the strategic direction and risk profile of the Group thereby enhancing the collective knowledge of the Board. It aims to achieve this by prioritising training topics around the risks and opportunities from emerging themes, tailoring individual training and development plans for Board members to enhance the core skills identified following the Collective Suitability Assessment by building on the education and professional development

opportunities through externally facilitated professional programmes. It will also seek to deepen the Board's knowledge of the business through increased exposure to subject-matter experts both internally and externally through the Board approved training programme. The Committee also oversees the comprehensive induction, training and development plans for new Board members and Executive Committee appointments, in addition to induction and handover arrangements for transition of Committee chair roles to existing Board members.

Board Performance Evaluations

In 2023, led by the Chairperson, the Committee oversaw the annual performance evaluation of the Board and its Committees and individual Directors. Enhancements have been made to the process undertaken for the 2023 annual Board performance evaluation reflecting actions identified to enhance Board and Board Committee effectiveness and the resulting recommendations are set out in page 137 of this report.

As required under the UK Corporate Governance Code, an externally facilitated Board performance evaluation will take place every three years. The last externally facilitated evaluation of performance took place in 2021; and the next scheduled external Board evaluation will be conducted on 2024 performance.

Matters considered by the Committee in 2023

- Review of the work undertaken to identify actions required to strengthen the foundations, capabilities and build resilience within the enlarged Group following the acquisition of certain parts of the Ulster Bank businesses with particular focus on enhancing the Board and Executive Committee effectiveness through reflection, dynamics, innovation and strategic thinking/maturity.
- Review of the succession plans for Board and Senior Management positions across the Group;

- Review of Talent Acquisition, Management, Development and Succession Planning programmes within the Group;
- Review of its own Terms of Reference;
- Provided oversight to the Sustainability Committee, as a sub-committee of the Executive Committee, on reporting to the Nomination, Culture and Ethics Committee on Responsible and Sustainable Business matters from time to time including the approval of the Sustainability Strategy 2023-2025 and Sustainability Programme of Work;
- Assessed planned vacancies on the Board and approved role profiles for new Board members and Board Committee Chair roles, supporting the recruitment and selection process;
- Reviewed the Report on benchmarking of diversity practices and gender pay gap at Board and Management level across the EU relative to the Group;
- Approval of the recruitment process and appointment for a number of Senior Management positions;
- Reflection of the evolution of the Group's culture over recent years which culminated in a simplified Culture Charter;
- Review on reports concerning the Group's Brand and Reputation including the launch a new PTSB Brand identity;
- Review and approval of Board Policies (Diversity, Conflict of Interest, Assessment and Suitability, Induction, Training and Professional Development, Succession Planning);
- Review and approval of the Group's Fitness and Probity Policy;
- Review of updates to the Group's Speak Freely Policy and Procedure, Dignity and respect Code, Protected Disclosure Code and Equality through Diversity, Equity and Inclusion, and Grievance Procedures;
- Review and approval of updates to the Group Colleague Policies and Procedures incorporating requirements under the IAF including the Code of Ethics Policy; Colleague Conduct Policy, Conflict of Interest Policy, Colleague Disciplinary Procedures, and the introduction of a new IAF Conduct Standards Policy;

- Review of Colleague Conduct related activity within the Group;
- Review and approval of the Resourcing and Selection Policy for the Group;
- Review of the effectiveness of the Directors, the Board and that of its Committees;
- Approval of the 2022 Board Evaluation action plan together with regular updates thereon, and approval of the 2023 Board Evaluation approach;
- Review of the size and composition of the Board and that of its Committees together with a review of the Succession Planning requirements for the next two years;
- Consideration of workforce engagement mechanisms under the UK Code;
- Review of the Annual Report Disclosures relating to the Nomination, Culture and Ethics Committee;
- Review of Diversity, Equity and Inclusion, Learning and Talent, and Employee Survey updates;
- Reviewed progress on the Group's Diversity, Equity and Inclusion and Organisation Culture programmes of work including the DEI Strategy for the period 2023-2025, gender gap and gender pay gap strategy which focused on the areas of leadership development, SMART Working Framework, HR Policy and Procedural enhancements and Better Balance Employee Representative Group, and enhancements following the Irish Centre for Diversity Gold Accreditation;
- Review of Corporate Affairs, Reputation Management and Communication (including Stakeholder Engagement) updates;
- Review of the Corporate Sponsorship programmes;
- Reviewed progress on the Group's Sustainability Strategy
- Consideration of the IBCB DECiDE Framework and ethical decision making
- Review of the Board Collective Suitability Assessment including the Board Effectiveness and Board Suitability Matrix; and
- Oversight of the Group's programme for implementing the Central Bank (Individual Accountability Framework) Act.

Corporate Governance Statement

Risk and Compliance Committee

The Committee supports the Board in ensuring risks are properly identified, reported, assessed, and controlled, and that the Bank's strategy is consistent with risk appetite.



Dear Reader,

As Chairperson of the Board Risk and Compliance Committee (the "Committee" or "BRCC"), I am pleased to report on the Committee's activities for the year ended 31 December 2023.

A number of key achievements for the Group, which were transformational for PTSB's future growth, were overseen by the Committee during 2023 requiring proactive risk management to ensure safe delivery. The transaction with Natwest to acquire certain parts of the Ulster Bank business was completed during 2023, bringing with it a significant uplift in customers, colleagues and Branch footprint, as well as introducing a new asset class to PTSB through the acquisition of the Ulster Bank Asset Finance business. The Committee supported the Board in overseeing the risks associated with these migrations (mortgage, SME and Branches) and with the acquisition of the Asset Finance business, ensuring there was appropriate consideration of the risks with controls and mitigating actions in place. Cross committee membership between the Committee and Board Sun Committee (established in May 2021 to provide guidance and support to the Board on the Ulster Bank transaction, ceased in September 2023) ensured a robust governance framework with proactive oversight. Areas of focus for the Committee included the impact of the Ulster Bank transaction on capital levels over the Group's five year planning period, IRRBB, CTF and AML risk, material outsourcing, resourcing and organisational capacity (for the end state Bank), enterprise-wide planning, dependency management and prioritisation. The Committee played a central role in assessing the programme risks and how these would be mitigated and received regular updates on risk assessments, customer impact assessments, business readiness assessments and in-flight reviews carried out by the Three Lines of

Defence. A key priority for the Committee was ensuring any risks that remained post migration were appropriately transferred into business as usual activity or to standalone workstreams and monitored to closure.

Another key development for the Group was the launch of a new PTSB Brand and Visual Identity in October 2023 with the stated ambition to be a full-service personal and business bank focussed on meeting customer needs with an "altogether more human" approach. The Committee supported the Board in monitoring the Group's business readiness for Brand launch and ensuring the commitment to customers (both existing customers and new) could be delivered. The Committee provided both support and challenge to Management on customer service levels, customer impacting errors, wait times for customer assistance and management of customer complaints.

Advising and supporting the Board in ensuring there is effective risk management and risk governance across the Group is a key priority for the Committee. During 2023 the Board and Executive Committee undertook a period of reflection with a view to identifying actions to strengthen the Group's core capabilities; to deliver on its strategic ambition while ensuring the resilience exists to effectively manage both known and unknown/emerging risks and to ensure the Bank remains safe and secure. One of the target outcomes is to develop a further enhanced approach to risk management across the three lines of defence supported by a robust approach to the identification, assessment, management, monitoring and reporting of risk and the embedded and connected supporting processes and technology. BRCC has been proactively involved in the process and is supportive

of the actions identified and will continue to regularly engage with Management to oversee delivery. In addition, BRCC was proactively involved in monitoring how the Group delivers its Climate Risk Strategy, ensuring it is underpinned by a robust Data Strategy which is a key dependency. A continuing focus in 2023 will be the implementation of Central Bank Guidelines on Operational Resilience and Outsourcing together with preparation for the implementation of the Digital Operational Resilience Act (DORA) and the Group's implementation of the Individual Accountability Framework and Senior Accountable Executives Regime.

In October 2023, the Group's new CRO Barry D'Arcy joined the Group and is already providing valuable insights and advice to the Committee and Board. I look forward to working closely with Barry over the coming years. I would like to thank David Curtis who held the position of interim CRO during the appointment process for his hard work and commitment during this period and throughout his long career with PTSB.



Donal Courtney
Chairperson, Board Risk & Compliance Committee

Composition and Operation

The BRCC is composed of a majority of Independent Non-Executive Directors. Neither the Board Chairperson nor the CEO is a member of the BRCC. The Board ensures that the Chairperson of the Committee has relevant risk management and/or compliance experience. The Board requires that at least one member of the Committee is common to each of the Board Audit (Donal Courtney, Anne Bradley, Catherine Moroney) and the Board Remuneration Committees (Rick Gildea). The Committee holds a member only session at the start of each meeting following which the Committee invites the CRO for a private session with the Committee if required. Thereafter other members of Senior Management are invited to attend, as required.

2023 Committee Meeting Attendance

Member	Appointed	Ceased	Number of Years on the Committee	2023 Meeting Attendance
Donal Courtney*	3 Oct 2018	-	5.3	12/12
Catherine Moroney	12 Dec 2023	-	0	0/0
Rick Gildea	12 Dec 2023	-	0	0/0
Marian Corcoran	29 Oct 2019	-	4.3	11/12
Paul Doddrell	26 Nov 2020	-	3.1	12/12
Anne Bradley	30 Mar 2021	-	2.8	11/12
Ruth Wandhöfer	30 Oct 2018	-	5.2	11/12

*Chairperson

Responsibilities of the Committee

The Committee is responsible for monitoring adherence to the Group Risk Appetite Statement (RAS). Where exposures exceed levels established in the RAS, the Committee is responsible for ensuring that appropriate remediation plans are developed. This is facilitated by the periodic review of a key risk indicators report calibrated to the RAS.

The Committee is responsible for monitoring compliance with relevant laws, regulatory obligations and codes of conduct. This is facilitated by regular reporting on compliance risks to the Committee. The Committee reviews the regulatory agenda and receives updates on activities to implement new and updated regulation together with monitoring engagement with the Group's Regulators.

The Committee is responsible for oversight and advice to the Board on risk governance, current risk exposures, future risk strategy, including strategy for capital and liquidity management, setting of compliance policies and principles and the embedding of a supportive culture in relation to the management of risk and compliance. The BRCC supports the Board in carrying out its responsibilities for ensuring risks are properly identified, reported, assessed and controlled, and that the Group's strategy is consistent with the Group's Risk Appetite. The Committee seeks to review key aspects of the Group's risk profile and provide appropriate challenge on the adequacy of their management. The Committee continues to focus on the operational

resilience of the Group, the incidence and management of material risk events and the importance of having automated processes, where practical and of effective controls.

The Committee independently monitors the extent to which the Group complies with relevant rules and procedures. This includes raising and maintaining awareness of, for example, financial regulations, compliance procedures and fraud and anti-corruption measures. The Company has internal policies, rules and procedures which provide assurance that Management complies with relevant laws and regulations regarding customers and business partners. The Committee remain focused with on its oversight responsibilities for Anti-Money Laundering and Counter-Terrorist Finance activities.

In addition to meeting legal requirements, the Committee reviews its own Terms of Reference annually and its own effectiveness, recommending any changes considered necessary to the Board.

Matters considered by the Committee in 2023

During 2023, the Committee continued to focus considerable attention on the Group's systems of risk management and internal control and supported work undertaken by the Three Lines of Defence to further embed the Group's Internal Control Framework. The Committee undertook regular reviews of the Group's systems of risk management and internal control during the year. In addition to the monthly reporting from the CRO, Head

Corporate Governance Statement

Risk and Compliance Committee (continued)

of Regulatory Compliance and Head of GIA, the Committee also considered a wide range of risk related frameworks and reports. Among the matters considered by the Committee during 2023 were:

- Ulster Bank transaction Risk and Capital Assessments;
- Monitoring of conduct risk and vulnerable customers;
- Reviews of the Group's Resolution Planning capabilities and documentation;
- Oversight for the remediation of SREP related Risk Mitigation Plans;
- Monitoring of technology and change risk,
- Health and Safety update;
- AML Risk including Project Sun (Ulster Bank business acquisition) related risks;
- MLRO Reports;
- Monitoring of upstream Regulatory developments;
- Risk Appetite reviews;
- Oversight and approval of the Group's Non-Performing Asset Strategy;
- Recovery Planning Preparedness and Scenario Planning;
- Spotlights on Technology, Cyber Security and IT resilience;
- Climate and Environment Risk Management;
- Review of Funding Plans and Deposit Strategies;
- Monthly Monitoring of top risks and quarterly reviews thereto;
- Complaints management progress reports;
- Reviews on Material Risk Events and Customer Impacting Errors;
- Payments Strategy;
- ICAAP and ILAAP design and approval;
- ICAAP and ILAAP utilisation in decision making;
- A review of the Group's provision models and expected credit loss outcomes;

- Updates on embedding of the Group's Risk and Control Self-Assessment process;
- Risk Appetite breaches and remediation plans;
- Operational and IT Risk Monitoring Reports;
- Data Protection Officer's Report;
- Reviews of obligations and activity under the CBI Code on Lending to Related Parties;
- Approval of a Climate Risk Framework; and,
- Approval of a Credit Risk Framework and consideration on a number of SME credit propositions.

Governance in Action: Ulster Bank Transaction

Throughout 2023, the Committee supported the Board in assessing the Bank's readiness to take on business from Ulster Bank; the Committee reviewed and recommended detailed risk assessments and customer impact assessments relating to the migration of Mortgage customers, SME loans, Branches and the Asset Finance business ensuring adequate controls and mitigating actions were in place to address any risks. In considering Management's assessments, the Committee considered whether there were any risks or customer impacts that would prevent the migrations from taking place in advance of the Board being asked to approve a decision to proceed. The Committee challenged and supported Management to ensure there were adequate contingency plans in place. In supporting Management's recommendations to proceed to the Board, the Committee ensured the Group was adequately prepared which contributed significantly to the successful completion of the transaction in Q3 2023.

Corporate Governance Statement

Remuneration Committee

The Board Remuneration Committee ensures that PTSB's remuneration policies, practices and decisions serve to align the interests of its employees with those of its shareholders; operate within the applicable regulatory and legal requirements; and, are free from any form of bias relating to gender, age, social or ethnic background.



Dear Reader,

As Chairperson of the Board Remuneration Committee (the "Committee" or "RemCo"), I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2023 which has been prepared by the Committee and approved by the Board.

The Committee's report contains certain regulatory information required under the applicable legislation in respect of the Bank's status as a listed company and credit institution, as well as under the EBA Guidelines on Internal Governance, the amended EU Directive on the encouragement of long-term shareholder engagement, as transposed in Ireland (the "Shareholder Rights Directive", or the "Directive") and the UK Corporate Governance Code.

The Directors' Remuneration Report also provides further detail on the composition of the Committee and its role and responsibilities and a description of the work undertaken by the Committee during the year. Also included are details of the Remuneration Policy criteria and the components of the Bank's reward offering, with a focus on the Bank's Directors (Executive and Non-Executive).

In 2023, the Committee continued to oversee the way in which the Bank's Remuneration policy, and its implementation, serves to reward individual performance (what our colleagues achieve but also the manner in which they achieve their objectives). As a Committee, we also reviewed how our approach to pay and benefits contributes to the strengthening of Bank culture, including risk culture. The Committee also considered the manner in which the Bank reward the delivery of the long-term sustainability of its business and aligns remuneration with the long-term interests of shareholders, investors and other interested parties, and with the public interest, as well ensuring fulfilment of regulatory obligations.

In line with its responsibilities under the terms of the Shareholder Rights Directive, the Bank publishes its Directors' Remuneration Policy (the "Policy"), as applicable to the Board of Directors. The Policy is published in full on the Bank's website: www.permanenttsbgroup.ie. During 2023, our Directors' remuneration was implemented in accordance with the approved Policy, and no derogations from the Policy were availed of during the year.

2023 was another year of considerable change and opportunity for PTSB. During the year, the Bank completed the acquisition of certain parts of the Ulster Bank's Retail, SME and Asset Finance business. The Remuneration Committee was closely involved in the oversight of that transaction including the implementation of a comprehensive suite of 'measures' designed to replicate the reward and benefit entitlements of employees of Ulster Bank. This significant piece of work enabled PTSB to satisfy its obligations under TUPE (Transfer of Undertakings (Protection of Employment)) Regulations, but also helped engage and motivate our new colleagues as they made the decision to join PTSB. I want to thank colleagues for their significant contribution to this transformational programme of work, and also welcome our new colleagues to PTSB.

2023 represented the second and final year of our previous Pay Agreement which was designed around an average pay pot of 6.5% and individual awards of up to 8% per annum over the term of the agreement. Alongside the base pay increases included in the Agreement, the Bank also introduced significant enhancements to our broader pay and benefits package, via the expansion of maternity leave arrangements, and improvements in the supports available to colleagues experiencing periods of illness. As part of the 2023 review of pay arrangements, the CEO's salary remained unchanged in order to comply with State Agreements on remuneration, while the CFO received a 12.7% base pay increase,

with the size of that increase influenced by the results of a comprehensive market benchmarking exercise and influenced by the continuing impact of restrictions on variable pay which restrict the competitiveness of total remuneration as a whole. Full details of Directors remuneration arrangements are provided over the following pages.

In any conversation on pay, it is important to acknowledge that economic factors, beyond the Bank's control, contributed to a significant inflationary environment in 2023. In the second half of the year, some moderation has emerged in respect of cost of living increases. However, in recognition of the extent of the pressures which our colleagues faced in 2023, and in addition to the pay agreement mentioned above and previous special 'cost of living' gestures extended in 2022, the Bank took the decision to process a special, once-off support payment equivalent to 2% annual salary. This payment was extended to eligible colleagues up to and including our less senior managers but excluded our middle and senior management teams, all Material Risk Takers and the Executive Directors. The payment was accompanied by a further gesture in the form of a €750 gift voucher issued in November 2023 and which was extended to include our middle management team also.

In 2023, the Remuneration Committee oversaw the closure of the project which delivered significant changes to the administration arrangements in place in respect of our Defined Contribution Pension schemes. In 2023, two existing schemes were merged into a new, single consolidated Defined Contribution scheme. The changed structure ensures that our colleagues' pensions remain subject to the highest standards of oversight and governance, but also provides colleagues with significantly enhanced investment proposition as they plan and save for their retirement.

Corporate Governance Statement

Remuneration Committee (continued)

As set out in the Director's Remuneration Policy which was voted upon by shareholders on an advisory basis at the 2023 AGM, the Bank implemented amendments to the Executive Directors' Pension entitlements designed to align the arrangements with those of the wider Executive Committee, and – in the case of the Chief Executive Officer's entitlements – to align same with equivalent arrangements available across the market. Full details of the entitlements are provided in the Directors' Remuneration Policy.

Finally, the Committee also continued to oversee options to redesign the Bank's remuneration framework. In that regard, the Committee approved a number of updates to the Bank's Remuneration Policy. These updates form part of the Bank's plans for the introduction of a new variable remuneration scheme at an appropriate future date. That scheme, when launched, is intended to apply to all colleagues, including Executive Directors and Executive Committee members. The scheme design will take account of the need to comply fully with all appropriate regulation and legislation and State Agreements on remuneration, and will support us in improving the linkages between remuneration and the sustainability of our business. .

The new scheme is intended to offer colleagues a cash award, or where practical, an award in the form of shares, or a combination of both. With that in mind, the Bank is exploring options relating to an Approved Profit Share Scheme ("APSS").

At this point, I would like to thank our former Remuneration Committee Chairperson, Ken Slattery, for his positive advice and guidance prior to his departure; and also express my gratitude to my fellow Board and Committee members; our colleagues across the Bank; and our shareholders for their support.



Celine Fitzgerald
Chairperson

Remuneration Committee Composition and Operation

The members of the Board Remuneration Committee are experienced in the management and oversight of large organisations where the remuneration and motivation of staff and executives is of crucial importance.

The Committee had seven meetings during 2023.

2023 Committee Meeting Attendance

Member	Appointed	Ceased	Number of Years on the Committee	2023 Meeting Attendance (of which eligible to attend)
Celine Fitzgerald* (Chairperson)	30 Mar 2021	-	2.8	7/7
Ken Slattery**	28 Jan 2014	12 Dec 2023	9.9	7/7
Julie O'Neill	17 Jan 2023	-	1	6/6
Robert Elliott	31 Mar 2017	30 Mar 2023	6	2/2
Andrew Power	26 Sep 2016	19 May 2023	6.6	3/3
Ruth Wandhofer	01 Feb 2019	-	4.9	5/7
Rick Gildea	12 Dec 2023	-	-	0/0

* Chairperson since 16 February 2024

** Chairperson until 12 December 2023

Remuneration Committee Role and Responsibilities

The purpose, duties and membership of the Committee are set out in the Committee's Terms of Reference, which can be found on the Bank's website www.permanentstbgroup.ie. The Terms of Reference are reviewed by the Committee on an annual basis. No material changes were enacted following a review of the Committee's Terms of Reference in 2023.

The main roles and responsibilities of the Committee include:

- Recommending the Bank's remuneration policies, including that applicable to the Board of Directors, to the Board for approval on an annual basis and ensuring they comply with applicable regulatory and legal requirements and remain free from any form of bias relating to gender, age or social or ethnic background.
- Supporting the Board in overseeing remuneration policies, practices and processes and compliance with the Bank's Remuneration Policy (both as applicable to the Directors and the wider population);
- Ensuring the remuneration policies and procedures do not promote excessive risk taking and are aligned with the Company's overall corporate governance framework, corporate culture, risk culture and attitude to and appetite for risk and related governance processes, and takes into account the need to maintain all capital and liquidity ratios including buffer requirements;
- Recommending the design, eligibility and performance measures for any incentive schemes to the Board for approval;
- Setting and assessing performance targets for any incentive schemes;
- Recommending remuneration proposals (including joining and termination arrangements) in respect of the Chairperson, CEO, Executive Directors, Company Secretary, Executive Committee, Group Treasurer, Chief Credit Officer, and Heads of Control Functions for approval by the Board;
- Overseeing remuneration proposals in respect of any other identified staff (Material Risk Takers) as defined under the fifth Capital Requirements Directive (CRD V); and,
- Overseeing the annual review of the implementation of the Remuneration Policy applicable across the Bank.

Remuneration Committee Advisers

During 2023, the Committee used the services of its external consultant, Deloitte LLP, for advice on remuneration trends in the external market and for perspective on remuneration regulatory compliance matters. During the year, Deloitte also provided support to the Bank in relation to PSD2 and other risk related matters.

The Committee also utilised the services of Willis Towers Watson who provided market benchmarking data and remuneration trend analysis, and consultancy services in relation to the design and ongoing maintenance of the Bank's Employee Value Proposition.

In addition to the use of external advice, in designing its approach to remuneration the Committee also takes account of appropriate input from the Bank's HR, Risk, Compliance, Finance and Internal Audit functions to ensure that the decision making process is aligned with the Bank's financial performance, risk appetite, regulatory guidelines and stakeholder interests.

Matters considered by the Committee in 2023

The Committee performed an annual review of its own Terms of Reference, as well as reviewing its own effectiveness, and recommended the output of that review to the Board.

During 2023, and within the terms of State agreements, the Remuneration Committee kept the impact of the Bank's Remuneration Policy (including that applicable to the Directors), and movements in the external market, under review. As part of this process, the Committee reviewed the Bank's Remuneration Policy and strategy to assess the appropriateness of the approach to reward and the competitiveness of current arrangements, and future direction, to take account of market developments including amongst the Bank's peer group.

The Committee also considered whether the Directors' Remuneration Policy operated as intended in terms of company performance and quantum. The Committee also kept under review all aspects of remuneration for the Board Chairperson, CEO, Executive Directors, members of the Executive Committee and the wider employee population.

In determining remuneration arrangements for Executive Directors, the Committee takes account of the pay and employment conditions of the wider workforce to ensure consistency. Wider workforce engagement on pay arrangements at the Bank took place with the Bank's Staff Representative Bodies during 2023.

It remains the policy of the Bank to reward colleagues appropriately as work is undertaken to build a valuable and sustainable business, operating within the Bank's Risk Appetite and underpinned by a strong culture which manifests itself in responsible and accountable behaviours in day-to-day interactions and decision making with customers and across the Bank's teams. To this end, the Policy has been designed based upon a number of principles including the linking of pay levels against median base pay available across market peer groups, and to ensure that the Bank's offering is sufficiently competitive so as to attract and retain the required talent and skills to deliver the return of value to the Company's shareholders.

In 2023, the Committee reviewed the Bank's approach to remuneration from the perspective of ensuring that all employees, regardless of gender, age or social or ethnic background are remunerated fairly. In that regard, it is of note that 2023 was the fourth year in which the Bank published details of its gender pay gap; albeit 2023 was the second year in which the Bank reported in line with recently published Irish legislation. The Bank's gender pay gap stood at 16.3% at our chosen snapshot date of 30th June 2023 which represented a narrowing of the gap of 17.5% reporting in 2022. Further details of the gap and our commitment to reducing same are provided in the separate section of the Bank's Annual Report which details the Bank's Diversity and Inclusion strategy.

2023 represented the second and final year of our two-year pay agreement. That agreement provided certainty to colleagues and incorporated a 6.5% pay pot which was allocated at an individual level based on individual staff members' performance and their salary position versus the relevant market median. Alongside increases in base pay, the pay agreement also provided for significant enhancements to Maternity Leave arrangements and to our Illness Leave Policies which serve to emphasise our commitment to supporting our colleagues at all stages of their careers with PTSB.

In recognition of the extent of the pressures which our colleagues faced in 2023, and in addition to the pay agreement mentioned above and previous special 'cost of living' gestures extended in 2022, the Bank took the decision to process a special, once-off support payment equivalent to 2% annual salary. This payment was extended to eligible colleagues up to and including our less senior managers but excluding our middle and senior management teams, all Material Risk Takers and the Executive Directors. The payment was accompanied by a further gesture in the form of a €750 gift voucher issued in November 2023 and which was extended to our middle management team also.

As set out in the Director's Remuneration Policy which was voted upon by shareholders on an advisory basis at the 2023 AGM, the Bank implemented certain amendments to this Policy whereby the Executive Directors' maximum employer pension contribution rates were brought into line with those of the wider Executive Committee; and, the CEO's pension entitlements were aligned with equivalent arrangements in place across our peers. Details of the Executive Directors' entitlements are provided in the Policy which forms part of these statements.

Throughout 2023, the Committee contributed to the oversight of the completion of Project 'Sun', the programme of work underpinning the acquisition of elements of the Ulster Bank's Retail, SME and Asset Finance business. In particular, the Committee reviewed the implementation of certain 'measures' designed to satisfy TUPE {Transfer of Undertakings (Protection of Employment)} Regulations attaching to the transfer. The implementation of these measures was a key factor in the successful engagement of our new colleagues as they exercised their right to join PTSB.

During the year, the Committee also maintained significant oversight to ensure compliance with the UK Corporate Governance Code, CRD V related regulations and guidelines, including focussing on reviewing the remuneration arrangements in place for Material Risk Takers. The Committee re-approved the process and approach for the identification of Material Risk Takers in line with these requirements.

Corporate Governance Statement

Remuneration Committee (continued)

During the year, the Committee also reviewed the Bank's established variable commission scheme, as well as principles and practices to ensure full alignment with regulatory requirements. In particular, the Committee considered the requirements of CRD V, the EBA's Guidelines on sound remuneration policies and practices related to the sale and provision of retail banking products and services, the Central Bank of Ireland's Guidelines on Variable Remuneration Arrangements for Sales Staff, and relevant market practice.

The Committee also reviewed the Bank's established variable commission scheme: the 'Branch Based Commission Scheme', as well as principles and practices to ensure full alignment with regulatory requirements. In particular, the Committee considered the requirements of CRD V, the EBA's Guidelines on sound remuneration policies and practices related to the sale and provision of retail banking products and services, the Central Bank of Ireland's

Guidelines on Variable Remuneration Arrangements for Sales Staff, and relevant market practice. On the basis of this review, it was agreed to extend the operation of the scheme for a further year, subject to management maintaining strong control over customer and conduct management and robust governance of scheme-related performance data.

The Remuneration Committee, supported by management, continued to monitor closely ongoing engagements with key stakeholders including shareholders and employee representative bodies and the insights gained were used to inform decision-making relating to remuneration throughout 2023.

As mentioned above, the Bank's Directors' Remuneration Policy was voted upon and approved by shareholders on an advisory basis at the 2023 AGM. The Committee is satisfied that in 2023 the Bank has continued to operate within its

Remuneration Policy (both as applicable to the Directors and the wider population) and in line with the remuneration requirements of the framework agreement between the Minister for Finance and the Bank, and that the Directors' Remuneration Policy operated as intended in terms of company performance and quantum. Other than as set out in the Chairpersons Introduction to Governance on page 119 of the Annual Report, the Committee is satisfied that the Bank is in compliance with the provisions of the Companies Act, the UK Corporate Governance Code and the Shareholder Rights Directive. With specific reference to the UK Code, the table on page 164 sets out how the Remuneration Committee has addressed the principles set out in the Code. Additional regulatory disclosures in relation to Remuneration Policy and strategy are set out in the Bank's Pillar 3 Report.

The following section sets out how the Remuneration Committee addresses the principles set out in the UK Corporate Governance Code in respect of the Directors' Remuneration Policy.

Provision	Approach
<p>Clarity Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.</p>	<p>The Committee regularly engages and consults with key stakeholders to take feedback into account and to ensure that our approach to Executive Remuneration is as transparent, simple and clear as is possible.</p> <p>Employees are informed about the Bank's approach to remuneration. The Bank's Remuneration Policy, applicable throughout the organisation and which includes details of the approach to Director remuneration, is published internally for all staff to view and the Directors' Remuneration Policy is published in full on the Bank's website www.permanenttsbgroup.ie.</p>
<p>Simplicity and predictability Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.</p> <p>The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the Policy.</p>	<p>Due to certain agreements and commitments in place with the Irish State, the Bank only operates fixed remuneration among Executive Directors, consisting of basic salary, pension and benefits. As a result, the Committee's ability to apply discretion with respect to outcomes for this population was limited. However, the simplicity of our approach enhances its predictability.</p> <p>The Bank's approach to variable remuneration will involve a review of Executive Director remuneration arrangements from the perspective of ensuring the approach continues to avoid complexity, and is predictable in its nature, as well as providing the Remuneration Committee with discretion over remuneration outcomes.</p>
<p>Risk Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.</p>	<p>Remuneration arrangements are designed to align pay with the Bank's risk culture, attitude to and appetite for risk and the Bank's governance and regulatory framework.</p> <p>The design of future variable remuneration schemes will factor in robust linkages between pay and performance with controls to be put in place to ensure variable pay outcomes are appropriate, including the use risk adjustments as appropriate. The Committee will be assigned the discretion to adjust formulaic outcomes for Executive Directors and members of the Executive Committee to ensure appropriate consideration of risk factors when determining variable pay outcomes.</p>

Provision	Approach
<p>Proportionality and alignment to culture The link between individual awards, the delivery of strategy and the long-term performance of the company should be clear. Outcomes should not reward poor performance.</p> <p>Incentive schemes should drive behaviours consistent with company purpose, values and strategy.</p>	<p>While the Bank currently only operates fixed remuneration among the Executive Directors, it is committed to ensuring the ongoing alignment of remuneration with strategy and long-term sustainable performance and the recognition of positive behaviours.</p> <p>In future years, where variable remuneration forms a component of the Bank's reward proposition, the Committee will have the ability to adjust formulaic outcomes to ensure they remain proportionate in the context of the Bank's achievement of its financial or non-financial performance objectives and to promote the achievement of long-term strategic ambitions while driving behaviours consistent with the Bank's purpose, values and strategy including commitment to its Sustainability agenda.</p>

Director's Remuneration Policy

In this section, we set out our Directors' Remuneration Policy ("Policy") for our Executive Directors and Non-Executive Directors as reviewed by the Remuneration Committee and approved by the Board of Directors, subject to advisory shareholder approval at the 2024 AGM.

The Directors' Remuneration Policy was most recently approved by our shareholders at the 2023 AGM and incorporated certain amendments to the Policy to allow for enhanced pension arrangements for our Executive Directors designed to bring the Executive Directors' maximum contribution rates in line with the wider Executive Committee; or in the case of the CEO's entitlement; to align same with equivalent arrangements in place across our peers.

The Committee undertook a further review of our remuneration policy for colleagues during 2023 in the context of certain restrictions on variable pay. As a result, the Committee approved a number of policy amendments designed to support the launch of a new Variable Pay scheme at an appropriate future date.

The Policy has been designed, to the extent possible given the remuneration restrictions in place as a result of the agreements and commitments in place with the Irish State, to ensure alignment between the Bank's approach to reward and its business strategy and to promote long-term sustainable success. The policy

criteria are intended to ensure that the Bank rewards colleagues appropriately in order to build a valuable and sustainable business, underpinned by a strong culture which manifests itself in responsible and accountable day-to-day behaviours and interactions.

Specifically, the Remuneration Policy has been updated to provide for:

- The introduction of a short-term variable remuneration scheme for all colleagues, including Executive Directors and members of the Bank's Executive Committee.
- Variable Pay scheme criteria that support compliance with all appropriate regulation and legislation and the terms of State Agreements on remuneration, including the restriction on maximum individual payouts to €20,000 per colleague, per year.
- The payment of awards in the form of cash, or, where feasible, in shares or a combination of both.

The amended Policy is presented below and is intended to apply to the period up to the Group's AGM in 2027. However, the Board may seek shareholder approval for a new Policy during the period depending on regulatory developments, changes to strategy or competitive pressures.

The Policy is published in full on the Bank's website: www.permanentstsbgroup.ie and is set out below/overleaf.

The Policy, in alignment with the Remuneration Policy applicable across the Bank, is based on a set of agreed basic principles which are applied to all employees:

- Aligning remuneration with the Bank's risk appetite, approaches and governance framework;
- Ensuring the Bank's approach is in compliance with all applicable regulatory requirements;
- Aligning remuneration with the Bank's business strategy, objectives, purpose and values, and promoting the achievement of long-term Bank and stakeholder objectives and interests;
- Focusing on the attraction, engagement and retention of key talent of the calibre required;
- Ensuring that the Bank's Policy and each element of Directors' remuneration is as transparent, simple and clear as is possible.

Corporate Governance Statement

Remuneration Committee (continued)

Remuneration Components

The following are the key components of the Bank's reward proposition as it relates to the Executive Directors:

Remuneration Component	Remuneration Policy
Basic Salary	<p>Basic salaries are set so as to attract and retain key talent of the calibre required to develop, lead and deliver the Bank's long-term strategy.</p> <p>Basic salaries are normally reviewed by the Remuneration Committee annually, taking into consideration:</p> <ul style="list-style-type: none">• the individual's skills, responsibilities and experience;• the scope of the role;• pay and conditions elsewhere in the Group;• overall business performance and affordability; and• market competitiveness by reference to relevant comparator groups. <p>Increases to basic salary may not necessarily be provided at each review. Whilst there is no maximum base salary (other than that specified by the terms of State Agreements), any increases for Executive Directors will normally be in line with the range of increases for other employees in the wider Group.</p>
Benefits	<p>Benefits are provided to ensure the overall package is competitive and in accordance with local market practice.</p> <p>The Committee's policy is to provide Executive Directors with a market competitive level of benefits, taking into consideration benefits offered to other employees in the Group, the individual's circumstances and market practice at similar companies.</p> <p>Benefits may include, but are not limited to, the provision of a car (or cash allowance in lieu) and subsidised house purchase loans provided on the same terms and conditions as loans to other eligible PTSB employees.</p> <p>Taxable or other expenses incurred in performing the role may also be reimbursed, as well as any related tax cost on such reimbursement.</p>
Pensions	<p>Pension arrangements are intended to provide competitive post-retirement benefits aligned with market practice.</p> <p>Executive Directors are eligible to participate in the PTSB Defined Contribution Pension Scheme.</p> <p>Executive Directors may receive a maximum allowance of 16% of basic salary, or 20% of basic salary in the case of the Chief Executive Officer. Maximum contribution rates are generally consistent across the Bank. However, in recognition of the remuneration restrictions remaining in place as a result of the agreements and commitments in place with the Irish State, in order to ensure a competitive overall package, Executive Directors are not subject to certain age-related eligible criteria which apply to the availability of the maximum contribution rate for the wider workforce</p>
Short Term Incentive Plans	<p>In 2023, the Remuneration Committee approved changes to the Remuneration Policy which will support the introduction of variable remuneration at an appropriate future date.</p> <p>Variable Pay subject to the criteria included in the Remuneration Policy will help support the further development of PTSB's high performance culture and will do so in way that promotes sustainable outcomes for our stakeholders. The scheme criteria will support full compliance with applicable regulatory requirements and State Agreements on remuneration.</p> <p>A maximum limit of €20,000 per annum on any award or combination of awards per individual colleague will apply.</p> <p>For Executive Directors, awards will be based on a performance period of one financial year. Awards will be assessed with reference to a suite of financial and non-financial performance metrics and will be paid in cash, shares (where practical) or a combination of both.</p>

Remuneration Component	Remuneration Policy
	<p>Variable pay awards will be subject to malus and clawback (i.e. repayment or recoupment of paid/vested awards) for a period of three years from the date of award. Malus and clawback may be applied in circumstances including:</p> <ul style="list-style-type: none"> • Evidence of misconduct or serious error by the individual (e.g. breach of conduct standards and other internal rules, especially concerning risks); • Whether PTSB and/or the business unit subsequently suffers a significant downturn in its financial performance; • Whether PTSB and/or the business unit in which the identified staff member works suffers a significant failure of risk management; • Significant increases in PTSB's or the business unit's economic or regulatory capital base; or • Any regulatory sanctions where the conduct of the individual contributed to the sanction. <p>Also if the individual:</p> <ol style="list-style-type: none"> Participated in or was responsible for conduct which resulted in significant losses to PTSB; or Failed to meet appropriate standards of fitness and propriety; <p>PTSB intends to implement an APSS to facilitate payments under the scheme.</p>

Recruitment approach for new Executive Directors

In determining the remuneration arrangements of a new Executive Director recruited or appointed to the Board, the Remuneration Committee's approach is to pay no more than is necessary to attract the best candidates to the role, and the following principles will be applied:

- The Remuneration Committee will take into account all relevant factors including the calibre of the individual and local market practice;
- Remuneration packages must meet any applicable local regulatory requirements;
- Remuneration arrangements for new recruits will be appropriately competitive and aligned with the remuneration policy table set out above;
- In the case of an internal appointment, any existing commitments will be honoured; and
- The Policy does not, other than by exception, allow for buy-out of remuneration terms forfeited by new recruits on leaving a previous employer. Any such award would be structured in line with applicable regulatory requirements, be subject to the terms of agreements in place with the Minister for Finance and will be structured in order that the terms and amount of any replacement award will not be more generous than the award forfeited on departure from the former employer. Any such buy-outs will be minimised wherever possible.

Non-Executive Director Remuneration

Non-Executive members of the Board of Directors receive a base fee. Additional fees may be paid for those individuals that perform additional duties; including, but not limited to, the role of Senior Independent Director and for chairing or being a member of specific Board Committees. The Chairperson receives an inclusive fee for the role.

Taxable or other expenses incurred in performing the role may also be reimbursed, as well as any related tax cost on such reimbursement.

The Chairperson's and Non-Executive Directors' fees are reviewed regularly to ensure they are consistent with market practice and are market competitive, reflective of the time commitment and responsibilities of the role (subject to any limits set by the Bank's shareholders).

The Remuneration Committee recommends the Chairperson's fee to the Board for approval. In respect of the review of remuneration decisions relating to Non-Executive Directors, a forum consisting of the Chairperson, Company Secretary and CEO has been authorised by the Board to review Non-Executive Director remuneration and to approve any changes thereto. No individual is involved in decisions in respect of their own remuneration. There were no proposed changes to the Non-Executive Director remuneration for 2023.

Newly appointed Non-Executive Directors are remunerated in line with the principles above, on a time-apportioned basis in the first year as necessary.

For the avoidance of doubt, Non-Executive Board members are not eligible to participate in variable remuneration schemes or receive any pension benefits. Buy-out awards are not offered to Non-Executive Board members.

Relative proportion of fixed and variable remuneration

PTSB does not currently operate any variable remuneration arrangements for its Executive Directors. Remuneration for this population is therefore presently entirely fixed in nature.

In line with the amendments to the State Agreement, the Committee has decided to introduce the ability to pay bonuses to our Executive Directors to enable us to provide an element of pay for performance within our overall reward framework, albeit on a very limited basis. Any awards paid will be in line with the framework agreement between the Minister for Finance and the Bank, which currently permits annual bonuses in any 12-month period not exceeding €20,000 in the aggregate per individual.

Service contracts and letters of appointment and payments for loss of office

Executive Directors

Executive Directors' service contracts are reviewed by the Remuneration Committee and approved by the Board.

Corporate Governance Statement

Remuneration Committee (continued)

Executive Directors' contracts provide for a rolling 6 month notice period for all Executive Director Board appointments since 2020. The contractual arrangements in place with Executive Directors do not typically contain a predetermined contract end date, other than that date as set with reference to the Bank's retirement policy age criteria (i.e. age 65). The Bank reserves the right to require an Executive Director to take any remaining leave entitlement they may have during notice period.

Executive Directors may be required to work during the notice period, take a period of 'garden leave' or may be provided with pay in lieu of notice if not required to work the full notice period.

Executive Director contracts will not normally contain any provisions for predetermined compensation on termination which exceeds basic salary, pension and benefits payable in respect of the applicable notice period. Accrued but untaken holiday entitlement may also be paid. Any statutory requirements will be observed.

If an Executive Director ceases employment due to ill-health, retirement or death, the individual or his/her estate may be eligible for a payment under the scheme. The HR Director may approve any payments pro-rated for the period worked by the individual, provided it is aligned with performance during that time and subject RemCo oversight. Any payment made in these circumstances will only be paid on the date on which a payment becomes due under the rules of the scheme, apart from the death of the employee when a payment to the estate of the deceased employee may be made earlier, subject to the assessment of performance.

If an Executive Director ceases employment for any other reason, the default position is that the individual is not eligible for a payment under the scheme. However, in exceptional circumstances, the HR Director may approve a payment pro-rated for the period worked by the individual, provided it is aligned with performance during that time and subject to RemCo oversight. Any payment made in these circumstances will only be paid on the date on which a payment ordinarily becomes due under the rules of the scheme.

Any payments in relation to termination of employment are made in accordance with

the provisions of all applicable regulatory requirements and Irish legislation and will reflect performance achieved over time and will not reward failure or misconduct.

Non-Executive Directors

The term of appointment of Non-Executive Directors is three years and is subject to satisfactory performance that is reviewed annually. Non-executive Directors do not have service contracts, but are bound by letters of appointment.

All Directors are required to seek reappointment by election at the Annual General Meeting. Non-Executive Directors will automatically retire from the Board after six years. It is always at the discretion of the Board to invite a Non-Executive Director to continue for a further period but this discretion will only be exercised in exceptional circumstances.

The Chairperson is proposed for reappointment by the Directors on an annual basis. The term of office of the Chairperson is normally six years.

The Non-Executive Directors letter of appointment specify a one-month notice period. There are no additional obligations in the Non-Executive Directors' letters of appointment that could give rise to remuneration payments or payments for loss of office.

Statement of consideration of employment conditions elsewhere in the Bank

The Committee takes account of the pay and employment conditions of the wider PTSB employee base when it considers the remuneration of the Executive Directors. As stated above, the Policy is in alignment with the Remuneration Policy applicable across the Group, and is made available to all staff members on the Group's internal communications website and is based on a set of agreed basic principles which are applied to all employees.

In determining remuneration arrangements for the Executive Directors, the Committee is presented with information in relation to the remuneration of the wider workforce, including aggregate pay outcomes in order to ensure decisions are made in the context of a detailed understanding of remuneration for the wider employee base and to ensure consistency throughout the Group.

Decision making process for Policy determination, review and implementation

The Board of Directors is responsible for (i) designing the Directors' Remuneration Policy and proposing the Policy for shareholder approval at the Annual General Meeting; and (ii) implementing and evaluating the adopted Policy, including determining the remuneration and other terms and conditions of appointment of the Executive Directors.

The Remuneration Committee is responsible for annually reviewing the Policy and submitting a clear and understandable proposal to the Board concerning the Policy. In the performance of this task the Remuneration Committee receives input and support from the other Board committees and control functions as appropriate.

Non-Executive members of the Board act independently of the Executive Directors, and therefore no conflicts of interest should arise. No Director is involved in deciding their own remuneration outcome.

Derogation Minor changes

The Board may make minor amendments to the Directors' Remuneration Policy set out above for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation without obtaining shareholder approval for that amendment. In the performance of this task the Committee may receive input and support from the other Board committees.

Exceptional circumstances

In exceptional circumstances, and to facilitate recruitment and termination, the Committee may, with approval from the Board, award minor additional benefits as appropriate. Any such award would be structured in line with applicable regulatory requirements, and be subject to the terms of agreements in place with the Minister for Finance. Any such awards will be minimised wherever possible.

Grandfathering

Executive Directors may be eligible to receive any payments from any remuneration arrangements in effect prior to the approval of this Remuneration Policy. Details of any such payments will be set out in the applicable annual remuneration report as they arise.

Director's Report on Remuneration

Executive Directors' Remuneration and Pension Benefits

Directors' remuneration for 2023 was implemented in accordance with the Bank's Directors' Remuneration Policy, as approved by shareholders at the 2023 AGM. No derogations from the Policy were availed of during the year. The Policy was designed, to the extent possible given the remuneration restrictions in place as a result of the agreements and commitments in place with the Irish State, to ensure alignment between the Bank's approach to reward and business strategy and to promote long-term sustainable success.

In line with certain agreements and commitments in place with the Irish State, during 2023 all Bank employees were subject to a salary cap of €500,000 per annum. In addition, the Bank did not operate any variable remuneration arrangements for its Executive Directors. No bonus payments and long term incentive arrangements were made to Executive Directors during 2022 or 2023.

In December 2022, the aforementioned State Agreements were amended such that bonuses are now no longer prohibited, subject to the amount of any such remuneration not exceeding €20,000 in the aggregate in a single tax year. It is the policy of the Bank that any future bonus schemes and future long term incentives plans, for which the Executive Directors may prove eligible, will adhere to the terms of the State Agreements, relevant regulatory requirements on variable pay and applicable Irish legislation, and will be subject to approval by shareholders. However, there were no such payments relating to the 2023 financial year.

Executive Directors' Remuneration and Pension Benefits – Audited

2023 remuneration for Executive Directors who held office for any part of the 2023 financial year was entirely fixed in nature, consisting of basic salary, certain benefits and defined contribution pension entitlements as follows:

Name of Executive Director, Position	Note	2023									
		1. Fixed Remuneration			2. Variable Remuneration			3. Extraordinary items	4. Pension Expense	5. Total Remuneration	6. Proportion of Fixed and Variable Remuneration
		Base Salary	Fees	Fringe Benefits	One-year variable	Multi-year variable					
Eamonn Crowley, CEO	1	€480,000	€0	€20,000	€0	€0	€0	€96,000	€596,000	100% fixed	
Nicola O'Brien, CFO	2	€400,000	€0	€20,892	€0	€0	€0	€61,667	€482,559	100% fixed	

Notes:

1. Fringe Benefits consist of Car Allowance Benefit.
2. Fringe Benefits consist of Car Allowance Benefit and professional body subscriptions

For comparison, 2022 Remuneration for Executive Directors who held office for any part of the 2022 financial year was entirely fixed in nature, consisting of basic salary, certain benefits and defined contribution pension entitlements as follows:

Name of Executive Director, Position	Note	2022									
		1. Fixed Remuneration			2. Variable Remuneration			3. Extraordinary items	4. Pension Expense	5. Total Remuneration	6. Proportion of Fixed and Variable Remuneration
		Base Salary	Fees	Fringe Benefits	One-year variable	Multi-year variable					
Eamonn Crowley, CEO	1	€480,000	€0	€20,000	€0	€0	€0	€72,000	€572,000	100% Fixed	
Nicola O'Brien, CFO	2	€145,054	€0	€8,172	€0	€0	€0	€21,758	€174,984	100% Fixed	
Michael Frawley, CRO	3	€83,944	€0	€5,000	€0	€0	€0	€12,592	€101,535	100% Fixed	

Notes:

1. Fringe Benefits consist of Car Allowance Benefit.
2. Fringe Benefits consist of Car Allowance Benefit. Appointed as an Executive Director on 4 August 2022.
3. Ceased as an Executive Director on resigned 31 March 2022.

Aggregate Executive Director Compensation stood at €1,078,559 in 2023 compared to €848,519 in 2022.

No Executive Director was in receipt of any remuneration from any undertaking within the Group other than PTSB Group Holdings plc.

Director's Report on Remuneration

(continued)

Components of Executive Director Remuneration - 2023

Basic salary

As in previous years, pay increases to eligible staff were based on each individual staff member's performance and salary position versus the relevant market median. The increases ranged from 0% up to 8% with an average increase of 3% and all increases were effective from 1 January 2023. As part of the 2023 review of pay arrangements, the CEO's salary remained unchanged in order to comply with State Agreements on remuneration, while the CFO received a 12.7% base pay increase, with the size of that increase influenced by the results of a comprehensive market benchmarking exercise and influenced by the continuing impact of restrictions on variable pay which restrict the competitiveness of total remuneration as a whole. The 2024 salary review for Executive Directors has not yet concluded and further details of any increases granted will be included within next year's report.

Pensions

The current Executive Directors are members of the PTSB Defined Contribution Pension Scheme. During 2022, the Bank contributed up to 20% of basic salary in the case of the CEO and 16% in the case of the other Executive Director.

Other than basic salary, there are no other elements of Executive Director's remuneration which are pensionable.

Benefits

During 2023, Executive Directors received benefits in line with Policy. This included an allowance of €20,000 in lieu of a company car and eligibility for subsidised house purchase loans provided on the same terms and conditions as loans to other eligible PTSB employees.

Bonus and Long-term Incentive Plans

In line with the terms of certain agreements in place with the State during 2023, the Remuneration Policy did not provide for the payment of variable remuneration to Executive Directors. No bonus payments were made to Executive Directors during 2023 or 2022. Neither were there any long term incentive arrangements in place for Executive Directors in 2023 or 2022.

During 2023, the Remuneration Committee approved certain amendments to the Remuneration Policy which will allow for the introduction of a new variable pay scheme at an appropriate time. All variable remuneration arrangements will be designed in a way that promotes the interests of stakeholders and fully complies with applicable regulatory requirements and State Agreements on remuneration. Variable remuneration schemes will be based on company and individual performance. For Executive Directors, future awards will be based on a performance period of one financial year. Awards will be assessed with reference to both financial and non-financial performance metrics. Awards will be payable in cash or, where practical, in shares or a combination of shares and cash. The Remuneration Committee will hold the discretion to review the level of awards to take account of risk adjustments where appropriate. Variable Pay awards will be subject to the malus and clawback (where applicable).

Further information on our future approach to variable pay will be provided in the 2024 annual report and accounts.

Share option schemes - Audited

No share options were granted in 2023 or 2022. There were no share options or share option schemes in existence at the end of the period.

PTSB is reviewing options to implement an APSS as part of its plans to implement a new Variable Pay scheme.

Loss of Office Payments

The Remuneration Policy requires that any payments on termination of employment are made in accordance with the provisions of CRD V and applicable Irish legislation. Any payments in relation to termination reflect performance achieved over time and will not reward failure or misconduct. Leavers will receive any payments required under the terms of their contract.

No payments for loss of office were made to Executive Directors during 2023 (2022: None).

Payments to Former Directors

No such payments were made to former Executive Directors during 2023 (2022: None).

Directors' Fees from another Company

The Bank operates established policies, practices and procedures that are designed to identify, document and manage conflicts of interest. It is the policy of the Bank that where an Executive Director of the Bank is remunerated for service as a Non-Executive Director of a non-Bank company and retains such remuneration, the amount of this remuneration is disclosed. No Executive Director was in receipt of fees from external appointments during the period.

Non-Executive Director Remuneration - Audited

The level of fees paid to the Chairperson and Non-Executive Directors in 2023 is outlined in the table below.

Aggregate fees paid to Non-Executive Directors increased from €1,046,218 (2022) to €1,061,840 (2023) as a consequence of the changes to the fee structure.

Name of Director, Position	Note	2023										
		1. Fixed Remuneration			2. Variable Remuneration				3. Extraordinary items	4. Pension Expense	5. Total Remuneration	6. Proportion of Fixed and Variable Remuneration
		Base Salary	Basic Fees	Fees Paid	Fringe Benefits	One-year variable	Multi-year variable					
Julie O'Neill	1	€0	€320,000	€256,275	€11	€0	€0	€0	€0	€256,286	100% Fixed	
Robert Elliott	2	€0	€320,000	€80,000	€0	€0	€0	€0	€0	€80,000	100% Fixed	
Ken Slattery	3	€0	€60,000	€72,593	€375	€0	€0	€0	€0	€72,968	100% Fixed	
Andrew Power	4	€0	€60,000	€28,350	€0	€0	€0	€0	€0	€28,350	100% Fixed	
Ronan O'Neil	5	€0	€60,000	€121,187	€375	€0	€0	€0	€0	€121,562	100% Fixed	
Donal Courtney	6	€0	€60,000	€101,938	€90	€0	€0	€0	€0	€102,028	100% Fixed	
Ruth Wandhofer	7	€0	€60,000	€73,750	€445	€0	€0	€0	€0	€74,195	100% Fixed	
Marian Corcoran	8	€0	€60,000	€79,937	€445	€0	€0	€0	€0	€80,382	100% Fixed	
Paul Doddrell	9	€0	€60,000	€82,688	€445	€0	€0	€0	€0	€83,133	100% Fixed	
Celine Fitzgerald	10	€0	€60,000	€71,281	€445	€0	€0	€0	€0	€71,726	100% Fixed	
Anne Bradley	11	€0	€60,000	€82,688	€445	€0	€0	€0	€0	€83,133	100% Fixed	
Catherine Moroney	12	€0	€60,000	€4,113	€0	€0	€0	€0	€0	€4,113	100% Fixed	
Rick Gildea	13	€0	€60,000	€3,965	€0	€0	€0	€0	€0	€3,965	100% Fixed	

- Ms O'Neill was appointed as a member of the Board on 17 January 2023 and on the 1 February became a member of the Remuneration Committee, Board Nomination, Culture and Ethics Committee and Project Sun (Ulster Bank transaction) Oversight Committee. Ms O'Neill was appointed as Board Chairperson on 31st March 2023. Fringe benefits relate to the payment of expenses.
- Mr Elliott retired from the Board on 30 March 2023
- Additional fees paid as Chairperson of the Remuneration Committee, and member of the Nomination, Culture and Ethics Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions. Mr Slattery retired from the Board on 12 December 2023.
- Additional fees paid as member of the Board Audit Committee and member of the Remuneration Committee. Mr Power retired from the Board on 19 May 2023.
- Additional fees paid as Chairperson of the Board Audit Committee, member of the Board Nomination, Culture and Ethics Committee, Project Sun Oversight Committee and Senior Independent Director. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as Chairperson of the Board Risk and Compliance Committee, and member of Board Audit Committee and the Project Sun Oversight Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Risk and Compliance Committee and the Remuneration Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Risk and Compliance Committee, the Board Nomination, Culture and Ethics Committee and Project Sun Oversight Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional Fees paid as member of the Board Risk and Compliance Committee, Project Sun Oversight Committee and the Board Audit Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Remuneration Committee and Nomination, Culture and Ethics Committee. Fringe benefits comprise of Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Audit Committee, Project Sun Oversight Committee and Board Risk and Compliance Committees. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional Fees paid as member of the Board Risk and Compliance Committee and the Board Audit Committee. Ms Moroney was appointed to the Board on 12 December 2023.
- Additional Fees paid as member of the Board Risk and Compliance Committee and the Board Remuneration Committee. Mr Gildea was appointed to the Board on 12 December 2023.

Director's Report on Remuneration

(continued)

For comparison, the level of fees paid to the Chairperson and Non-Executive Directors in 2022 is outlined in the table below.

Name of Director, Position	Note	2022										
		1. Fixed Remuneration			2. Variable Remuneration				3. Extraordinary items	4. Pension Expense	5. Total Remuneration	6. Proportion of Fixed and Variable Remuneration
		Base Salary	Basic Fees	Fees Paid	Fringe Benefits	One-year variable	Multi-year variable					
Robert Elliott		€0	€320,000	€305,000	€0	€0	€0	€0	€0	€305,000	100% Fixed	
Ken Slattery	1	€0	€60,000	€73,088	€375	€0	€0	€0	€0	€73,463	100% Fixed	
Andrew Power	2	€0	€60,000	€70,463	€0	€0	€0	€0	€0	€70,463	100% Fixed	
Ronan O'Neil	3	€0	€60,000	€117,713	€375	€0	€0	€0	€0	€118,088	100% Fixed	
Donal Courtney	4	€0	€60,000	€99,337	€0	€0	€0	€0	€0	€99,337	100% Fixed	
Ruth Wandhofer	5	€0	€60,000	€70,463	€435	€0	€0	€0	€0	€70,898	100% Fixed	
Marian Corcoran	6	€0	€60,000	€78,338	€435	€0	€0	€0	€0	€78,773	100% Fixed	
Paul Doddrell	7	€0	€60,000	€80,963	€435	€0	€0	€0	€0	€81,398	100% Fixed	
Celine Fitzgerald	8	€0	€60,000	€67,837	€0	€0	€0	€0	€0	€67,837	100% Fixed	
Anne Bradley	9	€0	€60,000	€80,963	€0	€0	€0	€0	€0	€80,963	100% Fixed	

- Additional fees paid as Chairperson of the Remuneration Committee, and member of the Nomination, Culture and Ethics Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Audit Committee and member of the Remuneration Committee.
- Additional fees paid as Chairperson of the Board Audit Committee, member of the Board Nomination, Culture and Ethics Committee, member of Project Sun Oversight Committee, and Senior Independent Director. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as Chairperson of the Board Risk and Compliance Committee and member of Project Sun Oversight Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Risk and Compliance Committee and member of the Remuneration Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional fees paid as member of the Board Risk and Compliance Committee, member of the Board Nomination, Culture and Ethics Committee and member of Project Sun Oversight Committee. Fringe benefits comprise Benefit in Kind relating to the payment of professional body subscriptions.
- Additional Fees paid as member of the Board Risk and Compliance Committee, Board Audit Committee and Project Sun Oversight Committee.
- Additional fees paid as member of the Remuneration Committee and Nomination, Culture and Ethics Committee.
- Additional fees paid as member of the Board Audit Committee and Board Risk and Compliance Committees and member of Project Sun Oversight Committee.

The table below outlines the level of fees paid to the Chairman and Non-Executive Directors, including base fees and further fees for additional Board duties such as Chairpersonship or membership of a committee. The fee structure remained unchanged in 2023 and is considered to remain appropriate following the 10% increase which was applied from the 1st July 2022 as part of a comprehensive fee review.

Position:	2022 Fees	2023 Fees
Board Chairperson	€320,000	€320,000
Non-Executive Director (Base Fee)	€60,000	€60,000
Senior Independent Director	€22,000	€22,000
Board Audit Committee and Board Risk & Compliance Committee	Chairperson	€27,500
	Member	€8,250
Remuneration Committee	Chairperson	€11,000
Remuneration Committee and Nomination, Culture & Ethics Committee	Member	€5,500
Project Sun Oversight Committee (ceased 30/09/2023)	Member	€8,250

Comparison of Directors' and Employees' pay

The following table provides information regarding the annual change in the total remuneration of members of the Bank's Board of Directors, as well the average change in remuneration, on a full-time equivalent basis, of our employees as compared with our Company performance between 2019 and 2023.

Changes in Remuneration	Note	Percentage change between 2019 and 2020	Percentage change between 2020 and 2021	Percentage change between 2021 and 2022	Percentage change between 2022 and 2023
Directors' Remuneration – Executive Directors					
Eamonn Crowley, CEO	1	6.6%	5.1%	0.0%	4.2%
Nicola O'Brien, CFO	2	N/A	N/A	N/A	12.7%
Michael Frawley, CRO	3	0.7%	0.0%	0.0%	N/A
Directors' Remuneration – Non-Executive Directors (NEDs)					
Robert Elliott	4	0.0%	0.0%	5.2%	0.0%
Julie O'Neill	5	N/A	N/A	N/A	N/A
Ken Slattery	6	4.6%	2.3%	1.7%	4.1%
Andrew Power	7	0.0%	0.0%	4.9%	4.7%
Ronan O'Neill	8	6.5%	21.3%	7.6%	2.9%
Donal Courtney	9	0.0%	1.1%	6.6%	2.7%
Ruth Wandhofer	10	0.0%	0.6%	4.2%	4.7%
Marian Corcoran	11	0.0%	7.0%	8.9%	2.0%
Paul Doddrell	12	N/A	1.8%	14.2%	2.1%
Celine Fitzgerald	13	N/A	N/A	4.1%	5.7%
Anne Bradley	14	N/A	N/A	6.5%	2.7%
Catherine Moroney	15	N/A	N/A	N/A	NA
Rick Gildea	16	N/A	N/A	N/A	NA
Average remuneration on a full-time equivalent basis of employees					
Employees of the company	17	2.6%	1.7%	-0.8%	2.8%
Company performance					
	Note	2020	2021	2022	2023
Underlying profit/ loss	18	(€109m)	€17m	€45m	€166m
Adjusted Cost to Income Ratio	19	75%	82%	83%	64%

Notes:

- Mr Crowley served as CFO up to 1st July 2020 at which point he was appointed as CEO. The year on year increase in 2021 reflects this appointment to CEO. The increase in 2023 results from certain changes to pension arrangements.
- Ms. O'Brien was appointed to the Board on 04 August 2022 and therefore no pre-2022 data is available for comparative purposes.
- Mr. Frawley was appointed to the Board on 29th October 2019. Remuneration for 2019 has been annualised for the purpose of the above. He resigned from the Board on 30 March 2022.
- Mr. Elliot's increase in 2022 is reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms O'Neill was appointed as member of the Board on 17th January 2023, and as Chairperson to the Board on 31st March 2023 and therefore no data is available for comparative purposes
- Mr. Slattery was appointed as Chair of Remuneration Committee on 8th September 2020. The year on year increase in 2021 reflects this appointment and the payment of fringe benefits during 2021. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022 and which have been annualised for the purposes of the 2023 analysis.
- Mr O'Neill was appointed as Senior Independent Director on 6th August 2020. The year on year increase in 2021 reflects this appointment, and other committee membership changes during 2021. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms Wandhöfer was appointed as a member of the Board on 1st February 2019. Remuneration for 2019 was annualised for the purposes of the above. Her year on year increase in 2021 reflects payment of fringe benefits during 2021. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms Corcoran was appointed as a member of the Board on 24th September 2019. Remuneration for 2019 was annualised for the purposes of the above. Her year on year increase in 2021 reflects committee membership changes during 2021. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Mr Doddrell was appointed as a member of the Board on 26th November 2020 and therefore no pre-2020 data is available for comparative purposes. Remuneration for 2020 was annualised for the purposes of the above. The year on year increase in 2021 reflects committee membership changes during 2021. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms. Fitzgerald was appointed as a member of the Board on 30th March 2021 and therefore no pre-2021 data is available for comparative purposes. Remuneration for 2021 was annualised for the purposes of the above. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms. Bradley was appointed as a member of the Board on 30th March 2021 and therefore no pre-2021 data is available for comparative purposes. Remuneration for 2021 was annualised for the purposes of the above. The year on year increases in 2022 and 2023 respectively are reflective of the increase in board remuneration fees which were approved in July 2022.
- Ms Moroney was appointed as a member of the Board on 12th December 2023 and therefore no data is available for comparative purposes.
- Mr Gildea was appointed as a member of the Board on 12th December 2023 and therefore no data is available for comparative purposes.
- The change in average remuneration is based on the annual employee costs (excluding social welfare and directors' remuneration) divided by the average number of employees.
- Operating profit/loss before exceptional items. See page 72 for a reconciliation of underlying loss to operating profit on an IFRS basis.
- Defined as total operating expenses (excluding exceptional, other non-recurring items, bank levy and regulatory charges) divided by total operating income.

Director's Report on Remuneration

(continued)

Voting Results from the Annual General Meeting

At the 2023 AGM, shareholder approval on an advisory basis was sought for the 2023 Directors' Report on Remuneration. At the AGM in 2023, 99.9% of votes cast were in favour of the resolution.

Also, in accordance with the Shareholder Rights Directive, every four years, shareholder approval on an advisory basis is sought on the Directors' Remuneration Policy. Shareholder approval for the Directors' Remuneration Policy was last granted at the AGM in 2023 which was approved by 99.9% of shareholders at that time.

The Bank takes the views of shareholders on our approach to remuneration into account on an ongoing basis and welcomed the strong support received for both resolutions.

An updated version of the Directors' Remuneration Policy has been brought through internal governance and will be presented for shareholder approval on an advisory basis at the 2024 AGM. That updated Policy includes a number of amendments to support the planned introduction of reward with a variable component.