



## AIB Group (UK) p.l.c

### Matters Reserved to the Board

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While arrangements have been made by the Directors for the management, organisation and administration of the Company's affairs be it through the Board Committees or by way of delegated authority to the Managing Directors, the following matters are specifically reserved for decision by the Board, cognisant of any AIB Group governance requirements:

- Setting of the Company's purpose and values and monitoring alignment between values, culture and strategy, as aligned with AIB Group;
- Setting the culture of the Company ensuring it is effective and that there is a commitment to high standards and values with customers at heart of decision making as aligned with AIB Group;
- Approval of the Company's strategic, investment and financial plans, including operating and capital budgets and any material changes to them and review of performance against such plans;
- Approval of the extension of the Company's activities into new business or geographic areas, including the establishment of foreign branches or offices outside the Company's principal market of the UK;
- Approval of significant new products to be issued by the Company's businesses in consultation with AIB Group;
- Approval of any decision to cease to operate all or any material part of the Company's business;
- Approval of material joint ventures, strategic partnerships and alliances;
- Approval of projects, proposals and expenditure, as required in accordance with the Group approved delegated authority framework and materiality;
- Approval of material acquisitions of new businesses and disinvestments of existing businesses;
- Approval of the provision of any guarantee, indemnity or security by the Company or any of its subsidiaries for a sum exceeding £10m other than as part of a credit transaction which is approved in accordance with the credit approval process;
- Endorsement of the Management structure and ensure its effectiveness (taking into account the AIB Group Framework);
- Approval of any proposed changes to the capital structure of the Company including reduction of capital, share issues and share buy backs;
- Approval of changes to the Company's management and control structure;
- Approval of any changes to the Company's listing status or its status as a plc;
- Approval of Capital Policy, including the maintenance of target capital ratios, the approach to capital allocation, the internal capital adequacy assessment process ("ICAAP") and its governance framework, and other policies related to Capital measurement and assessment;
- Approval of risk management strategy, risk appetite, and designated risk frameworks and policies;

- Approval of Liquidity Policy, including the maintenance of liquidity metrics, the Internal Liquidity Adequacy Assessment process (“ILAAP”) and its governance framework, and other policies related to the measurement and assessment of Liquidity;
- Approval of the Resolution and Recovery arrangements in the interests of all stakeholders of the Company, whilst meeting the requirements of the Regulatory Authorities;
- Approval of the Company’s strategy and policy in relation to conduct risk, to include a documented Code of Conduct for all Directors, employees and affiliates;
- Approval of the annual Operational Resilience Self-Assessment;
- Appointment and removal of the Board Chair, any deputy Board Chair and the Senior Independent Director (“SID”), subject to the approval of the Regulatory Authorities where applicable;
- Appointment and removal of NEDs and EDs, the MD and the Company Secretary, subject to the approval of the Regulatory Authorities where applicable;
- Appointments with Senior Managers Certification Regime (“SMCR”) responsibility for Systems & Controls functions as defined by the Financial Conduct Authority, namely the roles of Chief Finance Officer, Chief Risk Officer, Chief Operations Officer and the Head of Group Internal Audit subject to the approval of the Regulatory Authorities;
- Establishment of Board Committees, approval of Committee membership and approval of their Terms of Reference, including following annual review;
- Recommendation to the Shareholder the appointment, reappointment or removal of the External Auditors (as proposed by AIB Group) and to ask that they approve that the Board can set their remuneration;
- Approval of any significant changes in accounting policies or practices;
- Approval of the statutory Annual Financial Report and other published financial statements and information;
- Approval of dividend policy; declare any interim dividend and recommend any final dividend to the Shareholder for approval at the Annual General Meeting (“AGM”), subject to the agreement of the Regulatory Authorities;
- Approval of the Company’s policies on remuneration, including the introduction of incentive plans, remuneration and reward policy, changes to existing plans, and major changes to employee pension schemes or the creation of any pension schemes, subject to endorsement by AIB Group;
- Approval of fees for Independent Non-Executive Directors, following review and recommendation from the AIB Group Remuneration Committee and AIB Group plc Board and they also require shareholder approval by ordinary resolution, in accordance with the Articles;
- Evaluate annually its own performance and that of its Committees and individual Directors;
- Review of the Company’s overall corporate governance arrangements;
- Receive reports from AIB Group and respond to requests to provide AIB Group with such appropriate management information as is requested from time-to-time and required under the Subsidiary Framework;
- Establishment of a Conflicts of Interest Policy for its Directors, and authorisation of conflicts of interests where permitted by the Company’s Articles of Association;

- Approval of proposed amendments to the Company's Articles and all other business to be submitted to the Shareholder for approval at a general meetings; and
- Convening a general meeting to allow the Shareholder to vote on any matter reserved for Shareholder approval, as determined by relevant legislation, the Articles or AIB Group Governance and approval of resolutions and corresponding documentation to be put before the Shareholder at general meeting.