Bank of Ireland Group plc

(incorporated and registered in Ireland under the Companies Act with registered number 593672)

US$500,000,000 4.500% Notes due 2023

Issue price: 99.857%, plus accrued interest, if any, from September 25, 2018

Bank of Ireland Group plc (the **Issuer** or **BOIG**) is offering US$500,000,000 4.500% Notes due 2023 (the **Notes**), as further described in this offering memorandum (the **Offering Memorandum**) under "Terms and Conditions of the Notes" (the **Conditions**).

The Notes will bear interest at a rate of 4.500% per annum and will bear interest from the date of original issuance payable semi-annually in arrear on May 25 and November 25 in each year, commencing on May 25, 2019 (each an **Interest Payment Date**).

The Notes will be unsecured and will rank *pari passu* in right of payment with the Issuer's other unsecured unsubordinated indebtedness.

Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 14.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (**Euronext Dublin**) for the Notes to be admitted to the official list (the **Official List**) and trading on its regulated market (the **Main Securities Market**). The Main Securities Market is a regulated market for the purposes of Directive 2014/65/EU (**MiFID II**).

This Offering Memorandum comprises a Prospectus for purposes of Directive 2003/71/EC (the **Prospectus Directive**). The Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on the Main Securities Market. The Main Securities Market is a regulated market for the purposes of MiFID II.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), or any securities laws of any state of the United States or any other jurisdiction, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act (**Regulation S**)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Holders of the Notes will not have the benefit of any registration rights. The Notes will be offered and sold in offshore transactions outside the United States in reliance on Regulation S and within the United States to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act (**Rule 144A**)) (**QIBs**), in transactions exempt from the registration requirements of the Securities Act. Prospective purchasers in the United States are hereby notified that the Issuer may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Because the Notes have not been registered, they are subject to certain restrictions on resale described under "Subscription and sale."

Each holder or beneficial owner of the Notes acknowledges and agrees that the rights of the holders or beneficial owners of such Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any bail-in or other resolution tools. As a result of the exercise of such tools by the resolution authorities, the authorities may, among other things, write-down claims of unsecured creditors (including those under the Notes) and/or convert unsecured debt claims (including those under the Notes) to equity. For more information, see the sections entitled "Risk Factors— Risks Related to the Issuer's Business— The Issuer is subject to regulatory regimes which may require that it holds or raises additional capital and/or eligible liabilities or result in increased costs" and "Risk Factors— Risks Related to the Notes—The European Union adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a relevant entity) considered to be at risk of failing" and "Terms and Conditions of the Notes—Acknowledgment of Irish Statutory Resolution Powers" in this Offering Memorandum.

The Initial Purchasers (as defined herein) expect to deliver the Notes to purchasers in registered book-entry form through the facilities of The Depository Trust Company (**DTC**) and Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking S.A. (**Clearstream**) on or about September 25, 2018. See "Book-entry—Clearance Systems."

Joint Bookrunners

BofA Merrill Lynch **Citigroup** **Credit Suisse**
HSBC **UBS Investment Bank**

The date of this Offering Memorandum is September 19, 2018.

Notice to Investors

The Issuer accepts responsibility for the information contained or incorporated by reference in this Offering Memorandum. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, HSBC Securities (USA) Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and UBS Securities LLC (the **Initial Purchasers**) as to the accuracy or completeness of the information contained or incorporated in this Offering Memorandum or any other information provided by the Issuer in connection with the Notes.

This Offering Memorandum is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see *"Documents Incorporated by Reference*" below). This Offering Memorandum shall be read and construed on the basis that those documents are so incorporated and form part this Offering Memorandum.

No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Offering Memorandum or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any of the Initial Purchasers.

Neither this Offering Memorandum nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or any of the Initial Purchasers that any recipient of this Offering Memorandum should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Neither the delivery of this Offering Memorandum nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Initial Purchasers expressly do not undertake to update the financial condition or affairs of the Issuer or to advise any investor in the Notes of any information coming to their attention.

This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Memorandum and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer and the Initial Purchasers do not represent that this Offering Memorandum may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Initial Purchasers which is intended to permit a public offering of any Notes or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Memorandum or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Memorandum and the offering and sale of the Notes. See "Subscription and Sale."

The Notes described herein have not been approved or disapproved by the U.S. Securities and Exchange Commission (the SEC) or any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is unlawful.

This Offering Memorandum is being submitted on a confidential basis in the United States to QIBs for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any

other purpose in the United States is not authorized. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act.

In connection with the offering of the Notes, the Initial Purchasers are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the issue.

Each initial and subsequent purchaser of Notes will be deemed, by its acceptance or purchase thereof, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such Note, as described in this Offering Memorandum, and, in connection therewith, may be required to provide confirmation of its compliance with such resale or other transfer restrictions in certain cases. See "Subscription and Sale."

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland.

This Offering Memorandum comprises a Prospectus for purposes of the Prospectus Directive. The Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on the Main Securities Market. The Main Securities Market is a regulated market for the purposes of MiFID II. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of MiFID II and/or which are to be offered to the public in any Member State.

Upon approval of this Offering Memorandum by the Central Bank of Ireland, this Offering Memorandum will be filed with the Registrar of Companies in Ireland in accordance with Regulation 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended, the **Irish Prospectus Regulations**).

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in **MiFID II**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation / Prohibition of sales to EEA retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Notice to Investors in the United Kingdom

The applicable provisions of the United Kingdom Financial Services and Markets Act 2000 (the **FSMA**) must be complied with in respect of anything done in relation to the Notes in, from or otherwise involving the United Kingdom. This Offering Memorandum is for distribution only to, and is only directed at, persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the **Financial Promotion Order**), (ii) are

persons falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Financial Promotion Order or (iii) are outside the United Kingdom (all such persons together being referred to as "relevant persons"). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Investors in Ireland

No action may be taken with respect to the Notes in Ireland otherwise than in conformity with the provisions of (a) the European Union (Markets in Financial Instruments) Regulations 2017 (the **MiFID II Regulations**) including, without limitation, Regulation 5 (Requirement for authorization) and certain provisions concerning MTFs and OTFs thereof, or any rules or codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended); (b) the Companies Act 2014 (as amended, the **Companies Act**), the Central Bank Acts 1942 – 2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended); (c) the Market Abuse Regulation (EU 596/2014) (as amended) the European Union (Market Abuse) Regulations 2016 and any rules and guidance issued by the Central Bank of Ireland under Section 1370 of the Companies Act; and (d) the Irish Prospectus Regulations and any rules issued under Section 1363 of the Companies Act, by the Central Bank of Ireland.

Notice to Investors in France

This Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities in France (*offre au public de titres financiers*) within the meaning of Article L.411-1 of the French Monetary and Financial Code and Title I of Book II of the *Règlement Général of the Autorité des marchés financiers* (the French Financial Markets Authority) (the **AMF**). Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France, and neither this Offering Memorandum nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with Articles L.411-1, L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and applicable regulations thereunder.

Prospective investors are informed that:

(i) this Offering Memorandum has not been and will not be submitted for clearance to the AMF;

(ii) in compliance with Articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code, any qualified investors subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Monetary and Financial Code.

Notice to Investors in the Republic of Italy

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Memorandum or of any other document relating to any Notes be distributed in the Republic of Italy, except, in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations:

(i) to qualified investors *(investitori qualificati)*, as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time (**Regulation No. 119711**); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-*ter*, first paragraph of Regulation No. 11971.

In any event, any offer, sale or delivery of the Notes or distribution of copies of the Offering Memorandum or any other document relating to the Notes in the Republic of Italy must be in compliance with the selling restrictions under paragraphs (i) or (ii) above and must be:

a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018 and Legislative Decree No. 385 of September 1, 1993 (the **Italian Banking Act**) (in each case, as amended from time to time); and
b) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB and/or the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian competent authority.

Provisions relating to the secondary market

In accordance with Article 100-*bis* of the Financial Services Act, where no exemption from the rules on public offerings applies under paragraphs (i) or (ii) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors. Furthermore, where the Notes are placed solely with professional investors and are then systematically resold on the secondary market at any time in the 12 months following such placement, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and to claim damages from any authorized person at whose premises the Notes were purchased, unless an exemption provided for under the Financial Services Act applies.

Notice to Investors in Switzerland

This Offering Memorandum, as well as any other material relating to the Notes, does not constitute a public offering prospectus pursuant to article 652a or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange Ltd. Or any other regulated trading facility in Switzerland, and, therefore, the documents relating to the Notes, including, but not limited to, this Offering Memorandum, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd. and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd. The Notes are being offered in Switzerland by way of a private placement (i.e., to a limited number of selected investors only), without any public advertisement and only to investors who do not purchase the Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. This Offering Memorandum, as well as any other material relating to the Notes, is personal and confidential and does not constitute an offer to any other person. This Offering Memorandum, as well as any other material relating to the Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without the Issuer's express consent. This Offering Memorandum, as well as any other material relating to the Notes, may not be used in connection with any other offer and shall in particular not be copied or distributed to the public in (or from) Switzerland.

Notice to Investors in Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer

to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (**NI 33-105**), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering of Notes.

Notice to Investors in Singapore

This Offering Memorandum has not been, and will not be, registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or (b) to a relevant person pursuant to Section 275(1), or to any person pursuant to Section 275(1A), and in accordance with the conditions specified in sections 275, of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Notes pursuant to an offer made under section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Section 309B(1)(c) of the SFA: The Notes shall be (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Investors in Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) (the **Companies (Winding Up and Miscellaneous Provisions) Ordinance**) or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the **Securities and Futures Ordinance**), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in

Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Notice to Investors in the People's Republic of China

The Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions of the People's Republic of China or Taiwan), except as permitted by the People's Republic of China securities laws as well as related regulations regarding issuance and sale of notes by an offshore issuer in the People's Republic of China.

Notice to Investors in Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the **FIEA**) and have not been and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations, and ministerial guidelines of Japan. As used in this paragraph, "resident of Japan" means a natural person having his/her place of domicile or residence in Japan, or a legal person having its main office in Japan. A branch, agency or other office in Japan of a non-resident, irrespective of whether it is legally authorized to represent its principal or not, shall be deemed to be a resident of Japan even if its main office is in any other country than Japan.

If an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Law (**Qualified Institutional Investor**), the Notes will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and, accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Such offeree or purchaser of the Notes is prohibited from transferring the Notes except in the case of a transfer of such Notes in whole to a single transferee. Further, any such transferee is also prohibited from transferring the Notes except in the case of a transfer of such Notes in whole to a single transferee. If an offeree falls under the Qualified Institutional Investor, the Notes will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshokamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Such offeree who subscribes the Notes (the **QII Notes**) or purchaser of the QII Notes will be prohibited from transferring its QII Notes other than to another Qualified Institutional Investor. Furthermore, any such transferee of the QII Notes will also be prohibited from transferring its QII Notes other than to another Qualified Institutional Investor.

Notice to Investors in the Netherlands

The Notes are and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors (*gekwalificeerde beleggers*) (as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)).

You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of the document, you should obtain independent professional advice. See "Subscription and Sale—Selling Restrictions."

IN CONNECTION WITH THE OFFERING OF THE NOTES, THE INITIAL PURCHASERS (OR PERSONS ACTING ON THEIR BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE INITIAL PURCHASERS (OR PERSONS ACTING ON THEIR BEHALF) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN 30 DAYS AFTER THE

DATE ON WHICH THE ISSUER RECEIVED THE PROCEEDS OF THE NOTES, OR NO LATER THAN 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES, WHICHEVER IS THE EARLIER. ANY STABILIZING ACTION OR OVER-ALLOTMENT OF THE NOTES MUST BE CONDUCTED BY THE INITIAL PURCHASERS (OR PERSONS ACTING ON ITS BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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Overview of the Offering

This overview must be read as an introduction to this Offering Memorandum and any decision to invest in the Notes should be based on a consideration of this Offering Memorandum as a whole. Words and expressions defined in "Terms and Conditions of the Notes" in this Offering Memorandum shall have the same meanings in this overview. All references to a numbered "Condition" shall be to the appropriate Condition in "Terms and Conditions of the Notes." For a detailed description of the Notes, please refer to "Terms and Conditions of the Notes."

Issuer	Bank of Ireland Group plc (**BOIG** or the **Issuer**). BOIG is a public limited company under the laws of Ireland with registered number 593672. The principal legislation under which BOIG operates is the Companies Act. BOIG is a non-operating holding company and is the ultimate parent of the group of BOIG and its subsidiaries' (collectively, the **Group**), which includes a number of companies operating in the financial services sector. As BOIG is a non-operating holding company and conducts substantially all of its operations through its direct subsidiary, BOI, and its indirect subsidiaries, it depends largely upon the receipt of dividends, distributions, loans or advances from such subsidiaries. BOIG became the ultimate parent of the Group in 2017 following the corporate reorganization implemented by way of Scheme of Arrangement under the Companies Act 2014, which became effective on July 7, 2017 and which resulted in the Issuer being introduced as the listed holding company of the Group (the **Reorganization**). See "Risk Factors—The Notes will be structurally subordinated to securities issued by BOI" for a discussion of the effect on the Notes of the debt issued by the Group prior to the Reorganization.
Notes Offered	US$500,000,000 4.500% Notes due 2023 (the **Notes**).
Issue Price	99.857% of the nominal amount plus accrued interest, if any, from September 25, 2018.
Stated Maturity Date	November 25, 2023.
Interest	The Notes will bear interest at a rate of 4.500% per annum, based upon a 360-day year consisting of twelve 30-day months.
Interest Payment Dates	The Notes will bear interest from the date of original issuance, and such interest will be payable semi-annually in arrear on May 25 and November 25 in each year, commencing on May 25, 2019 (each an **Interest Payment Date**) (long first coupon).
Form of Notes	The Notes will be issued in registered form only.
Currency	U.S. dollars.
Taxation	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Relevant Jurisdiction (as defined herein), except as provided in Condition 7 (Taxation). In the event that any such deduction is made, the Issuer will, except in certain limited circumstances provided in Condition 7 (Taxation), be required to pay additional amounts to cover the amounts so deducted.
Early Redemption	The Notes will be redeemable at the option of the Issuer prior to

	maturity in whole, but not in part, (i) at any time giving not less than 30 nor more than 60 days' notice, upon occurrence of a Tax Event; or (ii) at any time at their principal amount together with unpaid interest accrued to (but excluding) the date of redemption, on giving not less than 30 nor more than 60 days' notice, if the Issuer determines that a Loss Absorption Disqualification Event has occurred. See "Terms and Conditions of the Notes—"Redemption following a Tax Event" and "Redemption due to Loss Absorption Disqualification Event".
Events of Default	The Noteholders may institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere) in the event of certain events of default specified in the Notes and Agency Agreement. No remedy against the Issuer, other than as provided in Condition 9 (Events of Default for, and Enforcement of, Notes), shall be available to the Noteholders for the recovery of amounts owing in respect of such Notes or under the Agency Agreement in so far as it relates to the Notes. See "Terms and Conditions of the Notes— Events of Default for, and Enforcement of Notes".
Cross Default.....	The terms of the Notes will not contain a cross default provision.
Further Issuances	The Issuer may, at its option and without the consent of the then existing Noteholders, issue additional notes in one or more transactions after the date of this Offering Memorandum with terms and conditions (other than the issuance date, the amount, date of the first interest payment thereon and the issue price) identical to the Notes. These additional Notes will be deemed to be part of the same series as the relevant Notes offered hereby and will provide the holders of such additional Notes the right to vote together with holders of the Notes issued hereby.
Structural Subordination of Notes issued by BOIG	The Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations other than subordinated obligations (if any) of the Issuer from time to time outstanding.
Use of Proceeds	The Issuer expects to use the net proceeds from the issuance of the Notes for the general corporate purposes of the Group, including the repayment of existing indebtedness.
Ratings.....	BOIG's long-term debt is currently rated BBB- (Positive outlook) by Standard & Poor's, BBB (Stable outlook) by Fitch and Baa3 (Positive outlook) by Moody's Investors Service. The expected rating of the Notes on the issue date is BBB- by Standard & Poor's and Baa3 (Positive outlook) by Moody's Investors Service. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Neither the rating agency nor the Issuer is obligated to provide the holder with any notice of any suspension,

	change or withdrawal of any rating.
Form, Denomination and Title	The Notes are in registered form and, in the case of definitive Notes, serially numbered, in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. Subject to as set out in "Terms and Conditions of the Notes," title to the Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Fiscal Agent, the Registrar and any other agent appointed under the Fiscal and Paying Agency Agreement will (except as otherwise required by law or ordered by a court having jurisdiction or an official authority) deem and treat the registered holder of any Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph. Those Notes which are sold in an "offshore transaction" to persons other than "U.S. persons" within the meaning of Regulation S will initially be represented by interests in one or more Global Notes (each a **Regulation S Global Note**) and those Notes sold in the United States to QIBs pursuant to Rule 144A will initially be represented by one or more Global Notes (each a **Rule 144A Global Note**, and together with the Regulation S Global Notes, the **Global Notes**). Each Global Note will be deposited with (a) in the case of the Regulation S Global Note, a common depositary for Euroclear Bank S.A./N.V. (Euroclear and Clearstream Banking S.A. (Clearstream) and registered in the name of a nominee for such common depositary or (b) in the case of the Rule 144A Global Note, a custodian for, and registered in the name of a nominee of, The Depository Trust Company (DTC and together with Euroclear and Clearstream, the Clearing Systems) on the issue date. The Regulation S Global Notes and Rule 144A Global Notes will bear a legend as described under "Subscription and Sale—Sale and Transfer Restrictions".
Acknowledgment of Irish Statutory Loss Absorption Powers and Jurisdiction of the Irish Courts.....	Notwithstanding and to the exclusion of any other term of the Notes or any agreements, arrangements, or understandings between us and any holder of the Notes, by acquiring the Notes, each holder of the Notes acknowledges and accepts, that any liability arising under the Notes may be subject to the exercise of Irish Statutory Loss Absorption Powers by the relevant authority and acknowledges, accepts, consents to and agrees to be bound by: (i) the effect of the exercise of any Irish Statutory Loss Absorption Powers by the relevant authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof: (A) the reduction of all, or a portion of, the principal amount of the Notes, together with any accrued but unpaid interest and additional amounts and any other amounts due on or in respect of the Notes; (B) the conversion of all, or a portion, of the principal amount of, or interest on, the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of

	the Notes; (C) the cancellation of the Notes or the principal amount of the Notes, together with any accrued but unpaid interest and additional amounts and any other amounts due on or in respect thereof; and (D) the amendment or alteration of the Maturity Date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Notes as deemed necessary by relevant authority, to give effect to the exercise of any Irish Statutory Loss Absorption Powers by the relevant authority. For more information, see "Terms and Conditions of the Notes—Acknowledgment of Irish Statutory Resolution Powers and jurisdiction of the Irish Courts."
Transfer and Selling Restrictions.....	The Notes have not been and will not be registered under the Securities Act or any securities laws of any state of the United States or any other jurisdiction. Consequently, the Notes may not be offered or sold within the United States, or to or for the benefit or account of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in any case in accordance with any other applicable securities laws of any other jurisdiction. Holders of the Notes will not have the benefit of any registration rights. The Initial Purchasers will arrange for resale of the Notes only to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S. In connection with the offering and sale of the Notes additional transfer and selling restriction will apply. See "Subscription and Sale."
Substitution and Variation	Upon the occurrence of a Loss Absorption Disqualification Event the Issuer (in its sole discretion but subject to the provisions of Condition 6(g)(ii) (Conditions to Substitution and Variation)), having given not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable), and having delivered to the Fiscal Agent, to be made available to Noteholders for inspection, the certificate referred to in the definition of Loss Absorption Compliant Notes, may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Notes for, or vary the terms of all (but not some only) of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of or, as the case may be, substitute the Notes in accordance with Condition 6(g)(i).
Waiver of Set-off	No holder of a Note may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Notes and each holder of a Note shall, by virtue of its subscription, purchase or holding of any such Note, be deemed to have waived all such rights of set-off. Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Noteholder of a Note against the Issuer is discharged by set-off, such Noteholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding-up of the Issuer, the liquidator of the Issuer and accordingly

	such discharge will be deemed not to have taken place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer or, as the case may be, the liquidator of the Issuer.
Governing Law	The Notes and the Agency Agreement will be governed by, and construed in accordance with, New York law except for Condition 3(b), Condition 15(c) and any non-contractual obligations arising out of or in connection therewith, which shall be governed by and construed in accordance with the laws of Ireland. By acquiring the Notes each holder of the Notes acknowledges and accepts the non-exclusive jurisdiction of the courts of Ireland in connection with any legal suit, action or proceeding arising out of or based upon the application of any Irish Statutory Loss Absorption Powers. The Purchase Agreement (as defined under "Subscription and Sale") is governed by, and shall be construed in accordance with, New York law.
Transfer, Fiscal and Paying Agent	Citibank, N.A., London Branch.
Registrar.....	Citigroup Global Markets Europe AG
Listing.....	Application has been made to Euronext Dublin for the Notes to be admitted to the official list (the **Official List**) and trading on its regulated market (the **Main Securities Market**). The Main Securities Market is a regulated market for the purposes of MiFID II.
Estimated total expenses related to admission to trading.....	Approximately €5,000
Security Codes	**Notes** 144A: US ISIN – US06279JAA79 CUSIP – 06279J AA7 US Common Code – 188329730 Reg S: XS ISIN – XS1883263151 Common Code – 188326315
Risk Factors	Investing in the Notes involves substantial risks. You should consider carefully all the information in this Offering Memorandum and, in particular, you should evaluate the specific risk factors set forth under "Risk Factors" before making a decision whether to invest in the Notes.

Overview of the Group

This overview highlights some information which is derived from the 2018 Interim Report, the 2017 Annual Report and the 2016 Annual Report (including the Audited Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements contained therein) (each as defined below in "Documents Incorporated by Reference"). This overview may not contain all of the information that is important to you.

You should read the following overview together with the more detailed information regarding the Issuer and the Notes being sold in this offering presented in this Offering Memorandum, including in the risks discussed in the section entitled "Risk Factors" and in the 2018 Interim Report, the 2017 Annual Report and the 2016 Annual Report (including the Audited Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements contained therein).

Description of BOIG and of the Group

General Introduction to BOIG and the Group

BOIG is a non-operating holding company and is the ultimate parent of the Group, which includes a number of companies operating in the financial services sector. BOIG carries on all of its trading activities through its wholly-owned subsidiary, The Governor and Company of the Bank of Ireland (**BOI**) and other members of the Group.

The Group is one of the largest financial services groups in Ireland with total assets of €122 billion as at June 30, 2018. The Group provides a broad range of banking and other financial services. These services include: current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, installment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally. Prior to the Reorganization completed in July 2017, BOI was the parent of the Group, and following such Reorganization, BOIG is the ultimate parent of the Group. The Reorganization did not change the business of the Group.

The table below contains an overview of the Group's performance for the years ended December 31, 2017, 2016 and 2015 and the six months ended June 30, 2018 and 2017.

Group Performance		Year ended December 31,			Six months ended June 30,	
		2017	2016	2015	2018	2017
Net interest margin[1]	%	2.29%	2.20%	2.19%	2.23%	2.32%
Net impairment gains/(losses) on loans and advances to customers[2]	bps	(2)	(21)	(32)	18	(14)
Cost income ratio[3]	%	62%	57%	53%	66%	64%
Gross new lending volumes[4]	€bn	14.2	13.2	14.2	7.7	6.6
Return on Tangible Equity[5]	%	n/a	n/a	n/a	9.6%	9.9%
Return on Tangible Equity (adjusted)[6]	%	n/a	n/a	n/a	6.8%	8.2%

1 The net interest margin is stated before fees associated with the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 and after adjusting for IFRS income classifications. For an explanation of IFRS income classifications see footnote 1 on page 10 of the 2018 Interim Report.

2 Net impairment gains / losses on loans and advances to customers (bps) is calculated as net impairment gain / loss on loans and advances to customers at amortised cost divided by average gross loans and advances to customers at amortised cost.

3 Cost income ratio for the six months ended June 30, 2018 and 2017, is calculated on an Underlying basis (as defined below in footnote 7), as operating expenses excluding levies and regulatory charges divided by operating income (net of insurance claims), excluding other gains and other valuation items. For the years ended December 31, 2017, 2016 and 2015 it was calculated on an Underlying basis, as operating expenses excluding levies and regulatory charges divided by operating income (net of insurance claims). The Cost income ratio is not defined under Generally Accepted Accounting Principles in accordance with IFRS (**Non-GAAP measure**).

4 Gross new lending volumes is equal to loans and advances to customers drawn down during the period and portfolio acquisitions.

5 Return on Tangible Equity (ROTE) is calculated as profit attributable to ordinary shareholders less Non-core items (as defined below) (net of tax) divided by average shareholders' equity less average intangible assets and goodwill. ROTE is a Non-GAAP measure.

6 Return on Tangible Equity (adjusted) is calculated as ROTE adjusted to exclude other gains and other valuation items (net of tax) and to adjust the impairment gain or loss on financial instruments (net of tax) to a more 'normalised' impairment level of impairment loss, net of tax. Return on Tangible Equity (adjusted) is a Non-GAAP measure.

7 **Underlying** excludes non-core items which the Group believes obscures the underlying performance trends in the business (**Non-core items**). Both Underlying and Non-core items are Non-GAAP measures. For a further discussion of Non-core items, see "Description of the Issuer and the Group—Operating Segments—Divisional Performance".

The Group has five reportable segments which reflect the internal financial and management reporting structure. The table below presents each of the Group's five reportable segment's Underlying profit before tax for the years ended December 31, 2017, 2016 and 2015 and the six months ended June 30, 2018 and 2017.

Divisional Performance Underlying Profit before Tax	**Year ended December 31,**			**Six months ended June 30 ,**	
	2017[1]	**2016[2]**	**2015[3]**	**2018**	**2017[4]**
	€m	**€m**	**€m**	**€m**	**€m**
Retail Ireland	712	636	507	345	309
Wealth and Insurance (formerly Bank of Ireland Life)	106	127	103	34	56
Retail UK	103	133	193	113	70
Corporate and Treasury	553	531	637	233	269
Group Centre and other reconciling items[5]	(396)	(329)	(239)	(225)	(212)
Underlying profit before tax	**1,078**	**1,098**	**1,201**	**500**	**492**
Non-core items	(226)	(63)	31	(46)	(32)
Profit before tax	**852**	**1,035**	**1,232**	**454**	**460**

1 Comparative figures have not been restated to reflect the impact of: (i) the Group's decision to reorganize in the six months ended June 30, 2018 (**H1 2018**) the Wealth and Insurance operating segment to incorporate the Private Banking and Insurance Services business units which were previously reported within Retail Ireland; and (ii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

2 Comparative figures have been restated to reflect the impact of: (i) the voluntary change in the Group's accounting policy for Life assurance operations which has resulted in an increase of €6 million in the 2016 Underlying profit before tax of Wealth and Insurance and (ii) the Group's decision to classify the charges relating to the Central Bank of Ireland's Tracker Mortgage Examination as Non-core which has resulted in an increase of €21 million in the 2016 Underlying profit before tax of Retail Ireland with a corresponding increase of €21 million in the 2016 net charge from Non-core items. Comparative figures have not been restated to reflect the reorganization of the operating segments.

3 Figures for 2015 have not been restated to reflect the impact of (i) the Group's decision to reorganize in H1 2018 the Wealth and Insurance operating segment; (ii) the voluntary change in the Group's accounting policy for Life assurance operations; and (iii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

4 Comparative figures have been restated to reflect the impact of: (i) the Group's decision to reorganize in H1 2018 the Wealth and Insurance operating segment to incorporate the Private Banking and Insurance Services business units which were previously reported within Retail Ireland; (ii) the voluntary change in the Group's accounting policy for Life assurance operations in the second half of 2017; and (iii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

5 Other reconciling items represent inter segment transactions which are eliminated upon consolidation and the application of hedge accounting at Group level.

Retail Ireland

Retail Ireland is managed through a number of business units, namely Distribution Channels, Customer Segments and Propositions, Products (including Bank of Ireland Mortgage Bank) and Business Banking (including Bank of Ireland Finance).

Wealth and Insurance (*formerly Bank of Ireland Life*)

Wealth and Insurance includes the Group's life assurance subsidiary New Ireland Assurance Company plc (**NIAC**) which distributes protection, investment and pension products to the Irish market, through independent financial brokers, its own tied Financial Advisor network and the Group's distribution channels, which include Private Banking as a tied agent of NIAC. It also includes the Group's general insurance brokerage, Bank of Ireland Insurance Services, which offers home and car insurance cover through its agency with insurance providers. Both the Private Banking and Bank of Ireland Insurance Services businesses transferred from the Retail Ireland division to the Wealth and Insurance division following an organizational restructure in the first six months of 2018.

Retail UK

The Retail UK division includes the financial services partnership and foreign exchange joint venture with the UK Post Office, the financial services partnership with the AA, the UK residential mortgage business, the Group's branch network in Northern Ireland (**NI**), the Group's business banking business in NI and the Northridge Finance motor and asset finance, vehicle leasing and fleet management business. The Group also has a business banking business in Great Britain which is being run-down. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

Corporate and Treasury

The Corporate and Treasury division comprises Corporate Banking and Markets and Treasury. Following an organizational restructure in the first six months of 2018, the Group Treasury function transferred from the Group Centre division to the Corporate and Treasury division and was combined with the Global Markets business to form Markets and Treasury. This division also manages the Group's euro area liquid asset bond portfolio.

Group Centre

Group Centre comprises Group Manufacturing, Group Finance, Group Risk and Group Human Resources. These Group central functions establish and oversee policies and provide and manage certain processes and delivery platforms for the divisions.

In the first six months of 2018, the Group's profit for the period was €377 million (compared to €382 million for the same period in 2017). In 2017, the Group's profit for the year was €692 million (compared to €799 million in 2016).

As of June 30, 2018, the Group employed a total of 10,660 persons.

BOIG was incorporated as Adjigo plc in Ireland as a public limited company on November 28, 2016 with registered number 593672, its registered office is situated at 40 Mespil Road, Dublin 4, Ireland and it is domiciled in Ireland. BOIG's telephone number is +353 1 661 5933. On March 31, 2017, Adjigo plc changed its name to Bank of Ireland Group plc.

Substantial Shareholdings

In accordance with LR 6.8.3(2) of the ISE Listing Rules, details of notifications received by BOIG in respect of substantial interests in its ordinary shares of up to September 13, 2018 are indicated in the table below:

Shareholder	**Percentage of Shareholdings**
Ireland Strategic Investment Fund (ISIF) / Minister for Finance	13.95%
The Capital Group Companies Inc.	6.9962%
EuroPacific Growth Fund[(1)]	4.34%
Blackrock, Inc.	4.82%
Baillie Gifford & Co	4.53%
Templeton Global Advisors Ltd.	3.29%
Templeton Investment Counsel LLC	3.00%

(1) EuroPacific Growth Fund has granted proxy voting authority to The Capital Research and Management Company, its investment adviser, and consequently holds no voting rights. Notifications submitted in respect of the voting rights held by The Capital Group Companies, Inc. include EuroPacific Growth Fund's holdings.

As of the date of this Offering Memorandum, the Group had 1,078,822,872 ordinary shares of €1.00 each in issue, of which 2,914,175 were treasury shares. BOIG's shares are listed on Euronext Dublin and on the London Stock Exchange.

Recent Developments

Changes to Board and Senior Management

On July 4, 2018, the Group announced the appointment of Patrick Kennedy as Chairman of the Group and Court Nomination and Governance Committees of BOIG and BOI, respectively, succeeding Mr. Archie Kane. Mr. Richard Goulding succeeded Mr. Kennedy as Chairman of the Board Risk Committee of BOIG and of the Court Risk Committee of BOI. These changes were effective August 1, 2018.

On July 31, 2018, Archie Kane stepped down as Chairman of BOIG and as Governor of BOI and Patrick Kennedy, following a selection process conducted earlier in the year, succeeded Mr. Kane as Chairman and Governor on his retirement from the Board.

The Group announced on August 9, 2018 that Des Crowley, CEO of Bank of Ireland (UK) plc, will retire in 2019.

On August 17, 2018, the Group announced the appointment of Jackie Noakes as Group Chief Operating Officer. In this role, Ms. Noakes will oversee a range of services across technology, infrastructure and operations. This appointment took effect on September 3, 2018.

The Group announced on September 10, 2018 the appointment of Stephen Pateman as a non-executive director of the Board of BOIG and of the court of directors of BOI. Mr. Pateman has also been appointed to the Audit Committee, the Risk Committee and Remuneration Committee of each of BOIG and BOI and this became effective on September 10, 2018.

Debt Maturity

The table below provides details regarding the maturity profile of the BOIG Group's wholesale funding and other debt as of June 30, 2018.

€ million	Up to 3 months (€ millions)	3-12 months (€ millions)	1-5 years (€ millions)	Over 5 years (€ millions)	TOTAL
Deposits from banks	500	-	-	-	500
Monetary authority secured funding	251	1,229	2,194	-	3,674
Debt securities in issue	24	1,235	4,052	1,897	7,208
Subordinated liabilities	-	-	458	1,643	2,101
Total	**775**	**2,464**	**6,704**	**3,540**	**13,483**

Dividend Policy

For the 2017 fiscal year, the Board of Directors recommended a final dividend of €0.115 per share. The 2017 dividend was approved at BOIG's annual general meeting on April 20, 2018 and was paid on May 24, 2018.

The Group expects that dividends will increase on a prudent and progressive basis and, over time, will build towards a payout ratio of around 50% of sustainable earnings. The dividend level and the rate of progression will reflect, amongst other things, the strength of the Group's capital and capital generation, the board of directors' assessment of the growth and investment opportunities available, any capital the Group retains to cover uncertainties and any impact from the evolving regulatory and accounting environments.

Overview of Financial Information

The following overview of financial data must be read in conjunction with and are qualified in their entirety by reference to, (i) the 2018 Interim Report, (ii) the 2017 Annual Report, (iii) the 2016 Annual Report, (iv) the Audited Consolidated Financial Statements, and (v) the Unaudited Condensed Interim Consolidated Financial Statements.

The Group's financial information as of and for the years ended December 31, 2017, 2016 and 2015 and as of and for the six months ended, June 30, 2018 and June 30, 2017, included in the following tables has been derived from the Audited Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements. Interim results for the first six months of 2018 are not necessarily indicative of the results of operations that may be expected for any other interim period in 2018 or for the full year.

Income Statement Data

The following table sets forth summary consolidated income statement data of the BOIG Group for the years ended December 31, 2017, 2016 and 2015, and for the six-month periods ended June 30, 2018 and 2017.

€ million, except for per share amounts	Year ended December 31,			Six months ended June 30,	
	2017	2016[1]	2015[2]	2018	2017[1]
Interest income	2,546	2,861	3,269	1,266	1,342
Interest expense	(394)	(598)	(825)	(190)	(191)
Net interest income	**2,152**	**2,263**	**2,444**	**1,076**	**1,151**
Net insurance premium income	1,344	1,226	1,350	704	661
Fee and commission income	543	559	561	263	269
Fee and commission expense	(217)	(222)	(242)	(105)	(109)
Net trading income	161	113	58	29	80
Life assurance investment income, gains and losses	450	446	334	28	285
Other leasing income	-	-	-	24	-
Other leasing expense	-	-	-	(20)	-
Other operating income	170	303	299	38	72
Total operating income	**4,603**	**4,688**	**4,804**	**2,037**	**2,409**
Insurance contract liabilities and claims paid	(1,646)	(1,577)	(1,511)	(641)	(880)
Total operating income, net of insurance claims	**2,957**	**3,111**	**3,293**	**1,396**	**1,529**
Other operating expenses	(2,080)	(1,897)	(1,819)	(1,000)	(1,006)
Cost of restructuring program	(48)	(35)	(43)	(51)	(17)
Operating profit before impairment charges on financial assets	**829**	**1,179**	**1,431**	**345**	506
Impairment charges on financial assets	(15)	(178)	(296)	81	(59)
Operating profit	**814**	**1,001**	**1,135**	**426**	**447**
Share of results of associates and joint ventures (after tax)	43	41	46	21	18
Gain on disposal of asset held for sale	-	-	-	7	-
Loss / profit on disposal / liquidation of business activities	(5)	(7)	51	-	(5)
Profit before tax	**852**	**1,035**	**1,232**	**454**	**460**
Taxation charge	(160)	(236)	(285)	(77)	(78)
Profit for the year/period	**692**	**799**	**947**	**377**	**382**
Attributable to shareholders	664	799	940	350	382
Attributable to non-controlling interests	28	-	7	27	-
Profit for the year/period	**692**	**799**	**947**	**377**	**382**
Earnings per ordinary share[3]	59.1c	66.6c	2.3c	32.5c	32.8c
Diluted earnings per ordinary share[3]	59.1c	66.6c	2.3c	32.5c	32.8c

1. Figures for the year ended December 31, 2016 and the six months ended June 30, 2017 have been restated to reflect the impact of the voluntary change in the Life assurance operations policy. See note 62 to the 2017 Audited Consolidated Financial Statements for additional information.
2. Figures for the year ended December 31, 2015 have not been restated to reflect the impact of the voluntary change in the Life assurance operations policy.
3. The basic and the diluted earnings per share for 2016 have been adjusted for the share consolidation as outlined in note 46 to the 2017 Audited Consolidated Financial Statements. The basic and diluted earnings per unit of ordinary stock for 2015 have not been thus adjusted.

Balance Sheet Data

The following table sets forth summary consolidated balance sheet data of the BOIG Group as of December 31, 2017, 2016 and 2015, and as of June 30, 2018.

€ million	Year ended December 31,			Six months ended June 30, 2018
	2017	2016[1]	2015[1]	
Assets				
Cash and balances at central banks	7,379	5,192	6,603	5,246
Items in the course of collection from other banks	307	242	294	254
Trading securities	68	18	3	38
Derivative financial instruments	2,348	3,709	3,064	1,778
Other financial assets at fair value through profit or loss	14,421	13,249	12,280	14,825
Loans and advances to banks	3,061	3,349	4,578	2,672
Debt securities at amortised cost	-	-	-	3,446
Financial assets at fair value through other comprehensive	-	-	-	11,269
Available for sale financial assets	13,223	10,794	10,128	-
Held to maturity financial assets	-	1,872	1,922	-
NAMA senior bonds	-	451	1,414	-
Loans and advances to customers	76,128	78,477	84,689	76,604
Interest in associates	59	56	56	52
Interest in joint ventures	69	71	83	86
Intangible assets and goodwill	779	635	526	786
Investment properties	912	864	841	989
Property, plant and equipment	434	353	334	424
Assets classified as held for sale	28	-	20	-
Current tax assets	50	4	13	18
Deferred tax assets	1,237	1,298	1,453	1,204
Other assets	1,993	2,025	2,081	2,059
Retirement benefit assets	58	8	19	77
Total assets	**122,554**	**122,667**	**130,401**	**121,827**
Equity and liabilities				
Deposits from banks	4,339	3,662	952	3,472
Customer accounts	75,869	75,167	80,164	76,666
Items in the course of transmission to other banks	263	223	239	447
Derivative financial instruments	1,987	2,873	3,619	1,798
Debt securities in issue	8,390	10,697	13,243	7,910
Liabilities to customers under investment contracts	5,766	5,647	5,729	5,647
Insurance contract liabilities	10,878	10,458	9,833	11,011
Other liabilities	2,482	2,465	4,103	2,371
Current tax liabilities	12	19	35	-
Provisions	205	96	97	113
Loss allowance provision on loan commitments and financial guarantees	-	-	-	27
Deferred tax liabilities	53	62	68	45
Retirement benefit obligations	536	454	755	337
Subordinated liabilities	2,107	1,425	2,440	2,101
Total liabilities	**112,887**	**113,248**	**121,277**	**111,945**
Equity				
Share capital	1,079	2,545	2,558	1,079
Share premium account	456	571	1,135	456
Retained earnings	7,333	5,214	4,950	7,715
Other reserves	24	359	(249)	(148)
Own shares held for the benefit of life assurance policyholders	(33)	(11)	(11)	(28)
Shareholders' equity	**8,859**	**8,678**	**8,383**	**9,074**
Other equity instruments	-	740	740	-
Total equity excluding non-controlling interests	**8,859**	**9,418**	**9,123**	**9,074**
Non-controlling interests	808	1	1	808
Total equity	**9,667**	**9,419**	**9,124**	**9,882**
Total equity and liabilities	**122,554**	**122,667**	**130,401**	**121,827**

1. Figures for the year ended December 31, 2016 and 2015 have been restated to reflect the impact of the voluntary change in the Life assurance operations policy. See note 62 to the 2017 Audited Consolidated Financial Statements for additional information.

Statement of Cash Flow Data

The following table sets forth summary consolidated cash-flow statement data of the BOIG Group for the years ended December 31, 2017, 2016 and 2015, and for the six-month periods ended June 30, 2018 and 2017.

€ million	Year ended December 31,			Six months ended June 30,	
	2017	2016[1]	2015[2]	2018	2017[1]
Net cash flow from operating activities	2,259	1,316	(214)	(84)	911
Investing activities	(1,054)	(1,167)	1,772	(2,063)	(1,436)
Financing activities	568	(3,329)	361	(211)	(121)
Effect of exchange translation and other adjustments	129	504	(401)	2	116
Net change in cash and cash equivalents	**1,902**	**(2,676)**	**1,518**	**(2,356)**	**(530)**
Opening cash and cash equivalents	8,299	10,975	9,457	10,201	8,299
Closing cash and cash equivalents	**10,201**	**8,299**	**10,975**	**7,845**	**7,769**

1. Figures for the year ended December 31, 2016 and the six months ended June 30, 2017 have been restated to reflect the impact of the voluntary change in the Life assurance operations policy. See note 62 to the 2017 Audited Consolidated Financial Statements for additional information.
2. Figures for the year ended December 31, 2015 have not been restated to reflect the impact of the voluntary change in the Life assurance operations policy.

Group Performance

The table below contains an overview of the Group's performance for the years ended December 31, 2017, 2016 and 2015 and the six months ended June 30, 2018 and 2017.

Group Performance		Year ended December 31,			Six months ended June 30,	
		2017	2016	2015	2018	2017
Net interest margin[1]	%	2.29%	2.20%	2.19%	2.23%	2.32%
Net impairment gains/(losses) on loans and advances to customers[2]	bps	(2)	(21)	(32)	18	(14)
Cost income ratio[3]	%	62%	57%	53%	66%	64%
Gross new lending volumes[4]	€bn	14.2	13.2	14.2	7.7	6.6
Return on Tangible Equity[5]	%	n/a	n/a	n/a	9.6%	9.9%
Return on Tangible Equity (adjusted)[6]	%	n/a	n/a	n/a	6.8%	8.2%

1 The net interest margin is stated before fees associated with the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 and after adjusting for IFRS income classifications. For an explanation of IFRS income classifications see footnote 1 on page 10 of the 2018 Interim Report.

2 Net impairment gains / losses on loans and advances to customers (bps) is calculated as net impairment gain / loss on loans and advances to customers at amortised cost divided by average gross loans and advances to customers at amortised cost.

3 Cost income ratio for the six months ended June 30, 2018 and 2017, is calculated on an Underlying basis, as operating expenses excluding levies and regulatory charges divided by operating income (net of insurance claims), excluding other gains and other valuation items. For the years ended December 31, 2017, 2016 and 2015 it was calculated on an Underlying basis, as operating expenses excluding levies and regulatory charges divided by operating income (net of insurance claims).

4 Gross new lending volumes is equal to loans and advances to customers drawn down during the period and portfolio acquisitions.

5 Return on Tangible Equity (ROTE) is calculated as profit attributable to ordinary shareholders less Non-core items (net of tax) divided by average shareholders' equity less average intangible assets and goodwill.

6 Return on Tangible Equity (adjusted) is calculated as ROTE adjusted to exclude other gains and other valuation items (net of tax) and to adjust the impairment gain or loss on financial instruments (net of tax) to a more 'normalised' impairment level of impairment loss, net of tax.

Risk Factors

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to the Issuer or which the Issuer may not currently be able to anticipate. In addition, if any of the following risks, or any other risk not currently known, actually occur, the trading price of the Notes could decline and holders of the Notes may lose all or part of their investment. Prospective investors should also read the information set out elsewhere in this Offering Memorandum, including the documents incorporated herein, and reach their own views, based upon their own judgement and upon advice from such financial, legal and tax advisors as they have deemed necessary, prior to making any investment decision.

Risks Related to the Group's Business

The Group's business and financial performance has been and will continue to be affected by economic and financial market conditions globally, while geopolitical uncertainty could potentially affect the Group's business and returns

The Group is directly and indirectly subject to inherent risks arising from the state of the global economy and financial markets both generally, and as they specifically affect financial institutions. Specific risks facing the Group's businesses include, but are not limited to, the following:

- the re-emergence of any of the financial turbulence experienced during the global financial crisis or the reversal of the progress to sustainable economic and budgetary conditions that has been achieved;
- financial institutions have a high level of interdependence as a result of credit, trading, clearing and other relationships between them. As a result, a default or threatened default or concerns about a default or threatened default by one institution could affect other institutions and lead to significant market-wide liquidity problems and financial losses for other financial institutions. It may even lead to defaults of other financial institutions, which is a risk, sometimes referred to as "systemic risk";
- systemic risk in the global financial industry is still at an elevated level. High sovereign indebtedness, low capital levels at certain banks and the high degree of interconnectivity between the largest banks and certain economies are important factors that contribute to this systemic risk. A systemic risk event may also have a material adverse effect on other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, to which the Group is exposed;
- increased protectionism and the risk of a global trade war resulting in weaker global trade and economic activity;
- growing populism and increasing economic and political uncertainty; and
- changes to US fiscal, monetary, trade, foreign and/or other areas of policy could impact the global economy and/or the markets in which the Group operates.

Geopolitical uncertainties could impact upon economic conditions in countries where the Group has exposures, market risk pricing and asset price valuations, thus potentially affecting the Group's business and returns.

The Group's business and financial performance has been and will continue to be affected by economic conditions in Europe and, in particular, in Ireland and the UK

The Group is directly and indirectly subject to inherent risks arising from general economic conditions in Ireland, the UK, and the state of the European economy. Substantially all of the Group's loans and advances are to customers in Ireland and the UK. Specific risks facing the Group's businesses include, but are not limited to, the following:

- Eurozone bond markets and broader international debt markets could be impacted by concerns over sovereign debt levels of Member States, requirement for support of the banking system, speculation about the stability of the Eurozone and the potential impact of these factors on the individual Member State economies, including Ireland and on the UK;
- any period of unpredictable movements, severe dislocations and liquidity disruptions in the financial markets in the Eurozone or elsewhere, could lead to a reduction in the demand for some of the Group's banking services and products and may also impede the Group's ability to raise capital or funding. This could result in, among other things, the issuance of capital and funding of different types or under different terms than otherwise would have been issued or realised, or the incurrence of additional or increased funding and capital costs compared to the costs borne in a more stable market environment;
- weak activity in the Irish economy, which as a small open economy is disproportionally exposed to external events;
- weak activity in the UK economy, and a devaluation in Sterling (see the risk factor entitled "The Group could be materially adversely affected by the UK's withdrawal from the EU");
- potential deterioration in the economic, social and political conditions in Europe, changes to the political leadership of member countries of the Eurozone and/or other political instability or unrest that impacts Europe and/or other regions could result in increased volatility in the general economic or political conditions of those countries and/or regions;
- potential referenda on continued EU membership in countries and the possibility of further exits from or the break-up of the EU;
- the withdrawal from the Euro by one or more countries that have already adopted its use and, in an extreme scenario, the cessation of the use of the Euro could result in the dissolution of the European Monetary Union (the **EMU**). This could lead, *inter alia*, to the re-introduction of individual currencies in one or more EMU member states and the redenomination of financial instruments from Euro to a different currency, the effects of which are impossible to predict fully;
- changes in property prices in Ireland and/or the UK—see the risk factor entitled "Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business" for further details;
- higher unemployment rates, constraints on household income and high debt levels in Ireland and the UK—see the risk factor entitled "Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business" for further details;
- any of a substantial increase in interest rates in the short to medium term, a prolonged period of continuing low interest rates, or the introduction of legislation in relation to the setting of variable mortgage interest rates in Ireland and/or the UK—see the risk factor entitled "Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business" for further details;
- changes in market sentiment could result in an abrupt increase in risk premia, causing dislocation in financial markets which could have an adverse effect on economic activity in Ireland and the UK;
- risk aversion as a result of the economic crisis could adversely impact credit formation and negatively affect the Group's business;
- changes to the mortgage lending rules imposed by the regulators in the markets in which the Group operates—see the risk factor entitled "Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business" for further details;
- changes in interest rates for mortgage lending—the regulatory authorities (for example, the Central Bank of Ireland) or the Irish Government may introduce new requirements or ceilings in relation to the interest rates that the Group charges for mortgage lending. A material decrease in interest rates for mortgage lending,

without a comparable decrease in funding and capital costs for the Group, could adversely impact the profitability of the Group;

- any material adverse effect on the financial and political resources of the EU as a result of the continuing Syrian war and the related refugee crisis; and
- a pronounced rise in oil prices stemming from heightened geo-political tensions could reduce the spending power of consumers and lower corporate profitability in Ireland and the UK.

The Group could be materially adversely affected by the UK's withdrawal from the EU

The precise manner of the UK's withdrawal from the EU and the terms of the successor arrangements (or lack thereof) between the UK and the EU are currently unknown. There is considerable uncertainty surrounding the impact of the UK's withdrawal from the EU on general economic conditions in Ireland, Northern Ireland, the UK, the EU and globally, and on the financial services industry and the legal and regulatory environment. This could in turn affect pricing, partner appetite, customer confidence and demand and customers' ability to meet their financial obligations, and, consequently the Group's financial performance. Other withdrawal effects may include changes in official interest rate policy in both the UK and Eurozone, which can impact the Group's revenues and also the Group's IAS 19 defined benefit pension deficit, and foreign exchange rate changes, which can impact the translation of the Group's UK net assets and profits. Uncertainty following the UK's decision to withdraw from the EU may result in a reduction or delay in capital expenditure by businesses and a consequential reduction in demand for business lending. Such volatility and uncertainty may persist or worsen throughout the process of negotiation to determine the future terms of the UK's relationship with the EU.

Withdrawal could, among other outcomes, disrupt the free movement of goods, services, capital and people between the UK and the EU (including Ireland), and, undermine bilateral cooperation in key policy areas as well as significantly disrupt trade. Moreover, Ireland would not be able to negotiate bilateral trade agreements with the UK under current EU rules.

The UK's withdrawal from the EU could also have a further adverse effect on the value of Sterling. A significant change to the currency exchange rate between Euro and Sterling would affect the translation of the Group's UK net assets and profits into Euro as well as the accounting valuation of UK tax losses. Furthermore, any significant devaluation in Sterling may adversely impact Ireland's exports to the UK which in turn could lead to an increase in unemployment in Ireland. See Risk Factor entitled "Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business".

It is not yet known what impact the UK's withdrawal from the EU will have on the approach of the UK regulatory authorities to the regulation of financial institutions in the future. In particular it is not yet known whether the requirements imposed on financial institutions in the UK by the UK regulatory authorities will be materially different from the requirements imposed in the EU by the European Central Bank (the **ECB**) and national authorities. Changes to the UK regulatory regime which applies to the Group's business in the UK following the UK's withdrawal from the EU (including, but not limited to, passporting (i.e. Bank of Ireland's provision of banking services in the UK through its branch in the UK), data protection (in respect of intragroup transfers of data and relevant Group outsourcing arrangements), freedom of movement of people (i.e. between the Group's offices in the ROI and the UK) and the Group's recovery and resolution arrangements (i.e. potential regulatory divergence in approach between UK and EU regulators) and additional costs) could have an adverse effect on the Group's business, financial condition, results of operations and/or prospects.

The UK's withdrawal from the EU could have a significant adverse effect on the economies of Ireland, Northern Ireland and the UK which could include, but may not be limited to, an adverse effect on economic growth, consumer and business confidence and associated spending and investment, the ability of the Group's customers to meet their financial obligations to the Group, collateral values, the pricing of the Group's products and the introduction of new products by the Group. Any such adverse effect on the Irish and/or UK economies is likely to have an adverse effect on the Group's business, financial condition, results of operations and/or prospects. In addition, as the Group maintains significant operations in the UK, the UK's withdrawal from the EU could require the Group to make potentially significant changes to its operations in the UK and its legal structure.

The Group could be materially adversely affected by changes to mortgage lending rules

On February 9, 2015, the Central Bank of Ireland introduced mortgage lending rules, under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) Regulations 2015 (the **Housing Loan Regulations 2015**), which include loan-to-value (**LTV**) rules which set a minimum deposit requirement for the purchase of property, and loan-to-income (**LTI**) rules which set a maximum mortgage value which could be borrowed, measured against the borrower's gross salary. Specific LTV and LTI limits were introduced for purchasers of their principal dwelling houses including separate rules for first-time buyers, as well as those purchasing buy-to-let properties.

On December 11, 2017, the Central Bank of Ireland amended the Housing Loan Regulations 2015 effective from January 1, 2018 under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) (Amendment) Regulations 2017. These amendments include a measure to limit the exceptions to the LTI rules for customers who are not first-time buyers to 10% of the value of new lending each year (a limit of 20% of the value of new lending is preserved for new loans to first-time buyers). The impact that such amendments might have on the Irish property market and/or borrowing patterns is not yet known, however, there is a risk that these amendments may potentially limit lending to prospective owner-occupier mortgage customers.

Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business

Credit risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Group in respect of loans or other financial transactions. This risk includes but is not limited to default risk, concentration risk, country risk, migration risk and collateral risk. Credit risk arises from loans and advances to customers. It also arises from financial transactions the Group enters into with financial institutions, sovereigns and state institutions. Credit facilities can be largely grouped into the following categories: cash advances (e.g., loans, overdrafts, revolving credit facilities (RCFs) and bonds), including commitments and letters of offer; credit related contingent facilities (issuing of guarantees / performance bonds / letters of credit); derivative instruments; and settlement lines. The Group has exposures to residential mortgages, retail borrowers, SME and corporate borrowers in different sectors and investors in commercial property and residential property.

In the ordinary course of its operations, the Group estimates and establishes impairment loss allowances for credit risks and the potential credit losses inherent in these exposures. This process, which is critical to the Group's results and financial condition, requires complex judgements, including forecasts of how changing macroeconomic conditions might impair the ability of borrowers to repay their loans. The Group may fail to adequately identify the relevant factors or accurately estimate the impact and/or magnitude of identified factors, which could materially adversely affect the Group's business, results of operations, financial condition and/or prospects.

Further, there is a risk that, despite the Group's belief that it conducts an accurate assessment of borrower credit quality, borrowers are unable to meet their commitments as they fall due as a result of borrower specific circumstances, macro-economic factors or other external factors. The failure of borrowers to meet their commitments as they fall due may result in higher impairment loss allowances or a negative impact on fair value in the Group's lending portfolio. A deterioration in borrower credit quality and the consequent increase in impairments could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group's primary markets are Ireland and the UK. As of June 30, 2018, based on the geographic location of the business unit where the asset is booked, 58% of the Group's loans and advances to customers were in the Republic of Ireland, 40% in the UK and 2% in other jurisdictions. As of June 30, 2018, residential mortgages represented 59% of total loans and advances to customers. Residential mortgage exposures originated and managed in Ireland and the UK represent a material concentration of credit risk.

Economic conditions may deteriorate in the Group's main markets, which may lead to, amongst other things, counterparties and borrowers experiencing an adverse financial situation, declines in values of collateral (including residential and commercial property values) and investments, increases in unemployment levels, weak consumer and corporate spending, declining corporate profitability, declining equity markets and bond markets and an increase in corporate insolvencies. This may give rise to deterioration in the credit quality of the Group's borrowers and counterparties and increased difficulties in relation to the recoverability of loans and other amounts due from such

borrowers and counterparties, resulting in significant increases in the Group's impaired loans and impairment loss allowances. Renewed uncertainty in the global and Eurozone economies, including as a result of the UK Referendum, could result in downgrades and deterioration in the credit quality of the Group's customer, sovereign and banking exposures.

The Group is exposed to market risks such as changes in interest rates, interest rate spreads (or bases) and foreign exchange rates

Market risk is the risk of loss arising from movements in interest rates, foreign exchange rates or other market prices. Market risk arises from the structure of the Group's balance sheet, the Group's business mix and the Group's discretionary risk-taking. It is Group policy to minimise exposure to market risk, subject to pre-defined limits for discretionary risk. Nonetheless, certain structural market risks remain and, in some cases, are difficult to eliminate fully. Notwithstanding the overriding objective of running minimal levels of market risk, certain structural elements of interest rate risk in the banking book (IRRBB) remain notably structural basis risk and the earnings risk that arises from the presence of non-interest bearing liabilities on the balance sheet. In addition, certain economic risks are inherent in the Group's balance sheet, including the requirement to fund a material part of the Group's sterling balance sheet from euro, resulting in a structural currency mismatch exposure. While the Group employs a range of hedging and risk mitigation methods, the Group remains potentially exposed to adverse movements in interest rates, interest rate bases (the differential between variable interest rates), cross currency bases (primarily the cost of borrowing in euro to fund assets in sterling) and exchange rates.

The continuance of an exceptionally low interest rate environment for an extended period into the future or a material reduction in interest rates could adversely affect the Group's financial condition and prospects through the compression of net interest margin, the low absolute level of yields at which certain liabilities are invested, together with the rate at which pension liabilities are discounted. In particular, such conditions may have a material adverse impact on the Group's CET1 ratios.

The Group's level of non-performing exposures (NPEs) on loans and advances to customers remains elevated

As of June 30, 2018, the Group had recognized impairment loss allowances of €2.1 billion and had NPEs of €5.9 billion. The proportion of the Group's loan portfolio which comprises NPEs is elevated and there can be no assurance that the Group will be able to continue the reduction in the level of its NPEs at the current rate. The Group's ability to reduce the level of its NPEs is dependent on its ability to restructure and/or rehabilitate these loans. The willingness and ability of delinquent or defaulting borrowers to agree to a voluntary restructuring of their loans is materially dependent on the continuing recovery of the Irish economy, particularly the Irish real estate market, and an effective and efficient regulatory insolvency and foreclosure process in Ireland (e.g., requirements of the Code of Conduct on Mortgage Arrears, insolvency legislation, court processes and bankruptcy proceedings, none of which are factors within the Group's control).

While any sale of NPEs or portfolios of NPEs by the Group would reduce the level of its NPEs and release the provisions held against them, the sale could result in a loss being recorded, which could have a material adverse effect on the Group's income for the relevant financial period and the Group's capital position in the longer term.

The ECB and other regulatory authorities may introduce new and/or additional requirements in relation to how the Group deals with its NPEs in the future. For example, the ECB issued its final guidance in relation to NPEs in March 2017 which set out detailed best practices which are intended to constitute ECB banking supervision's supervisory expectation from now on in relation to how banks will deal with NPEs. Any change to the way in which the Group deals with its NPEs as a result of the Group's compliance with regulatory requirements could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group is exposed to litigation and regulatory investigation risk

The Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory investigation and other risk. The Group is and may become involved in various disputes and legal proceedings, including litigation and regulatory investigations.

As a regulated financial institution which participates in a highly regulated sector, the Group is subject to a number of ongoing reviews by its regulators. In particular, the Group is participating fully in the tracker mortgage examination initiated officially in Ireland in December 2015 by the Central Bank of Ireland (the **Tracker Review**).

The Group has undertaken the review required under the Tracker Review and provided the requisite report to the Central Bank of Ireland on September 30, 2016. The Group has had further interaction thereafter with the Central Bank of Ireland but the final response of the Central Bank of Ireland is as yet unknown. The documentation and lending practices of a number of other lenders are also within the scope of the Tracker Review and the extent to which the outcome of the Central Bank of Ireland's interaction with one or more lenders may impact the outcome in its interactions with other lenders is also as yet unknown. This may include different assessments to those applied by the Group in respect of the scope of the Tracker Review, the assessment undertaken and information provided, the determination of impacted customers and the redress and compensation proposed. Additionally, customers may elect to appeal the redress and compensation offer made to them within twelve months of receipt of the offer.

As at December 31, 2017, the Group held a provision of €158 million in respect of the Tracker Review. Since December 31, 2017, €94 million has been utilized leaving a residual provision of €64 million as of June 30, 2018.

As announced by the Central Bank of Ireland in its update on the Tracker Review for April 2018, enforcement investigations under the Central Bank of Ireland's administrative sanctions regime have commenced against six lenders, including the Group, in relation to tracker mortgage related issues. The Group is cooperating fully with the Central Bank of Ireland in relation to the enforcement investigations. While the Group is engaging with the Central Bank of Ireland in relation to the Tracker Review and the current enforcement investigations, the timing and nature of the ultimate conclusion of these matters and the potential implications for the Group's business are as yet unknown.

Disputes, legal proceedings and regulatory investigations are subject to many uncertainties, and their outcomes are often difficult to predict. Any such disputes, proceedings and/or investigations can have adverse effects on the Group, including negative publicity, loss of revenue, litigation, fines, higher scrutiny and/or intervention from regulators, regulatory or legislative action, and loss of existing or potential client business which in turn could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

A failure to effectively improve or upgrade the Group's information technology infrastructure and management information systems in a timely manner could have a material adverse effect on its business, results of operations, financial condition and/or prospects

The ability of the Group to effectively manage its operations and remain competitive and improve its competitive position depends in part on its ability to deliver IT programs and upgrades on a timely and cost-effective basis. The Group's multi-year integrated plan for technology change (the **Integrated Plan**) has required and will continue to require the Group to make significant additional investment on a continuing basis. The Group's Integrated Plan has been deployed to address its IT upgrade challenges, capabilities and opportunities, including regulatory-driven requirements and improving its internal controls and marketplace developments more generally. The Integrated Plan establishes the delivery path for key strategic programs including, inter alia, the upgrade of the Core Banking, Channels and Payments Programme, compliance and regulatory change programs and implementation of essential security and stabilization projects, covering a multi-year period from the second half of 2016 as a rolling technology plan. The Integrated Plan has been developed in conjunction with key strategic technology providers and subject matter experts from across the Group. The Group has put in place an overarching Integrated Plan and supporting Integrated Planning Office to ensure the increasing and divergent IT change demand profile is holistically managed within risk, budgetary and financial constraints. The Integrated Plan has also been designed to explicitly include achievement of the requirements of mandatory external regulatory requirements (e.g., Directive (EU) 2015/2366 on Payment Services in the Internal Market and Immediate Payments (**PSD2**)). Additionally, the Integrated Plan addresses regulatory expectations by way of having a strategic road map for achievement of relevant key Group programs.

Given the complexity of the subject matter, the Group's operational requirements and the pace of industry and regulatory change, the Group cannot provide assurance that the design of the programs within the Integrated Plan will meet systems, regulatory or market requirements or expectations in full or part, or that it or they will do so to the anticipated timetable. As is the case for many established financial services providers, in a rapidly changing technology environment and in dealing with legacy systems, there is a risk that the investment as anticipated may not deliver the envisaged outcomes, and that the Integrated Plan may not deliver to expectations or that the investment required turns out to be more than originally considered. There is also a risk that the Group may not be able to engage or retain all of the third-party providers and/or key staff that are the optimal providers and integrators of such technology and change. Neither can the Group provide assurance that it will be able to maintain the level of

operating and capital expenditure necessary to support the improvement or upgrading of its information technology infrastructure. The full successful implementation of the Integrated Plan may also necessitate a level of behavioural and organizational change within the Group, which may fail to materialise in whole or part and which may have unforeseen potential consequences. The Integrated Plan places incremental operational risk management challenges on the Group, in particular IT change management and migration risk, which, if not successfully managed, could have a negative impact on its future relationships with its regulators and its customers who, notwithstanding the anticipated operational benefits, may also react negatively to a potential streamlining of product offering that may flow from the redesign of systems. Delays or challenges in implementation could also give rise to risks of error or failures in IT systems that the Integrated Plan is designed to replace or upgrade. Additionally, regulatory requirements and expectations may change (see the risk factor entitled "The Group's business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments") resulting in misalignment and/or material additional requirements and/or costs for the Integrated Plan, with potential regulatory censure or sanctions for failure or delays in delivery.

The Group is exposed to risks in relation to compliance with anti-corruption laws, anti-money laundering laws, laws to prevent the financing of terrorism and the imposition of economic sanctions programs against certain countries, citizens and entities

The Group is required to comply with the laws and regulations of various jurisdictions where it conducts operations. In particular, the Group's operations are subject to various anti-corruption, anti-money laundering and terrorism financing laws, including the key principles of the UK Bribery Act of 2010 as part of the Group's Anti-Bribery Policy Standard, and economic sanction program, including those administered by the United Nations and the EU, as well as those of the United States Department of Treasury's Office for Foreign Assets Control.

Failure to comply with financial sanctions legislation, seeking to circumvent its provisions or failure by the Group to adopt policies and procedures to be followed by persons involved in the conduct of its business, and that specify the Group's obligations in respect of the assessment and management of sanctions risk, are criminal offences punishable upon conviction by monetary fines or terms of imprisonment or both. In addition, any failure of the Group's sanctions policies and procedures could lead to non-compliance with such sanctions and damage to the Group's reputation.

Although the Group has internal policies and procedures and several monitoring measures designed to ensure compliance with applicable anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations, these policies and procedures cannot provide complete assurance that the Group's employees, directors, officers, partners, agents, service providers or introducers will not take actions in violation of its policies and procedures (or otherwise in violation of the relevant anti-corruption laws, and sanctions regulations) for which the Group or they may be ultimately held responsible. Litigation or investigations relating to alleged or suspected violations of anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations could lead to financial penalties being imposed on the Group, limits being placed on the Group's activities, the Group's authorizations and licenses being revoked, damage to the Group's reputation and other consequences that could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects. Further, violations of anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations could be costly.

In recent years, enforcement of these laws and regulations against financial institutions in Ireland and the UK has become more stringent and proactive, (for example, resulting in several landmark fines against Irish and UK financial institutions). Financial crime and anti-money laundering remains a key priority for regulators. The Central Bank of Ireland has also focused on anti-money laundering and countering the financing of terrorism and financial compliance in the Irish financial services sector.

Failure by the Group to comply with all of the regulatory and legislative requirements in relation to anti-corruption, anti-money laundering, the financing of terrorism and/or sanction programs in each of the jurisdictions in which it operates could have a material adverse effect on the Group, including its business, results of operations, financial condition and/or prospects, the imposition of a regulatory fine or other sanction, conviction of the directors and/or damage to the Group's reputation.

The Group is exposed to conduct risk in the execution of the Group's activities and processes

Conduct risk is the risk that the Group, and/or its staff, conduct business in an inappropriate or negligent manner that leads to adverse customer outcomes. Conduct risk management is about ensuring that business units are provided with the tools they need to enable them to take a customer-focussed approach to managing their business.

Conduct risk is one of the Group's top risks in the Group Risk Appetite Statement. To support the management of conduct risk the Conduct Risk Management Framework has been developed by the Conduct Risk team in Group Compliance and Regulatory Risk.

The Group is exposed to conduct risk as a direct and indirect consequence of its normal business activities. These risks may materialise in the day-to-day execution of business processes, provision of sales and services, management of key stakeholder expectations and the various activities performed by staff, contractors and third party suppliers.

Negative public, industry, government or other key external stakeholder opinion can result from the actual or perceived manner in which the Group conducts its business activities or from actual or perceived practices in the banking and financial industry. Such negative opinions may adversely affect the Group's ability to keep and attract customers which in turn may adversely affect the Group's business, financial condition, results of operations and/or prospects. While the Group has a code of conduct in place which sets out the standards expected of all Directors, officers and employees of the Group, in addition to Conduct Risk Policy, Policy Standards and Frameworks, the Group may not be successful in avoiding damage to its business from conduct risk.

Failure to adequately address conduct risk in a timely manner, or at all, could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

Downgrades to the Irish sovereign or BOIG's credit ratings or their outlooks could impair the Group's access to private sector funding, trigger additional collateral requirements and weaken its financial position

As of the date of this Offering Memorandum, the long-term / short-term sovereign credit ratings for Ireland were: A+ (Stable) / A-1 from Standard & Poor's; A2 (Stable) / P-1 from Moody's; A+ (Stable) / F1+ from Fitch; A (high) (Stable trend) / R-1 (middle) from DBRS, Inc. and A (Stable) / a-1 from Rating and Investment Information, Inc. (**R&I**) (Source: National Treasury Management Agency (**NTMA**) website). Each of Standard & Poor's, Moody's, Fitch and DBRS is established in the EU and is registered under the CRA Regulation. DBRS, Inc. and R&I are not established in the EU and are not registered under the CRA Regulation. In general, European regulated investors may use credit ratings for regulatory purposes only if they are issued by a credit rating agency established in the EU and registered in accordance with the CRA Regulation (or are endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation).

As of the date of this Offering Memorandum, long-term / short-term senior unsecured credit ratings for BOIG were: BBB- (Positive) / A-3 from Standard & Poor's; Baa3 (Positive) / P-2 from Moody's; and BBB (Stable) / F2 from Fitch.

Downgrades of the Irish sovereign credit ratings could negatively impact access to market funding for the Irish State and may impact the Group's access to private sector funding, trigger additional collateral requirements and weaken the financial position of the Group. Downgrades could also adversely impact the funding received from the Group's stock of liquid asset securities (which includes Irish government bonds) used as collateral for the purposes of accessing the liquidity provision operations offered by monetary authorities (the **Monetary Authorities**) or secured borrowing from wholesale markets and the value of Irish government bonds held by the Group's life assurance business to meet its liabilities.

The Group's credit ratings are subject to change and could be downgraded as a result of many factors, including a reduction in the Group's credit strength and the credit strength of the Group's collateral, or the failure of the Group to implement its strategies successfully. Downgrades in the credit ratings of the Group could have a negative impact on the volume and pricing of its private sector funding and its financial position, restrict the Group's access to the capital and wholesale funding markets, trigger material collateral requirements or associated obligations in other secured funding arrangements or derivative contracts, make ineligible or lower the liquidity value of pledged securities and weaken the Group's competitive position in certain markets. In addition, downgrades in the credit rating of the Group may have an adverse effect on the Group's ability to hedge its foreign currency and other market

risk exposures and to manage its Euro and non-Euro liquidity reserves. The availability of deposits is often dependent on credit ratings and downgrades for the Group could lead to withdrawals of retail deposits and/or corporate deposits which could result in deterioration in the Group's funding and liquidity position. If any of the above was to happen, it could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects and on its liquidity and funding. This would further limit its access to funding and could further materially affect the Group's business, results of operations, financial condition and/or prospects, and could prevent the Group meeting its minimum funding requirements.

The Group routinely transacts with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks and other institutional clients. Sovereign credit pressures may weigh on Irish financial institutions, limiting their funding operations and weakening their capital adequacy by reducing the market value of their sovereign and other fixed income holdings. These liquidity and capital concerns could adversely affect inter-institutional financial transactions.

Lack of liquidity to fund the Group's business activities

The Group strategy is to be a substantially customer deposit funded bank and to focus on maintaining stable relationship based deposits through its retail distribution network in Ireland and its strategic partnerships in the UK with its loan portfolios funded by retail customer deposits and any residual funding requirement principally met through term wholesale funding and equity.

Increases in the cost of such funding would adversely affect the Group's margins and results of operations, and a lack of, or decrease in, the availability of such retail and corporate deposit funding could restrict the Group's ability to fund its balance sheet and could constrain new lending which could in turn negatively impact the Group's future growth.

Furthermore, any serious loss of confidence by retail depositors which results in significant withdrawals of deposits would have significant impact on the Group's liquidity position and this could lead to the imposition of administrative actions or sanctions against the Group by its regulators and in an extreme scenario lead to a suspension or revocation of the Group's banking license.

The Group defines wholesale funding as unsecured interbank borrowings, senior unsecured debt securities issued, secured wholesale market borrowings, the proceeds of securitizations and funding from the Monetary Authorities.

The Group's use of wholesale funding was €11.4 billion as of June 30, 2018 representing 13% of its funding base. Notwithstanding the relatively low quantum of wholesale funding required by the Group, if wholesale markets remained closed for an extended or prolonged period, or if there was a significant reduction in investor demand for the Group's wholesale funding issuance, or a significant increase on the acquisition cost of wholesale funding, this may have an adverse impact on the liquidity and profit and loss position of the Group and may result in reliance by the Group on funding from Monetary Authorities.

In the Eurozone, the ECB and the national central banks have adopted monetary easing policies and, consequently, made available monetary policy tools such as Targeted Longer-Term Refinancing Operations (TLTRO), and asset purchase programs. Financial institutions in the Eurozone, including the Group, utilise these programs and, given the interdependence between financial institutions in the Eurozone, the cessation of these programs and of any other accommodative monetary policies could have a material adverse effect on the financial condition of these financial institutions, including the Group, and any deterioration, or perceived deterioration, in these financial institutions could also result in an adverse effect on the Group in terms of its perception, business, financial condition, results of operations and/or prospects. There can be no assurance that the ECB or the national central banks will continue to adopt accommodative monetary policies or that the employment of these policies will be sufficient to address the fiscal risks which remain.

As a result of increased market uncertainty following the UK referendum to leave the EU, the Bank of England announced the Term Funding Scheme (the **TFS**) which was designed to provide cheaper funding to banks in order to facilitate increased lending to the SME and Personal (non-mortgage) sectors in the UK. The Group has direct access to the monetary operations of the Bank of England including the TFS.

The Group must comply with the regulatory liquidity requirements of the Single Supervisory Mechanism (the **SSM**) and the requirements of local regulators in those jurisdictions where such requirements apply to the Group.

SSM requirements include compliance with the CRD IV Regulations (as defined under the risk factor entitled "The Group is subject to regulatory regimes which may require that it holds or raises additional capital and/or eligible liabilities or result in increased costs" below) and the supplementary Delegated Acts which are a comprehensive set of measures to strengthen the regulation, supervision and risk management of the banking sector.

These regulations introduce minimum liquidity requirements for regulated entities including the Liquidity Coverage Ratio (**LCR**) which requires banks to have sufficient high-quality liquid assets to withstand a 30-day stressed funding scenario.

Additionally it is proposed that the Net Stability Funding Ratio (**NSFR**), which requires banks to have sufficient quantities of funding from stable sources, will come into force in 2019 at the earliest.

Relevant supervisory authorities may determine additional liquidity requirements specific to the Group (such specific additional liquidity or capital requirements are commonly referred to as **Pillar II** add-ons). Compliance with these requirements can be impacted by a range of factors, including the stability of customer deposits, the split between unsecured and secured funding, the mix of liquidity facilities provided by Monetary Authorities and the concentration of wholesale funding maturity, and may be subject to change in the future. Failure to comply with these requirements could result in regulatory sanctions and adversely impact the Group's reputation and prospects.

The Group is subject to regulatory regimes which may require that it holds or raises additional capital and/or eligible liabilities or result in increased costs

From 4 November 2014, the Group came under the supervision of the SSM established pursuant to the Council Regulation (EU) No. 1024/2013 of October 15, 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (the **SSM Regulation**). Accordingly, the Group's compliance with the prudential requirements of the Capital Requirements Directive (**CRD**) and the CRD IV regulations (which comprise the Capital Requirements Regulation; the European Union (Capital Requirements) Regulations 2014 and the European Union (Capital Requirements No. 2) Regulations 2014, together the **CRD IV Regulations**, and together with the CRD, **CRD IV**), which implement the CRD in Ireland, is significantly dependent on the SSM's interpretation and decisions in relation to these requirements following its periodic inspections of the Group within the scope of the SSM Regulation. In practice, SSM supervision of the Group is carried out in cooperation with the Central Bank of Ireland and joint decisions with the UK Prudential Regulation Authority (the **PRA**) are issued with respect to Bank of Ireland (UK) plc's capital requirements.

The CRD IV Regulations contain the European regulatory package designed to transpose the capital, liquidity and leverage standards of Basel III into the EU's legal framework. From January 1, 2014, the Group has been regulated under CRD IV. This has introduced significant changes in the prudential regulatory regime applicable to banks including: increased minimum levels of capital; enhanced quality standards for qualifying capital, increased risk weighting of assets, particularly in relation to market risk and counterparty credit risk; and the introduction of a leverage ratio and new liquidity metrics. CRD IV provides for some of these measures to be phased in over transitional periods up to 2024.

The CRD IV Regulations adopted in Ireland may change or be supplemented, whether as a result of further changes to CRD IV currently being proposed by EU legislators (as described below), revisions to capital requirements as a result of proposals by the Basel Committee on Banking Supervision, binding regulatory technical standards to be developed by the European Banking Authority (the **EBA**), targeted reviews of individual models, which are used to calculate capital requirements, previously granted under CRD II and/or CRD III and requirements applied to Irish banks or otherwise. Such changes, either individually and/or in aggregate, have in the past and may in the future lead to further requirements in relation to the Group's capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated.

On November 23, 2016 the European Commission published proposed amendments to the Capital Requirements Regulation and CRD IV, the BRRD and SRM Regulation on recovery and resolution of institutions, which included the proposed introduction in to EU legislation of a Net Stable Funding Ratio (NSFR), a binding leverage ratio requirement, Basel Committee's Fundamental Review of the Trading Book (FRTB), incorporating a revised treatment for the calculation of own funds requirements for market risk, the Standardised Approach to Counterparty Credit Risk (SA-CCR), and other regulatory measures. Additionally, further clarity is provided in respect of the

Pillar 2 supervisory review process, in particular the conditions which can lead to additional capital requirements and the split between Pillar 2 Requirements and Pillar 2 Guidance.

The proposed amendments are subject to tri-party negotiations between the Commission, the Parliament and the Council. Whilst a number of items such as transitional arrangements for IFRS 9 and the ranking of unsecured debt instruments in the insolvency hierarchy were fast-tracked over the course of 2017, the remaining amendments are not expected to apply until 2019 at the earliest.

Additional capital and liquidity requirements or guidance and other requirements, whether based on an interpretation of current rules or the application of new rules or guidance being proposed by EU legislators, could be imposed on the Group as a result of the Supervisory Review and Evaluation Process (**SREP**) or EBA stress testing, including a revision of the level of Pillar II add-ons as the Pillar II add-on requirements or guidance are a point-in-time assessment and therefore subject to change over time. The results of the current ECB stress test are scheduled to be announced by November 2, 2018.

Additional capital, and/or liquidity requirements could lead to increased costs for the Group, limitations on the Group's capacity to lend and further restructuring of the Group which could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

To support the effectiveness of bail-in and other resolution tools, Article 130(1) of the Bank Resolution and Recovery Directive, Directive 2014/59/EU (the **BRRD**) required that from January 1, 2016 Member States apply the BRRD's provisions requiring EU credit institutions and certain investment firms (collectively, BRRD Institutions) to maintain minimum requirements for own funds and eligible liabilities (**MREL**), subject to the provisions of the MREL regulatory technical standards.

The MREL requirements will be determined on a case-by case basis taking into account (i) resolvability; (ii) capital adequacy; (iii) sufficiency of eligible liabilities; (iv) participation in a deposit guarantee scheme; (v) business risks (business model, funding, risk profile); and (vi) systemic risk (interconnectedness). The Group's MREL requirements are set by the Single Resolution Board (the **SRB**), in consultation with the SSM. The calculation of MREL should consider the need, in case of application of the bail-in tool, to ensure that the institution is capable of absorbing an adequate amount of losses and being recapitalised by an amount sufficient to restore its Common Equity Tier 1 (**CET1**) ratio to a level sufficient to maintain the capital requirements for authorization and sustain market confidence.

The SRB published its MREL policy with a view to setting binding MREL targets for the most systemic banking groups in the European banking union and will develop additional policies and methodologies in respect of MREL based on existing legislation and other relevant regulatory developments.

In May 2018, the SRB and the Bank of England advised the Group of its binding MREL which must be met by January 1, 2021. The Group's MREL has been set at a level of 12.86% of total liabilities and own funds as of December 2016 (equivalent to 26.39% of risk weighted assets). The MREL requirements imposed on the Group may be subject to ongoing review and could change materially requiring the Group to raise additional funds in order to meet its obligations. In addition, the cost of such funding could be higher than that which the Group might otherwise have incurred in circumstances where it was not subject to the relevant MREL requirements. The MREL requirements could have an impact on the Group's operations, structure, costs and/or capital/funding requirements.

In December 2017, the Basel Committee finalised the Basel III framework which focuses on reducing variation in the calculation of risk-weighted assets (**RWA**) regardless of whether standardised approaches or internal models are used. The full impact on the industry of these rules is still to be determined as the EU legislative process is not expected until 2019 at the earliest. The principal elements to the proposal include a capital floor equivalent to 72.5% of the RWA requirements under the standardised approach. This measure is to be implemented over a phased-in period of five years commencing from January 2022. When calculating the floor, banks will be required to calculate standardised requirements for different risk classes, including *inter alia* credit risk, counterparty credit risk, market risk and operational risk. Additionally, institutions will be required to disclose a comparison between the RWA requirement based on internal approaches and that under a standardised approach.

In July 2018, the Central Bank of Ireland announced its intention to increase the countercyclical capital buffer (**CCyB**) in Ireland. The CCyB will increase from its current level of 0% to 1.0% effective from July 5, 2019. The CCyB will be applied in proportion to the Group's credit RWA in Ireland, resulting in a c.60 basis points Irish

CCyB requirement for the Group from July 2019 (c. 60% of the Group's credit RWA are located in Ireland). The CCyB is subject to quarterly review and possible change by the Central Bank of Ireland. In addition, the Central Bank of Ireland has advised the Group that it will be required to maintain an O-SII (other systemically important institution) buffer, which will be introduced as follows: 0.5% from July 2019, 1.0% from July 2020 and 1.5% from July 2021. The O-SII buffer is subject to annual review by the Central Bank of Ireland.

Requirements or interpretations from regulatory authorities that are more stringent for the Group or otherwise diverge from those applying to other Irish or Member State financial institutions may result in adverse investor reaction and increased costs for the Group.

A market perception or an actual shortage of capital issued by the Group could result in regulatory actions, including requiring the Group to issue additional CET1 securities, retain earnings or suspend dividends (which is a requirement for all banks under the SSM's Dividend Distribution Recommendations ECB/2016/44) or issuing a public censure or the imposition of sanctions. These factors may affect the Group's capacity to continue its business operations, generate a return on capital, pay future dividends or pursue acquisitions or other strategic opportunities, impacting future growth potential. If, in response to any such shortage, the Group raises additional capital through the issuance of share capital or capital instruments, existing shareholders may experience a dilution of their holdings.

The Group's business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments

The Group conducts its businesses subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations. Future changes in laws, regulation or other policies are unpredictable and beyond the control of the Group and could materially adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's operations are contingent upon licenses issued by financial authorities in the countries in which the Group operates, including Ireland and the UK. Violations of rules and regulations, whether intentional or unintentional, may lead to the withdrawal of some of the Group's licenses, the imposition of constraints on its activities, or the imposition of financial or other penalties. The imposition of significant penalties or the revocation or variation of licenses for members of the Group could have a material adverse effect on the Group's reputation, business, financial condition, results of operations and/or prospects.

Fundamental changes in the laws and regulations affecting financial institutions can have a material and adverse effect on the Group's business. Regulators and legislators have adopted a wide range of changes to these laws and regulations designed to address the perceived causes of the crisis and to limit the systemic risks posed by major financial institutions. The adoption of these new laws and regulations has had, and may in the future continue to have, a material impact on the Group's business, results of operations, financial condition and/or prospects. They include, but are not limited to, the following:

- significantly higher regulatory capital requirements;
- changes in the definition and calculation of regulatory capital;
- changes in the calculation of RWA;
- the introduction of a more demanding leverage ratio;
- new or significantly enhanced liquidity requirements;
- requirements to maintain liquidity and capital in jurisdictions in which activities are conducted and booked;
- limitations on principal trading and other activities;
- new licensing, registration and compliance regimes, including increased/more punitive sanctions for non-compliance;
- limitations on risk concentrations and maximum levels of risk;

- taxes and government levies that would effectively limit balance sheet growth or reduce the profitability of trading and other activities;
- cross-border market access restrictions;
- a variety of measures constraining, taxing or imposing additional requirements relating to compensation;
- adoption of new liquidation regimes intended to prioritise the preservation of systemically significant functions;
- requirements to adopt structural and other changes designed to reduce systemic risk and to make major financial institutions easier to manage, restructure, disassemble or liquidate, including ring-fencing certain activities and operations within separate legal entities;
- requirements to adopt risk governance structures at a local jurisdiction level; and
- enhanced requirements in relation to internal governance arrangements.

Following the assumption by the ECB of its supervisory responsibilities under the SSM, the ECB has been concerned with the implementation of a more demanding and restrictive regulatory framework with respect to, amongst other things, capital ratios, leverage, liquidity and disclosure requirements which, notwithstanding the benefit to the financial system, will imply additional costs for banks. Certain Group subsidiaries and operations are subject to the supervision of other local supervisory authorities. For example, the Group's business in the UK is subject to the supervision of the UK Prudential Regulation Authority (the **PRA**) and joint decisions of the ECB and PRA are issued with respect to the UK's capital requirements.

Further proposals are now being considered by EU and other international regulators to complete the reform agenda. Implementation of these proposals will take several years.

Increased regulatory intervention may lead to requests from regulators to carry out wide-ranging reviews. The Group is unable to predict what regulatory changes may be imposed in the future as a result of regulatory initiatives in the EU and elsewhere or by the ECB, the PRA and other supervisory authorities. If the Group is required to make additional provisions or to increase its reserves as a result of potential regulatory changes, this could adversely affect the financial condition and results of operations of the Group. The approach adopted by the regulators of the markets in which the Group operates, could have a material adverse impact on the Group's business, results of operations, financial condition and/or prospects.

It is not yet known what impact the UK's withdrawal from the EU will have on the approach of the UK regulatory authorities to the regulation of financial institutions in the future. See the risk factor entitled "The Group could be materially adversely affected by the UK's withdrawal from the EU" for further details.

The exercise of the resolution tools created by the BRRD and exercised by the SRB could have an adverse impact on the Group's operations, structure, costs and/or capital requirements

The BRRD, which establishes a framework for the recovery and resolution of credit institutions and investment firms, has been implemented in Ireland by the European Union (Bank Recovery and Resolution) Regulations 2015 (as amended) and in the UK through amendments to the special resolution regime (**SRR**) established under the Banking Act 2009.

Under the BRRD, competent authorities and resolution authorities are given power to, among other things:

- require banks to prepare recovery plans and cooperate with resolution authorities in the preparation of resolution plans;
- take early intervention measures to prevent a bank's financial position from deteriorating, including replacing management or installing a temporary administrator in place of existing management;
- appoint a special manager in place of existing management; and

- implement resolution tools to manage the orderly resolution of a failing institution, including: (i) selling the institution or all or part of the business of the institution (the sale of business tool); (ii) transferring the institution or all or part of the business of the institution to a bridge institution (the bridge institution tool); (iii) transferring assets and liabilities of an institution to one or more asset management vehicles (the asset separation tool); and (iv) writing down capital instruments of an institution and writing down or converting to equity certain liabilities of an institution (the bail-in tool).

EU regulatory authorities, including the Joint Supervisory Team, have required the production of recovery plans on an annual basis.

As part of the initiative for a European banking union, the EU has established the single resolution mechanism (the **SRM**) under Regulation No. 806/2014 (the **SRM Regulation**) which entered into force on August 19, 2014. Under the SRM, a single resolution process applies to all banks established in Member States participating in the SSM, such as the Group, and the process is co-ordinated by a new centralised European resolution authority, the SRB which is an independent agency established under the SRM Regulation. The SRM Regulation is designed to ensure the uniform application of the BRRD resolution rules to failing banks subject to the SSM and prevent systemic contagion. It is based on close cooperation between the national resolution authorities of participating Member States and the SRB.

The SRB advised the Group that its preferred resolution strategy for the Group consisted of a single point of entry bail-in strategy, through a group holding company. Pursuant to this strategy and following receipt of shareholder approval, the Group implemented a holding company, Bank of Ireland Group plc, during 2017, which became the parent company of the Group on July 7, 2017. The exercise of the resolution tools created by the SRB and the BRRD could result in changes to the structure of a group to allow for a multiple-point-of-entry or a single point-of-entry resolution.

Credit institutions to which the BRRD applies that are subsidiaries of other credit institutions to which the BRRD applies, such as Bank of Ireland (UK) plc, may be subject to independent resolution action by their national resolution authorities in addition to action taken by the resolution authority supervising the parent entity. Any such measures, if used in respect of the Issuer and/or any other member of the Group or any securities of any of the foregoing could have a material adverse effect on the Issuer and/or any other member of the Group, including its shareholders and unsecured creditors (such as holders of the Notes), and any market perception or expectation that any such measures may be used may also severely adversely affect the market price of the Notes.

The exercise of the resolution tools created by the BRRD and exercised by the SRB could result in further changes to the structure of the Group. Additionally, the changes to be implemented in respect of the SRM Regulation and the BRRD may have an effect on the Group's business, financial condition, results of operations and/or prospects. Depending on the specific nature of the requirements and how they are enforced, such changes could have a significant impact on the Group's operations, structure, costs and/or capital requirements.

Personal Insolvency Legislation could have an adverse impact on the Group's results, financial condition or reputation

The Personal Insolvency Act 2012 created a regime for voluntary negotiated debt resolution options as alternatives to bankruptcy and reduced the timescale for discharge from bankruptcy from twelve years to three years. The bankruptcy term was further reduced from three years to one year under the Bankruptcy (Amendment) Act 2015. The Personal Insolvency (Amendment) Act 2015 gave new powers to the courts, in certain circumstances, to review and, where appropriate, approve insolvency proposals that have been rejected by a mortgage lender in relation to a principal private residence. There is a risk that borrowers' behaviours may change regarding payment obligations which could have an adverse impact on the Group's results, financial condition or reputation.

The Group relies on recruiting, retaining and developing appropriate senior management and skilled personnel and the restrictions imposed on remuneration by government, tax or regulatory authorities or other factors outside the Group's control may adversely impact the Group's ability to attract and retain such personnel

The Irish employment market has become significantly more competitive recently and the Group's ability to attract and retain senior management and skilled personnel and maintain cost discipline could be adversely affected.

Additionally, the Group is currently operating under a number of significant Remuneration Restrictions to which all directors, senior management, employees and certain service providers across the Group are subject.

The Remuneration Restrictions were contained within the Covered Institutions Financial Support Scheme 2008 and the 'Minister's Letter' (July 2011), under which the Group gave a number of commitments and undertakings to the Minister for Finance in respect of remuneration practices. The Minister's Letter was a further condition of the Transaction and Underwriting Agreement entered into with the Irish Government (July 2011) during the 2011 recapitalization of the Group.

As a result of the Remuneration Restrictions, the Group is currently unable to provide a fixed/variable remuneration mix, which results in risks in terms of attraction, retention and alignment with the needs of the business and some inflexibilities with the cost base.

In addition, even if the Remuneration Restrictions are lifted, the potential Excess Bank Remuneration Charge on ROI tax residents in Covered Institutions, where variable pay equals or exceeds €20,000, will impact the application of the Group Remuneration Policy.

A potential outcome of the UK's withdrawal from the EU could be a material inflow of foreign institutions into Ireland which may impose stress on the Group's ability to retain key members of its management team and skilled personnel.

The Group's ability to attract and/or retain appropriately skilled personnel could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group's operations have inherent reputational risk

Reputational risk is defined as any risk to earnings or franchise value arising from adverse perception of the Group's image on the part of customers, suppliers, counterparties, shareholders, investors, staff, legislators, regulators or partners. The Group's ability to attract and retain customers and conduct business with its counterparties could be adversely affected in the event that its reputation is damaged. Reputation is not a standalone risk but overlaps with other risk areas and may often arise as a consequence of external events or operational risk related issues. Reputational damage is difficult to reverse, and improvements tend to be slow and difficult to measure.

Reputational issues may arise, for example, as a result of:

- breaching or facing allegations of having breached legal regulatory requirements:
- failing to or facing allegations of having failed to maintain appropriate standards of customer privacy, data protection, customer service and/or conduct towards the customer;
- technology failures that impact upon payment processing, customer services and/or customer accounts;
- regulatory action and/or litigation; or
- other specific events such as media speculation and/or political comment.

A failure to address any such issues appropriately could impact the Group's reputation with key stakeholders with impacts including but not limited to making customers, depositors, counterparties and investors unwilling to do business with the Group. This could adversely affect the Group by causing harm to earnings or franchise value.

Changes in taxation rates, legislation or practice may lead to adverse consequences for the Group

The Group is subject to various tax rates in various jurisdictions computed in accordance with local legislation and practice. There is a risk that such tax rates, legislation and practice may change, which could adversely affect the business, financial condition, results of operations and/or prospects of the Group.

There is also a risk associated with possible misinterpretation of tax laws. This could result in an increase in tax charges or the creation of additional tax liabilities. Failure to manage the risks associated with changes in the taxation rates or law, or misinterpretation of the law, could materially adversely affect the Group's business, financial condition and results of operations. The Group is also exposed to the risk that tax authorities may take a different view to the Group on the treatment of certain items.

In accordance with applicable accounting rules, the Group has recognized deferred tax assets on losses available to relieve future profits to the extent that it is probable that such losses will be utilised. The assets are quantified on the basis of current tax legislation and are subject to change in respect of the tax rate or the rules for computing taxable profits and allowable losses. A failure to generate sufficient future taxable profits or changes in tax legislation may reduce significantly the recoverable amount of the deferred tax assets currently recognized in the financial statements.

The Finance Act (No 2) 2013 which was enacted on December 18, 2013, introduced a bank levy on certain financial institutions, including the Group. An income statement charge is recognized annually on the date on which all of the criteria set out in the legislation are met. The annual levy paid by the Group on October 20, 2017 was €29.4 million.

The Finance Act 2016, enacted in December 2016, confirmed the revised basis on which the levy will be calculated for the years 2017 to 2021. The revised levy will equal 59% of each financial institution's Deposit Interest Retention Tax (**DIRT**) payment for a particular year with the levy for 2017 and 2018 to be based on the DIRT payment for 2015, the revised levy for 2019 and 2020 to be based on the 2017 DIRT payment and the revised levy for 2021 to be based on the 2019 DIRT payment.

In the UK, a bank levy was introduced with effect from January 1, 2011 for all UK banks, building societies and foreign banks operating in the UK through a subsidiary, including Bank of Ireland's subsidiaries. The levy is charged at different rates on the short-term chargeable liabilities and long-term chargeable equity and liabilities as reported in the relevant balance sheet at the end of the chargeable period. In 2017, further changes to the UK bank levy were announced, to take effect from January 1, 2021. Broadly this will result in the overseas activities of UK headquartered banks no longer being subject to the UK bank levy. The levy is payable with corporation tax in quarterly instalment payments. Any increase or amendment to the method of calculation of this levy, if implemented, would adversely impact the business, results of operations, financial condition and/or prospects of the Group.

Pension risk is the risk in the Group's defined benefit pension schemes that the assets are inadequate or fail to generate returns that are sufficient to meet the schemes' liabilities

The Group sponsors a number of defined benefit pension schemes for past and current employees. Pension risk crystallises for the sponsor when a deficit emerges of a size which implies a material probability that the liabilities will not be met. Defined benefit pension funds are subject to market fluctuations, and interest rate and inflation risks, thus a level of volatility is associated with defined benefit pension funding. These market fluctuations can impact the value of the schemes' asset portfolios and returns and / or result in a greater than expected increase in the value of the schemes' liabilities. The level of volatility associated with pension funding can have a negative impact on the financial condition and prospects of the Group.

Weaknesses or failures in the Group's processes and procedures, external events or other operational risks are a risk to the Group's business

The Group's businesses are dependent on their ability to process and report, accurately and efficiently, a high volume of complex transactions across numerous and diverse products and services, and subject to a number of different legal and regulatory regimes. Operational risks are inherently present in the Group's businesses including, as a result of potentially inadequate or failed internal processes (including financial reporting and risk monitoring processes), IT or equipment failures or the failure of external systems and controls outside of the Group's control or from people-related or external events. This exposes the Group to customer redress, administrative actions or sanctions, potential loss of customers and the potential requirement to hold additional regulatory capital.

Examples of the types of risks that the Group faces in this regard include, but are not limited to:

- the risk of internal fraud (including financial fraud and/or theft) carried out by employees or officers of the Group, possibly resulting from lack of adequate segregation of responsibilities, or inappropriate internal access levels to systems being accorded to individuals, providing them with knowledge that facilitates fraud;
- the risk of external fraud, being customer or third-party fraud against the Group such as card skimming or cloning;

- the risk of a cyber-attack against the Group and its IT and account management systems and the reputational damage the Group would suffer as a result of any such attack. This would include denial of service attacks;
- the risk of partial or complete failure of some or all of the Group's IT systems, including any potential weaknesses in, or failure of, the Group's 'business continuity' strategy and systems;
- the risk of poor external service delivery, inadequate internal management, or inadequate business continuity plans (for example in a disaster) of third-party service providers;
- the risk that business units develop key financial and/or credit models without adequate oversight and testing prior to use by the business, therefore leading to inappropriate decision making and reporting;
- the risk of a failure to keep appropriate, accurate and regulatory compliant documentation, records and archives; and
- the risk of mis-selling financial products and/or the mishandling of complaints.

The Group's risk and control management framework (that is subject to ongoing review and enhancement) or loss mitigation actions implemented may not be effective in controlling each of the operational risks faced by the Group. Weakness in these controls or actions could result in regulatory penalties and could also have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects, as well as reputational damage which could exacerbate such adverse impact.

A deterioration in employee relations could adversely affect the Group

A significant number of the Group's employees are members of trade unions. The Group currently consults and negotiates with its employees and their representatives regarding pay, pensions, work practices, organizational change, and terms and conditions of employment. The Group recognizes that challenges may arise in relation to pay, pensions and terms and conditions of employment which may need to be resolved through established industrial relations fora. In the event that the Group becomes subject to industrial action or other labour conflicts, including strikes or other forms of industrial actions, this may result in a disruption to the Group's business and may adversely affect the business, results of operations, financial condition and/or prospects of the Group.

Insufficient capitalization could adversely affect the Group's business and financial condition

Capital adequacy and its effective management is critical to the Group's ability to operate its businesses and to pursue its strategy. The Group's business and financial condition would be affected if the Group was insufficiently capitalised. This could be caused by a materially worse than expected financial performance (including, for example, reductions in earnings as a result of impairment charges, or an unexpected change in interest rates, or unexpected increases in risk weighted assets).

The minimum regulatory requirements imposed on the Group, the manner in which the existing regulatory capital and its capital requirements are calculated, the instruments that qualify as regulatory capital and the capital tier to which those instruments are allocated, are the subject of extensive analysis and debate in the media and by regulatory authorities and could be subject to change in the future. A number of regulatory initiatives have recently been proposed or enacted which have the potential to impact the Group's capital requirements. These initiatives include Capital Requirements Directives (CRD II, III and IV), Capital Requirements Regulation, BRRD and Solvency II and the transfer of supervisory powers to the SSM in November 2014, and, together with further regulatory reforms and clarifications under consideration, have the potential to impact the Group's capital requirements. In May 2018, the Single Resolution Board (SRB) advised that the binding MREL for the Group had been set at €13.3 billion (representing 26.39% of RWA at December 31, 2016), to be met by January 1, 2021. The Group's MREL position at June 30, 2018 is 19.6% (based on December 2016 RWA). MREL issuance of c.€4 billion to €5 billion, allowing for redemptions and an appropriate buffer would be needed to meet MREL requirement by January 1, 2021.

In January 2018, the EBA launched an EU-wide stress test assessing the ability of EU banks to meet relevant supervisory capital ratios during an adverse economic shock. The Group will participate in the stress test and the results will be published in Q4 2018.

Changes in financial reporting standards or policies could materially adversely affect the Group's reported results of operations and financial condition and may have a material adverse effect on capital ratios

The Group prepares its financial statements in accordance with International Financial Reporting Standards (**IFRS**) as adopted by the EU and with those parts of the Companies Act applicable to companies reporting under IFRS and with the European Union (Credit Institution: Financial Statements) Regulation, 2015 and, accordingly, from time to time the Group is required to adopt new or revised accounting standards as adopted by the EU.

IFRS 9 'Financial instruments' and 'Prepayment Features with Negative Compensation (Amendments to IFRS 9)' have been adopted by the Group for annual periods commencing on or after January 1, 2018. The forward-looking expected credit losses approach to impairment under IFRS 9 resulted in higher impairment loss allowance on transition and may lead to more volatile impairment charges with a consequent impact on earnings and capital ratios. The quantitative impact on initial adoption as disclosed in the Group's Interim Report for the six-month period ended June 30, 2018 is a reduction in stockholders' equity of €113 million after tax, substantially all of which relates to an increase in impairment loss allowance on loans and advances to customers, and a reduction in fully loaded CET 1 capital ratio by c.20 basis points. The Group is availing of the 5-year transitional arrangement outlined in the Capital Requirements Regulation which, on a regulatory CET 1 basis, results in a minimal impact from initial adoption of IFRS 9 and will partially mitigate future impacts over the transitional period. The transitional adjustments arising from the adoption of IFRS 9 are to be spread over 5 years for the purposes of Irish Corporation Tax and 10 years for UK Corporation Tax.

IFRS 16 'Leases' becomes effective for annual periods beginning on or after January 1, 2019. The standard sets out a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases except those which are short-term or where the underlying asset has a low value. Lessors will continue to classify leases as operating or finance leases, an approach substantially unchanged from the existing leases standard, IAS 17. The Group is currently assessing the nature and extent of the impact of the standard.

IFRS 17 'Insurance contracts' is expected to become effective for annual periods beginning on or after January 1, 2021, subject to endorsement by the EU. It establishes the principles for the recognition, measurement, presentation and disclosures of insurance contract liabilities, ensuring an entity provides relevant information that faithfully represents those contracts. The Group is currently conducting business and financial assessment of the impacts of IFRS 17. The Group expects that IFRS 17 is likely to have a significant impact on the recognition, measurement and presentation of the insurance business in the financial statements. The implementation of these and/or any other new or amended accounting standards, policies or practices could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects and may have a corresponding adverse effect on its capital ratios.

The Group's strategic plans may not be realised

The Group has identified and set strategic plans for the Group, including, inter alia:

- focusing on the Republic of Ireland as the Group's core market; and
- retaining selective international diversification in the UK through access to an extensive distribution network, primarily through the UK Post Office and AA partnerships, and other strategic intermediaries and internationally through acquisition finance.

These plans include targets which rely on the proper implementation of those strategies and which may be sensitive to a number of internal and external dependencies.

Furthermore, these strategic plans may be adversely affected by macroeconomic factors (in Ireland, the UK or globally) and other factors that are outside of the Group's control. See the Risk Factor entitled, "The Group's business and financial performance has been and will continue to be affected by economic conditions globally, in Europe and, in particular, in Ireland and in the UK" for further details. The Group's implementation of these strategies may be affected by the competition in the markets in which the Group operates.

There is a further risk that the Group may not be in a position to renew third-party distribution agreements such as the agreement between, amongst others, Bank of Ireland, Bank of Ireland (UK) plc and the UK Post Office (in respect of Post Office branded retail financial service products and ATM services), the agreement between Bank of Ireland (UK) plc, AA (in respect of AA branded financial services products) and other third-parties on terms

acceptable to the Group or on terms as currently favorable to the Group. Any termination or non-renewal of the Group's relationships with the Post Office, the AA and/or any of its other strategic intermediaries in the UK could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group's strategic plans also rely, in part, on the proper implementation of those strategies by the Group. There is a risk that the Group's Integrated Plan may not deliver the required objectives in whole or part (see the Risk Factor entitled "A failure to effectively improve or upgrade the Group's information technology infrastructure and management information systems in a timely manner could have a material adverse effect on its business, results of operations, financial condition and/or prospects" for further information). There is also a risk that the Group may not be able to continue to deliver new products or existing products at acceptable margins, that future regulation may change the nature of product charging and/or sales in a way that impacts the Group's ability to deliver the planned income, that its chosen business model proves to be inappropriate, or that customers are not attracted by the products and services on offer.

The Group's life assurance business is subject to inherent insurance risks, as well as market conditions generally

Life insurance risk is the result of unexpected variation in the amount and timing of claims associated with insurance benefits. This variation arising from changing customer mortality, life expectancy, health or behavior characteristics, may be short or long term in nature. Mortality risk is the risk of deviations in timing and amounts of cash flows due to the incidence of death being higher than expected. Longevity risk is the risk of deviations in timing and amount of cash flows due to life expectancy being longer than expected. Morbidity risk is the risk of deviations in timing and amount of cash flows due to the incidence of disability and sickness being higher than expected.

The Group's life assurance business is also subject to persistency risk which is the risk that policyholders may not continue with their policy, or may do so at a reduced level of premium, in which case the Group's life assurance business will receive a lower future income stream from the provision of insurance services than envisaged at the inception of the contract.

Insurance claims are subject to unpredictable events and the actual number and amount of claims and benefits will vary from year to year from the estimate established using actuarial and statistical techniques.

The Group attempts to mitigate the potential impact of life insurance risk through a number of measures. Capital is held against exposure to life insurance risk. Medical and financial underwriting, risk mitigating contract design features and reinsurance are also used. Reinsurance arrangements create a credit risk to the extent that any reinsurer is unable to meet its contractual obligations.

The Group's life assurance business is subject to market risks arising from the assets used to match its linked and non-linked liabilities. The primary market risk related to linked liabilities is equity risk as expected future income is proportionate to the value of the policyholder assets. The primary risk related to non-linked liabilities is spread risk associated with the business's bond portfolio which is employed in an asset liability matching program designed to attempt to mitigate interest rate risk.

Risk mitigation actions may ultimately fail to mitigate the related risks in whole or in part.

The risks associated with the Group's life assurance business could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

The Group's inability to respond to technological developments in a timely manner could lead to a deterioration in the Group's results, financial conditions and prospects

Rapidly shifting consumer behaviours and the proliferation of internet, social and device (mobile, tablet, wearable) technologies are changing the way customers research, purchase and maintain the products and services they consume in their day to day lives, and this is reflected in the evolving banking models for consumers and businesses, both in Ireland and internationally. This not only affects the manner in which customers manage their financial affairs and core products (from operating accounts to deposits to credit facilities and wealth management instruments), but money transmission is also expected to evolve in the coming years with numerous new players entering the payments environment, facilitated by regulatory and market forces such as Directive (EU) 2015/2366 on Payment Services in the Internal Market (PSD2) and Immediate Payments thus changing the payment services available. Analytically driven and customer focussed new entrants are changing the way financial services

companies are approaching their routes to market, service and fulfilment value chains, operating models and core competencies so that they remain relevant and compete in the newly consumerized and digital arena.

An inability of the Group to respond to external developments in a timely manner or any rigidity in the Group's operating model preventing an appropriate response could lead to a deterioration in the Group's results, financial conditions and prospects.

The Irish Government holds 13.95% discretionary shareholding in BOIG and could exert a significant level of influence over the Group

The Irish Government, through the Ireland Strategic Investment Fund (the **ISIF**), holds a 13.95% discretionary shareholding in BOIG plc, and through the Relationship Framework dated March 30, 2012 between the Minister for Finance and Bank of Ireland (the **Relationship Framework**), could exert a significant level of influence over the Group. In March 2017, as part of the Reorganization, BOIG agreed to be bound by and comply with certain provisions of the Relationship Framework in relation to the Ministerial consent, consultation process and the Group's business plan. The ISIF could exercise its voting rights in respect of its holding of ordinary shares in BOIG plc in a manner which is not aligned with the interests of the Group or its other shareholders. The Group has also given certain undertakings to the Minister for Finance (the **Undertakings**) in respect of its lending, corporate governance and remuneration. Actions on foot of the ISIF investment and the Undertakings could require the Group to implement operational policies that could adversely affect the Group's results, financial condition and prospects.

Risks Related to the Notes

The Notes will be obligations exclusively of the Issuer and the Issuer's ability to make payments to the holders of the Notes depends largely upon the receipt of dividends, distributions, interest or advances from its wholly or partially owned subsidiaries

The Notes will be obligations exclusively of the Issuer. The Issuer is a non-operating holding company and conducts substantially all of its operations through its direct subsidiary, BOI, and other of its wholly or partially owned subsidiaries. The Issuer's subsidiaries are separate and distinct legal entities, and have no obligation to pay any amounts due to holders of the Notes from the Issuer or to provide the Issuer with funds to meet any of its payment obligations. The Issuer's ability to make payments to the holders of the Notes depends largely upon the receipt of dividends, distributions, loans or advances from its subsidiaries. The ability of those subsidiaries to pay dividends, distributions, loans or advances may be subject to applicable laws.

The Notes do not contain financial covenants, change in control provisions or similar credit protection features.

The terms and conditions of the Notes do not contain any covenants or other provisions designed to protect Noteholders against a reduction in the creditworthiness of the Issuer or that would prohibit the Issuer from increasing its indebtedness or engaging in other transactions that might adversely affect Noteholders, including transactions involving a change in control or a business combination, acquisition or disposition of assets.

There are limited remedies for non-payment in respect of the Notes

The sole remedy against the Issuer available to any Noteholder for recovery of amounts owing in respect of or arising under the Notes will be the institution of proceedings for the winding up of the Issuer and/or prove in any winding up of the Issuer.

As the remedies available to holders of the Notes with restricted events of default are restricted as described above, the enforcement rights of holders' in respect of the Notes are extremely limited.

The Notes and their terms are subject to substitution or variation without the consent or approval of the Noteholders

Upon the occurrence of a Loss Absorption Disqualification Event (Acknowledgment of Irish Statutory Resolution Powers), the Issuer may, subject as provided in Condition 6(g)(ii) and without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes. Loss Absorption Compliant Notes are securities which meet certain conditions including:

(i) issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer and guaranteed by the Issuer;
(ii) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) equally with the ranking of the Notes;
(iii) other than in respect of the effectiveness and enforceability of Condition 15(c), have terms not materially less favorable to Noteholders than the terms of the Notes;
(iv) comply with the then applicable Loss Absorption Regulations; and
(v) comply with certain listing and rating requirements.

Any substitution or variation by the Issuer is subject to certain conditions, including permission from the Competent Authority to the extent required.

No assurance can be given as to whether any of these changes will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding such Notes prior to such substitution or variation. The Issuer cannot guarantee that such exchange or variation will not result in a taxable event or other adverse consequences for Noteholders.

See "Terms and Conditions of the Notes—Redemption, Purchase, Substitution and Variation—Substitution and Variation".

Organization for Economic Co-operation and Development (the OECD) Common Reporting Standard

Drawing extensively on the intergovernmental approach to implementing the United States Foreign Account Tax Compliance Act, the OECD developed the Common Reporting Standard (**CRS**) to address the issue of offshore tax evasion on a global basis. Aimed at maximising efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with the tax authorities in partner jurisdictions on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. Ireland has implemented the CRS into Irish law.

Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their reportable accounts. The first exchanges of information began in 2017.

Ireland has adopted the "Wider Approach" to CRS due-diligence, therefore Irish Financial Institutions are required to carry out due diligence on all customers, although it should be noted that Ireland will only exchange CRS information with jurisdictions where there is a legal obligation to do so.

Noteholders may be required to provide additional information to the Issuer to enable the Issuer to satisfy its obligations under the CRS.

By subscribing for the Notes, each Noteholder is agreeing to provide such information upon request from the Issuer or their delegates.

Pursuant to information-sharing arrangements in place between Ireland and/or the European Union and certain third countries and/or dependent or associated territories of CRS-participating jurisdictions, to the extent that those countries or territories are not "Reportable Jurisdictions" under the CRS, entities considered to be a paying agent for these purposes, may be obliged to collect certain information in relation to Noteholders in order to satisfy the disclosure requirements under CRS.

An active secondary market in respect of the Notes may be illiquid and this would adversely affect the value at which an investor could sell Notes

While the Notes will be listed on Euronext Dublin, the market for the Notes may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them a yield comparable to similar investments that have developed a secondary market. In addition, Noteholders should be aware of prevailing global credit market conditions, whereby a general lack of liquidity in the secondary market for instruments similar to the Notes could result in investors suffering losses on the Notes in secondary resales even if there were no decline in the performance of the Notes or the assets of the Issuer. These and other factors unrelated to the Issuer's creditworthiness may affect the price you receive for the Notes or your ability to sell them at all. The Issuer cannot predict when these circumstances will occur and whether, if and when they do occur, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

If an investor's home currency is not U.S. dollars, the investor will be exposed to movements in exchange rates

The Issuer will pay principal and interest on the Notes in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a different currency or currency unit (the **Investor's Currency**). These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to U.S. dollar would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and Monetary Authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

The value of the Notes may be adversely affected by movements in market interest rates

Investment in the Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes.

The Notes will be structurally subordinated to securities issued by BOI

The Issuer owns 100% of the ordinary stock in BOI. All of the Issuer's trading activities are operated through BOI and BOI's subsidiaries. Accordingly, the Issuer relies largely upon the receipt of dividends and other distributions from BOI. If BOI were to be wound up, the assets of BOI would be applied first in meeting the costs of the winding up and its liabilities to all creditors (including all subordinated creditors) of BOI, and only if there were any surplus assets remaining once all such costs and creditors have been paid in full would the Issuer be entitled to receive such surplus assets in its capacity as shareholder. In the event of an insolvent winding up of BOI, there would be no surplus assets available to the Issuer.

Accordingly, the claims of investors in the Issuer (including holders of the Notes) are effectively subordinated to the claims of investors in BOI. This may also impact the relative market price, liquidity and/or volatility of the Notes.

Credit ratings assigned to the Issuer or the Notes may not reflect all the risks associated with an investment in those the Notes

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Further, one or more credit rating agencies may from time to time release unsolicited credit ratings reports in relation to the Notes without the consent or knowledge of the Issuer. The Issuer does not have any control over such reports or analyses and any adverse credit rating of the Notes could adversely affect the value of Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered

under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

The European Union adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a relevant entity) considered to be at risk of failing

The BRRD introduced a framework in the EU for the recovery and resolution of banks and other financial institutions and was transposed in Ireland by the European Union (Bank Recovery and Resolution) Regulations 2015. The BRRD is designed to *provide* authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity so as to ensure the continuity of the relevant entity's critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

The BRRD contains various resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers *that* (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest. The BRRD contains, *inter alia*, the following resolution tools and powers:

1. *sale of business* - which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms;

2. *bridge institution* - which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);

3. *asset separation* - which enables resolution authorities to transfer assets (such as impaired or problem assets) to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and

4. *bail-in* - which gives resolution authorities the power to write-down certain claims of unsecured creditors of a failing relevant entity and to convert certain unsecured debt claims (including the Notes) to equity (the **general bail-in tool**), which equity could also be subject to any future write-down.

The BRRD also provides for a Member State as a last resort, after having assessed and applied the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilization tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

A relevant entity will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorization; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely *in* the near future to be, unable to pay its debts or other liabilities as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down, or *convert* into equity, capital instruments at the point of non-viability and before any resolution action is taken (**non-viability loss absorption**). Resolution authorities are required to implement non-viability loss absorption ahead of, or simultaneously with, any resolution action.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which (i) the relevant authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken) or (ii) the relevant authority or authorities, as the case may be, determine(s) that the relevant entity or its group will no longer be viable unless the relevant capital instruments are written-down or converted or (iii) extraordinary public financial support is required by the relevant entity other than, where the entity is an institution, for the purposes of remedying a serious disturbance in the economy of a European Economic Area member state and to preserve financial stability.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Holders of the Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool. The manner in which any such application of the general bail-in tool is implemented, including but not limited to the issuance of equity securities, will be subject to the orders and procedures of the competent courts and regulators as well as the procedures of the relevant clearing systems at the time of such implementation. The exercise of any power under the BRRD or any suggestion, or any market perception or expectation, of such exercise could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

Whilst BRRD provides for compensation to be paid to certain creditors (which may in certain cases be given in the form of equity shares) who receive less in a resolution of a relevant entity than they would have received had that entity been allowed to enter into normal insolvency proceedings (known as the *'no creditor worse off'* protection), there can be no guarantee that any Noteholder will be eligible to receive compensation for any losses in respect of their Notes, or any such compensation received will cover their losses on the Notes in full.

The SRM Regulation is designed to ensure the uniform application of the BRRD resolution rules to failing banks subject to the SSM (see the risk factor entitled "The exercise of the resolution tools created by the BRRD and exercised by the SRB could have an adverse impact on the Group's operations, structure, costs and/or capital requirements"). The SRB has the authority to exercise specific resolution powers pursuant to the SRM Regulation similar to those of the competent authorities under the BRRD, including in relation to resolution planning and the assessment of resolvability. The exercise of the resolution tools created by the SRM Regulation and the BRRD could result in changes to the structure of a group to allow for a multiple-point-of-entry or a single point-of-entry resolution.

As the scope of the BRRD (and its form under Irish law) together with its application is as yet untested, there is a material uncertainty as to the *nature* and duration of its impact on such intervention for the Group, the various categories of creditors and relevant markets generally.

Forward-Looking Statements

This Offering Memorandum contains forward-looking statements with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements. These forward-looking statements often can be identified by the fact that they do not relate only to historical or current facts. Generally, but not always, words such as "may," "could," "should," "will," "expect," "intend," "estimate," "anticipate," "assume," "believe," "plan," "seek," "continue," "target," "goal," "would," or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking.

Examples of forward-looking statements include, among others: statements regarding the Group's near term and longer term future capital requirements and ratios, level of ownership by the Government, loan to deposit ratios, expected impairment losses, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators and plans and objectives for future operations. Such forward-looking statements are inherently subject to risks and uncertainties, and hence actual results may differ materially from those expressed or implied by such forward-looking statements.

Nothing in this Offering Memorandum should be considered to be a forecast of future profitability, dividends or financial position of the Group and none of the information in this document is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only as at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.

BOIG may not actually achieve or realize the plans, intentions or expectations disclosed in its forward-looking statements and prospective investors should not place undue reliance on them. There can be no assurance that actual results of BOIG's activities and operations will not differ materially from the expectations set forth in such forward-looking statements. Factors that could cause actual results to differ from such expectations include, but are not limited to, those described under "Risk Factors," including the following:

- the fact that the Group's business and financial performance is affected by global economic conditions, particularly in Ireland and the UK;
- the fact that the Group is exposed to risks in relation to compliance with anti-corruption laws, anti-money laundering laws, laws to prevent the financing of terrorism and the imposition of economic sanctions programs against certain countries, citizens and entities; and
- the fact that the Group faces risks relating to the UK's withdrawal from the EU.

The above is not an exhaustive list of the factors that could cause actual results to differ materially from the expectations set forth in such forward-looking statements and should be read together with the other cautionary statements included in this Offering Memorandum, including those described under "Risk Factors," beginning on page 14 of this Offering Memorandum.

Documents Incorporated by Reference

The following information from BOIG's periodic reports is, to the extent indicated in the table below, incorporated by reference in, and form part of, this Offering Memorandum, which should be read and construed in conjunction with such information:

Report	**Information incorporated**
Bank of Ireland Group plc Interim Report for the six months ended June 30, 2018 (the **2018 Interim Report**) available at: https://investorrelations.bankofireland.com/app/uploads/BOI-Interim-Report-2018.pdf	• Performance summary (p. 4 – 5) • Operating and financial review (p. 8 – 37) • Unaudited Condensed Interim Consolidated Financial Statements (as defined below) (p. 51 – 118 under the caption "Consolidated interim financial statements and notes (unaudited)")
Bank of Ireland Group plc Annual Report 2017 (the **2017 Annual Report**) available at: https://investorrelations.bankofireland.com/app/uploads/BOI-Annual-Report-2017.pdf	• Performance summary (p. 4 – 5) • Operating and financial review (p. 12 – 41) • Governance (p. 88 – 123) • 2017 Audited Consolidated Financial Statements (as defined below) (p. 124 – 239 under the caption "Financial statements")
The Governor and Company of the Bank of Ireland Annual Report 2016 (the **2016 Annual Report**) available at: https://investorrelations.bankofireland.com/app/uploads/BOI-Annual-Report-2016.pdf	• Performance summary (p. 4 – 5) • Operating and financial review (p. 16 – 61) • 2016 Audited Consolidated Financial Statements (as defined below) (p. 177 – 357 under the caption "Financial statements")

The following financial statements of the Group are incorporated by reference into, and form part of, this Offering Memorandum: (i) the audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2017 and 2016 contained in the 2017 Annual Report (the **2017 Audited Consolidated Financial Statements**), (ii) the audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2016 and 2015 contained in the 2016 Annual Report (the **2016 Audited Consolidated Financial Statements** and, together with the 2017 Audited Consolidated Financial Statements, the **Audited Consolidated Financial Statements**) and (iii) the unaudited condensed interim consolidated financial statements and notes thereto as of and for the six-month period ended June 30, 2018 which include as comparatives the unaudited consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the six-month period ended June 30, 2017, the consolidated condensed balance sheet as of December 31, 2017 and the consolidated condensed statement of changes in equity as of December 31, 2017 (the **Unaudited Condensed Interim Consolidated Financial Statements**).

Copies of the reports containing information which is incorporated by reference in this Offering Memorandum are available on BOIG's website as noted above and may be obtained free of charge during normal business hours from the registered office of the Issuer and from the specified offices of the Fiscal Agent.

Each report containing information which is incorporated by reference herein is current only as of the date of such document, and the incorporation by reference of such document shall not create any implication that there has been no change in the affairs of BOIG or BOI (as defined under "Presentation of Financial and Other Information—Certain Defined Terms" below) since the date thereof or that the information contained therein is current as of any time subsequent to its date. Any statement contained in the sections of the reports incorporated by reference herein will be modified or superseded for all purposes to the extent that a statement contained in this Offering Memorandum modifies or is contrary to that previous statement. Any statement so modified or superseded will not be deemed a part of this Offering Memorandum except as so modified or superseded.

The 2018 Interim Report, the 2017 Annual Report and the 2016 Annual Report, other than the sections thereof specifically incorporated by reference in this Offering Memorandum, and the contents of BOIG's internet website do not form part of this Offering Memorandum and should not be relied upon for purposes of forming an investment decision with respect to the Notes.

Enforceability of Judgements

BOIG is a public limited company under the laws of Ireland with registered number 593672. The directors of the Issuer are not residents of the United States, and most of the assets of the Issuer are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgements obtained in United States courts, including judgements predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Presentation of Financial and Other Information

The Audited Consolidated Financial Statements have been prepared in accordance with IFRS as published by the International Accounting Standards Board and adopted by the European Union, and were approved by the board of directors of BOIG on February 23, 2018 and by the court of directors of BOI on February 23, 2017, respectively. IFRS as adopted by the European Union differs in certain important respects from generally accepted accounting principles in the United States. The Audited Consolidated Financial Statements have been audited by PricewaterhouseCoopers, Chartered Accountants and Statutory Audit Firm, Dublin.

The Unaudited Condensed Interim Consolidated Financial Statements have been prepared applying the same accounting principles and measurement criteria as those used for the preparation of the Audited Consolidated Financial Statements, except for the application of IFRS 9 'Financial Instruments,' the amendment to IFRS 9 'Prepayment Features with Negative Compensation' and IFRS 15 'Revenues from Contracts with Customers' as of January 1, 2018, and were approved by the board of directors of BOIG on July 27, 2018. With respect to the unaudited condensed consolidated financial statements for the period ended June 30, 2018, included in the 2018 Interim Report incorporated by reference herein, KPMG, the independent auditors, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the 2018 Interim Report, and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Interim results for the first six months of 2018 are not necessarily indicative of the results of operations that may be expected for any other interim period in 2018 or for the full year.

The 2016 Audited Consolidated Financial Statements for the Group contained in the 2016 Annual Report incorporated by reference herein were prepared by BOI prior to the Reorganization. The 2017 Audited Consolidated Financial Statements for the Group contained in the 2017 Annual Report incorporated by reference herein were prepared by BOIG.

Capitalized terms used in the following discussion are defined under "—Certain Defined Terms" below.

In making an investment decision, investors must rely upon their own examination of the financial statements and financial information included elsewhere, or incorporated by reference, in this Offering Memorandum and should consult their professional advisors for an understanding of, among other things: (i) the differences between IFRS and other systems of generally accepted accounting principles, including U.S. GAAP, and how those differences might affect the financial information included in this Offering Memorandum; and (ii) the impact that future additions to, or amendments of, IFRS principles may have on the Group's results of operations and/or financial condition, as well as on the comparability of prior periods.

Certain Defined Terms

In this Offering Memorandum:

- References to "BOIG" or the "Issuer" are to Bank of Ireland Group plc, unless the context requires otherwise.
- References to the "Group" or "BOIG Group" are to BOIG and its subsidiaries, unless the context requires otherwise.

- References to "BOI" are to The Governor and Company of the Bank of Ireland.
- References to "Euro", "euro", or "€" are to the currency of the member states of the European Union participating in the third stage of the Economic and Monetary Union.
- References to "US$", "USD", "U.S. dollar" refer to United States dollars.
- References to "IFRS" are to the International Financial Reporting Standards issued by the International Accounting Standards Board, including interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the "Standing Interpretations Committee" (SIC), and, including also, International Accounting Standards (IAS) where the context requires, as endorsed by the European Commission for use in the European Union. IFRS as endorsed by the European Commission for use in the European Union differ in certain aspects from IFRS issued by the International Accounting Standards Board.

Rounding

Certain numerical figures set out in this Offering Memorandum, including financial data presented in millions or thousands and certain percentages, have been subject to rounding adjustments and, as a result, the totals of the data in columns or rows of tables in this Offering Memorandum may vary slightly from the actual arithmetic totals of such information.

Available Information

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the **Exchange Act**) nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder. See also "General Information—Documents Available".

Exchange Rates

The following table sets forth, for the periods indicated, high, low, average and period-end daily reference exchange rates published by the European Central Bank (the **ECB**), expressed in U.S. dollar per Euro. The rates may differ from the actual rates used in the preparation of BOIG's consolidated financial statements and other financial information. BOIG makes no representation that the Euro or U.S. dollar amounts referred to in this Offering Memorandum have been, could have been or could, in the future, be converted to euros or U.S. dollars, as the case may be, at any particular rate, or at all. On September 13, 2018, the ECB daily reference exchange rate for the euros against the U.S. dollar was Euro 1.00 = U.S. dollar 1.1620.

(USD per Euro 1.00)	**High**	**Low**	**Period Average [1]**	**Period End**
Year				
2013	1.3814	1.2768	1.3281	1.3791
2014	1.3953	1.2141	1.3285	1.2141
2015	1.2141	1.0552	1.1099	1.0887
2016	1.1569	1.0364	1.1068	1.0541
2017	1.2060	1.0385	1.1370	1.1993
Month				
January 2018	1.2436	1.1932	1.2187	1.2457
February 2018	1.2493	1.2252	1.2360	1.2214
March 2018	1.2421	1.2171	1.2331	1.2321
April 2018	1.2388	1.2070	1.2287	1.2079
May 2018	1.2079	1.1558	1.1829	1.1699
June 2018	1.1836	1.1534	1.1680	1.1658
July 2018	1.1789	1.1588	1.1686	1.1736
August 2018	1.1710	1.1321	1.1549	1.1651
September (through September 13, 2018)	1.1634	1.1562	1.1595	1.1620

1. The period average for the years 2013 to 2018 represents the average exchange rates on the last business day of each month during the relevant period, and with respect to monthly information, the average exchange rates on each business day for the relevant period.

Use of Proceeds

The Issuer estimates that the net proceeds from the sale of the Notes will be approximately US$499,285,000, before deducting initial purchasers' discounts and commissions from the issuance of the Notes. The Issuer expects that such net proceeds will be used for general corporate purposes, including the repayment of existing indebtedness. See "Capitalization".

Capitalization

The following table sets forth the Group's capitalization as of June 30, 2018 on (a) an actual basis; and (b) an adjusted basis to give effect to the issuance of the Notes and the expected use of the estimated net proceeds therefrom.

This table should be read in conjunction with "Risk Factors," "Use of Proceeds," "Overview—Overview of Financial Information" and "Presentation of Financial and Other Information," as well as the Audited Consolidated Financial Statements and Unaudited Condensed Interim Consolidated Financial Statements and accompanying notes thereto included in the 2017 Annual Report, the 2016 Annual Report and the 2018 Interim Report incorporated by reference into this Offering Memorandum.

	As of June 30, 2018	As of June 30, 2018 (as adjusted)[2]
	(€ million)	
Cash and Cash Equivalents	**7,845**	**8,272**
Financial Indebtedness:		
Short-Term Financial Indebtedness (including current portion of long term debt)	3,239	3,239
Long-Term Financial Indebtedness (excluding current portion of long term debt)[1]	10,244	10,244
Notes offered hereby	-	427
Total Financial Indebtedness	**13,483**	**13,910**
Equity:		
Share capital	1,079	1,079
Share premium	456	456
Other reserves	(148)	(148)
Retained earnings	7,715	7,715
Own shares held for the benefit of life assurance policyholders	(28)	(28)
Shareholders' equity	**9,074**	**9,074**
Non-controlling interests	808	808
Total Equity	**9,882**	**9,882**
TOTAL CAPITALIZATION	**23,365**	**23,792**

1 As a result of a senior debt issuance by BOIG on August 29, 2018, the Group's long-term financial indebtedness and total financial indebtedness increased by EUR 750 million.

2 Calculated using the ECB daily reference exchange rate for the euro against the U.S. dollar on September 18, 2018, which was Euro 1.00 = U.S. dollar 1.1697.

Description of the Issuer and the Group

General

BOI was established as a chartered corporation by an Act of the Irish Parliament of 1781/2 and by a Royal Charter of King George III in 1783. The Group is one of the largest financial services groups in Ireland with total assets of €122 billion at June 30, 2018.

The Group provides a broad range of banking and other financial services. These services include: current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, instalment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally. The Group generates the majority of its revenue from traditional lending and deposit taking activities as well as fees for a range of banking and transaction services. The Group operates an extensive distribution network of c. 265 branches and c. 1,602 ATMs in the Republic of Ireland and it has access to c. 11,500 branches and c. 2,400 ATMs in the UK via the Group's relationship as financial services partner with the UK Post Office. The Group also has access to distribution in the UK via its partnership with the AA and through a number of strategic intermediary relationships.

The Group is organized into four trading divisions to service its customers as follows: Retail Ireland, Wealth and Insurance, Retail UK and Corporate and Treasury.

The Group's central functions, through Group Centre, establish and oversee policies and provide and manage certain processes and delivery platforms for the divisions. These Group central functions comprise Group Manufacturing, Group Finance, Group Risk and Group Human Resources.

Corporate Information and Reorganization

The Group announced on March 31, 2017 that it intended to implement the Reorganization. The Reorganization was approved by the ordinary stockholders of BOI at an Extraordinary General Meeting held on 28 April 2017. Following approval of the High Court, the Reorganization was implemented by a scheme of arrangement under the Companies Act (the **Scheme**). The Scheme became effective on 7 July 2017, with the result that the Issuer is, as at the date of the Prospectus, the 100 % owner of the ordinary stock in BOI. On July 10, 2017, ordinary shares in the Issuer (the **BOIG Shares**) were admitted to the primary listing segment of the Official List of Euronext Dublin and to the premium listing segment of the Official List of the FCA and to trading on Euronext Dublin's Main Securities Market and the London Stock Exchange's main market for listed securities. A stock consolidation was implemented as part of the Scheme with ordinary stockholders receiving one Issuer Share for every 30 units of ordinary stock in BOI. Ordinary stockholders' ownership in the Group has not changed under the Reorganization (subject only to rounding up for fractional entitlements, which arose pursuant to the stock consolidation).

The Issuer was incorporated as Adjigo plc in Ireland as a public limited company on 28 November 2016 with registered number 593672, its registered office is situated at 40 Mespil Road, Dublin 4, Ireland and it is domiciled in Ireland. The Issuer's telephone number is +353 1 661 5933. On 31 March 2017, Adjigo plc changed its name to Bank of Ireland Group plc. The principal legislation under which BOIG operates is the Companies Act 2014 (as amended).

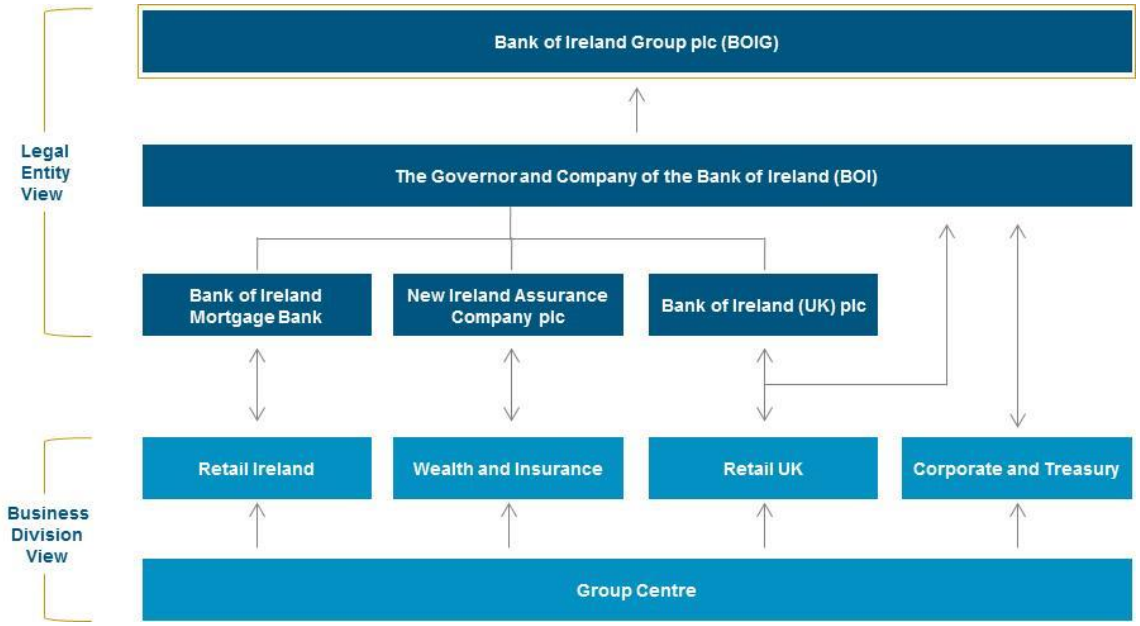
The Issuer's legal entity identifier (**LEI**) is 635400C8EK6DRI12LJ39.

The Issuer is a non-operating holding company and is the ultimate parent of the BOIG Group, which includes a number of companies operating in the financial services sector. The Issuer carries on all of its trading activities through its wholly-owned subsidiary BOI and other members of the BOIG Group.

As the Issuer is a non-operating holding company and conducts substantially all of its operations through its direct subsidiary (BOI) and its indirect subsidiaries, it depends largely upon the receipt of dividends, distributions, loans or advances from such subsidiaries.

BOI is, directly or indirectly, the parent of a group of subsidiary companies operating in the financial services sector.

Group Structure



Operating Segments

The five reportable operating segments reflect the internal financial and management reporting structure and are organized as follows:

Retail Ireland

Retail Ireland is managed through a number of business units, namely Distribution Channels, Customer Segments and Propositions, Products (including Bank of Ireland Mortgage Bank) and Business Banking (including Bank of Ireland Finance).

Wealth and Insurance (*formerly Bank of Ireland Life*)

Wealth and Insurance includes the Group's life assurance subsidiary NIAC which distributes protection, investment and pension products to the Irish market, through independent financial brokers, its own tied Financial Advisor network and the Group's distribution channels, which include Private Banking as a tied agent of NIAC. It also includes the Group's general insurance brokerage, Bank of Ireland Insurance Services, which offers home and car insurance cover through its agency with insurance providers. Both the Private Banking and Bank of Ireland Insurance Services businesses transferred from the Retail Ireland division to the Wealth and Insurance division following an organizational restructure in the first six months of 2018.

Retail UK

The Retail UK division incorporates the financial services partnership and foreign exchange joint venture with the UK Post Office, the financial services partnership with the AA, the UK residential mortgage business, the Group's branch network in NI, the Group's business banking business in NI and the Northridge Finance motor and asset finance, vehicle leasing and fleet management business. The Group also has a business banking business in Great Britain which is being run-down. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licenced banking subsidiary.

Corporate and Treasury

The Corporate and Treasury division comprises Corporate Banking and Markets and Treasury. Following an organizational restructure in the first six months of 2018, the Group Treasury function transferred from the Group Centre division to the Corporate and Treasury division and was combined with the Global Markets business to form Markets and Treasury. This division also manages the Group's euro area liquid asset bond portfolio.

Group Centre

Group Centre comprises Group Manufacturing, Group Finance, Group Risk and Group Human Resources. These Group central functions establish and oversee policies and provide and manage certain processes and delivery platforms for the divisions.

Divisional Performance

The following table sets forth Underlying profit before tax data of each of the BOIG Group's five reportable operating segments for the years ended December 31, 2017, 2016 and 2015, and for the six-month periods ended June 30, 2018 and 2017.

Divisional Performance Underlying Profit Before Tax	**Year ended December 31,**			**Six months ended June 30,**	
	2017[1]	**2016[2]**	**2015[3]**	**2018**	**2017[4]**
	€m	**€m**	**€m**	**€m**	**€m**
Retail Ireland	712	636	507	345	309
Wealth and Insurance (formerly Bank of Ireland Life)	106	127	103	34	56
Retail UK	103	133	193	113	70
Corporate and Treasury	553	531	637	233	269
Group Centre and other reconciling items[5]	(396)	(329)	(239)	(225)	(212)
Underlying profit before tax	**1,078**	**1,098**	**1,201**	**500**	**492**
Non-core items	(226)	(63)	31	(46)	(32)
Profit before tax	**852**	**1,035**	**1,232**	**454**	**460**

1 Comparative figures have not been restated to reflect the impact of: (i) the Group's decision to reorganize in the six months ended June 30, 2018 (**H1 2018**) the Wealth and Insurance operating segment to incorporate the Private Banking and Insurance Services business units which were previously reported within Retail Ireland; and (ii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

2 Comparative figures have been restated to reflect the impact of: (i) the voluntary change in the Group's accounting policy for Life assurance operations which has resulted in an increase of €6 million in the 2016 Underlying profit before tax of Wealth and Insurance and (ii) the Group's decision to classify the charges relating to the Central Bank of Ireland's Tracker Mortgage Examination as Non-core which has resulted in an increase of €21 million in the 2016 Underlying profit before tax of Retail Ireland with a corresponding increase of €21 million in the 2016 net charge from Non-core items. Comparative figures have not been restated to reflect the reorganization of the operating segments.

3 Figures for 2015 have not been restated to reflect the impact of (i) the Group's decision to reorganize in H1 2018 the Wealth and Insurance operating segment; (ii) the voluntary change in the Group's accounting policy for Life assurance operations; and (iii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

4 Comparative figures have been restated to reflect the impact of: (i) the Group's decision to reorganize in H1 2018 the Wealth and Insurance operating segment to incorporate the Private Banking and Insurance Services business units which were previously reported within Retail Ireland; (ii) the voluntary change in the Group's accounting policy for Life assurance operations in the second half of 2017; and (iii) the Group's decision to reorganize in H1 2018 the Corporate and Treasury segment to incorporate Group Treasury's costs which were previously reported in Group Centre.

5 Other reconciling items represent inter segment transactions which are eliminated upon consolidation and the application of hedge accounting at Group level.

The table below provides an overview of the Non-core items for the years ended December 31, 2017, 2016 and 2015 and the six months ended June 30, 2018 and 2017.

Non-core items	Year ended December 31, 2017 €m	2016[1] €m	2015[2] €m	Six months ended June 30 , 2018 €m	2017[3] €m
Tracker Mortgage Examination charges	(170)	(21)	-	-	-
Cost of restructuring programme	(48)	(35)	(43)	(51)	(17)
Gross-up for policyholder tax in the Wealth and Insurance business	10	12	11	(2)	1
Cost of corporate reorganization and establishment of a new holding company	(7)	-	-	-	(7)
Gain / (charge) on movement in the Group's credit spreads	(5)	5	11	-	(4)
Gain / (loss) on disposal of business activities	(5)	(7)	51	-	(5)
Investment return on treasury stock held for policyholders	(1)	2	-	-	-
Loss on liability management exercise	-	19	(1)	-	-
Impact of Group's pensions review (2010 and 2013)	-	-	4	-	-
Payments in respect of the career and reward framework	-	-	2	-	-
Gain on disposal of property	-	-	-	7	-
Non-core items	**(226)**	**(63)**	**31**	**(46)**	**(32)**

1 Comparative figures have been restated to reflect the impact of: (i) the voluntary change in the Group's accounting policy for Life assurance operations and (ii) the Group's decision to classify the charges relating to the Central Bank of Ireland's Tracker Mortgage Examination as Non-core. For further information on the Tracker Review, please see "Risk Factors— Risks Related to the Group's Business—The Group is exposed to litigation and regulatory investigation risk".

2 Comparative figures have not been restated to reflect the impact of: (i) the voluntary change in the Group's accounting policy for Life assurance operations and (ii) the Group's decision to classify the charges relating to the Central Bank of Ireland's Tracker Mortgage Examination as Non-core. The Tracker Mortgage Examination charges amount to €11m in 2015.

3 Comparative figures have been restated to reflect the impact of the voluntary change in the Group's accounting policy for Life assurance operations

The following table sets forth certain divisional performance metrics of our operating segments for the year ended December 31, 2017 and the six-months ended June 30, 2018. Comparative figures for prior periods have not been restated to reflect the reorganization of the operating segments in the six months ended June 30, 2018. For more information on the reorganization of our operating segments, please see the 2018 Interim Report incorporated by reference into this Offering Memorandum.

Divisional Performance		Retail Ireland	Wealth and Insurance (formerly Bank of Ireland Life)	Retail UK	Corporate and Treasury	Group Centre
As at June 30, 2018						
Loans and advances to customers (net)	€bn	34.7	n/a	27.9	13.9	n/a

Customer deposits	€bn	46.1	n/a	21.6	9.0	n/a
Staff numbers		2,892	951	1,603	612	4,602
As at December 31, 2017						
Loans and advances to customers (net)	€bn	34.7	n/a	28.0	13.3	n/a
Customer deposits	€bn	44.2	n/a	21.4	10.3	n/a
Staff numbers		4,011	880	1,666	628	3,707

Governance

Board of Directors

The business address of the Board of Directors of the Issuer (the **Board**) is Bank of Ireland Group plc, 40 Mespil Road, Dublin 4, Ireland.

Name	*Current position*	*Principal Outside Activities*
Patrick Kennedy	Chairman Committee Membership: Nomination and Governance Committee	Chairman of Cartrawler where he is a member of the Audit, Risk, Remuneration and Nomination Committees.
Francesca McDonagh	Group Chief Executive Officer; Executive Director Committee Membership: None	Director of Ibec CLG.
Kent Atkinson	Non-Executive Director Committee Membership: Audit Committee, Risk Committee, Remuneration Committee	None.
Evelyn Bourke	Non-Executive Director Committee Membership: Audit Committee, Nomination and Governance Committee	Director of British Union Provident Association Limited.
Ian Buchanan	Non-Executive Director Committee Membership: Risk Committee	Non-executive Director of Housell Inmo Online Services, SLU and of Openwork Holding Limited.
Richard Goulding	Non-Executive Director Committee Membership: Risk Committee, Remuneration Committee	Non-executive Director of Citigroup Global Markets Limited, where he is Chairman of the Risk Committee and a member of the Audit, Remuneration and Nomination Committees. Non-executive Director of Zopa Financial Services Limited, where he is

		Chairman of the Risk Committee and a member of the Audit, Nomination and Remuneration Committees.
Patrick Haren	Senior Independent Director; Non-executive Director Committee Membership: Nomination and Governance Committee, Remuneration Committee	Advisory role to Green Sword Environmental Ltd.
Andrew Keating	Group Chief Financial Officer; Executive Director Committee Membership: None	Non-executive Director of Irish Management Institute CLG.
Davida Marston	Non-Executive Director Committee Membership: Audit Committee	Non-executive Director of Liberbank S.A. where she is Chairman of the Nomination Committee and a member of the Remuneration Committee.
Fiona Muldoon	Non-Executive Director Committee Membership: Risk Committee	Group Chief Executive of FBD Holdings plc and Chief Executive of FBD Insurance plc. Director of Insurance Ireland (Member Association) CLG.
Patrick Mulvihill	Non-Executive Director Committee Membership: Audit Committee, Risk Committee	Non-executive Director of International Fund Services (Ireland) Limited. Director of Beachvista Limited.
Stephen Pateman	Non-Executive Director Committee Membership: Audit, Risk and Remuneration Committees	Director of The Mortgage Lender Limited

The experience of each director is briefly summarized below:

Kent Atkinson

Kent Atkinson has been a member of the court of directors of BOI since January 2012 and a member of the Board since March 2017. Kent was Group Finance Director of Lloyds TSB Group between 1994 and 2002. Prior to that, he held a number of senior executive appointments in Retail Banking with Lloyds, including Regional Executive Director for their South East region, and worked for twenty two years in South America and the Middle East with the Group. In addition to his extensive commercial and financial executive experience in the financial services industry, Kent has significant experience as a Non-executive Director across a range of international companies. Previous board appointments include Coca-Cola HBC AG, Cookson Group plc, Gemalto N.V., Standard Life plc, Telent plc (formerly Marconi plc), UK Asset Resolution Limited and Millicom International Cellular S.A. Kent has significant experience in governance, risk management and financial oversight, including in the capacity of Senior

Independent Director, Chair of the Audit Committee of a number of entities, and as a member of Risk, Strategy and Mergers and Acquisitions (M&A), Remuneration and Nomination Committees.

Evelyn Bourke

Evelyn Bourke has been a member of the Board of BOIG since May 2018. Evelyn was appointed CEO of BUPA Group in July 2016, having been Acting Group CEO from April 2016. She is also a member of the Bupa Board. Evelyn has a strong track record in global executive management and extensive experience in financial services, risk and capital management, and mergers and acquisitions. She joined Bupa as CFO in September 2012, from Friends Life Group, where she was Chief Executive Officer of its Heritage division. Previously at Friends Provident, she was the Executive Director responsible for strategy, capital and risk and, prior to that, Chief Financial Officer. She was previously a non-executive Director of the IFG plc, Dublin, where she was Chair of the Board Risk Committee. Evelyn's earlier career was spent at Standard Life Assurance plc, Chase De Vere Financial Solutions, St. James's Place, Nascent Group, Tillinghast Towers Perrin, in the UK, and Lifetime Assurance and New Ireland Assurance in Dublin. She is a qualified actuary and holds an MBA from London Business School. Her external appointments include an appointment as Director of British Union Provident Association Limited.

Ian Buchanan

Ian Buchanan has been a member of the Board since May 2018. Ian is a non-executive director at Openwork, one of the largest financial advisor networks in the UK, and a senior operations and technology advisor to Cerberus Capital Management. He was Group Chief Information Officer for Barclays Plc and Chief Operating Officer for Barclaycard until 2016. Before joining Barclays in 2011, he was Chief Information Officer for Société Générale Corporate & Investment Banking (2009-2011), a member of the public board and Group Manufacturing Director of Alliance & Leicester Plc (2005-2008), and a member of the executive committee and Chief Operations & Technology Officer of Nomura International (1994-2005). Mr. Buchanan's earlier career was spent at Credit Suisse, Guinness, and BP. Ian has extensive technology, digital, business transformation and customer operations experience gained through his work in a number of international retail, commercial and investment banks. He holds a Bachelor of Science degree in Physics from the University of Durham. He also serves as Non-Executive Director of Housell Inmo Online Services, S.L.U. and of Openwork Holdings Limited.

Richard Goulding

Richard Goulding has been a member of the Board since July 2017. Richard held the role of Group Chief Risk Officer and Director at Standard Chartered Bank, where he was a member of the Group Executive Committee, prior to which he held the role of Chief Operating Officer, Wholesale Banking Division. Before joining Standard Chartered in 2002, he held senior executive positions with Old Mutual Financial Services in the U.S., UBS Warburg / SBC Warburg, London and Switzerland, Astra Holding plc, Bankers Trust Company and the Midland Bank Group, London. Richard has extensive risk management and executive experience in a number of banks with an international profile, and brings a strong understanding of banking and banking risks, with a deep knowledge of operational risk. He is a qualified Chartered Accountant (South Africa), having previously obtained a Bachelor of Commerce degree and a postgraduate degree in finance from the University of Natal, South Africa. His external appointments include: Non-executive Director of Citigroup Global Markets Limited, where he is Chair of the Risk Committee and a member of the Audit and Remuneration & Nomination Committees, and Non-executive Director of Zopa Financial Services Limited, where he is Chair of the Risk Committee and a member of the Audit and Nomination and Remuneration Committees.

Patrick Haren

Patrick Haren has been a member of the court of directors of BOI since January 2012 and a member of the Board since March 2017. Patrick is a former CEO of the Viridian Group, having joined Northern Ireland Electricity (NIE) in 1992 as Chief Executive. He previously worked with the ESB, including as Director - New Business Investment and also served as a board member of Invest Northern Ireland for a number of years. Patrick is an experienced CEO who has gained extensive strategic, corporate development and transactional experience, having led the privatization of NIE by IPO and grown the business under the new holding company Viridian through to 2007, positioning the company as the market leader in independent electricity generation and supply in competitive markets in Ireland, North and South. He is a past director of Bank of Ireland (UK) plc where he also served as Chair of the Remuneration Committee and a member of the Nomination Committee. He was awarded a knighthood in 2008 for

services to the electricity industry in Northern Ireland. He is a member of the Institute of Directors (UK). His external appointments include an advisory role to Green Sword Environmental Ltd.

Andrew Keating

Andrew Keating has been the Group Chief Financial Officer and Executive Director of BOI since February 2012 and of BOIG since March 2017. Andrew joined the Group in 2004, prior to which he held a number of senior finance roles with Ulster Bank, having qualified as a Chartered Accountant with Arthur Andersen. Prior to his appointment as Group Chief Financial Officer, Andrew held the role of Director of Group Finance. Andrew is an experienced financial services professional who has held a number of senior finance roles in Bank of Ireland and Ulster Bank. He has in-depth knowledge of financial reporting and related regulatory and governance requirements. He is a Fellow of Chartered Accountants Ireland. He also acts as Non-executive Director of Irish Management Institute CLG.

Patrick Kennedy

Patrick Kennedy has been a member of the court of directors of BOI since July 2010, a member of the Board since March 2017 and Chairman since August 2018. Patrick was Chief Executive of Paddy Power plc from 2006 to 2014. He served as an Executive Director of Paddy Power plc since 2005 and a Non-executive Director since 2004, during which time he served as Chair of the Audit Committee. He was a member of the Risk Committee of Paddy Power plc from 2006 to 2014. Prior to joining Paddy Power plc, Patrick worked at Greencore Group plc for seven years where he was Chief Financial Officer and also held a number of senior strategic and corporate development roles. Patrick also worked with KPMG Corporate Finance in Ireland and the Netherlands and as a strategy consultant with McKinsey & Co. in London, Dublin and Amsterdam. He was previously a Non-executive Director of Elan Corporation plc. Patrick has in-depth knowledge of international business, management, finance, corporate transactions, strategic development and risk management through his involvement in Paddy Power plc, Elan Corporation plc, Greencore Group plc and McKinsey & Co. He is a Fellow of Chartered Accountants Ireland. He also acts as Chair of Cartrawler, where is a member of the Audit, Risk, Remuneration and Nomination Committees.

Davida Marston

Davida Marston has been a member of the court of directors of BOI since April 2013 and a member of the Board since May 2017. Davida is a Non-executive Director of Liberbank S.A. and is a former Director of a number of companies, including CIT Bank Limited, ACE European Group Limited, Europe Arab Bank plc and Mears Group plc, where she was Chair of the Audit Committee. She was a member of the UK senior management team of Citigroup's UK Corporate Bank (1990-2003), which included a period as Regional Head UK and Ireland for the Banks and Securities business, and a senior manager at Bank of Montreal (1981-1990). Davida has considerable financial services experience, both as an Executive and Non-executive Director and as Chair of Audit and Risk Committees in financial services companies. She has extensive non-executive experience with banking, life assurance and non-financial services companies. She is a Fellow of the Institute of Directors.

Francesca McDonagh

Francesca McDonagh has been Group Chief Executive Officer and Executive Director since October 2017. She joined the Group from HSBC Group, where she held a number of senior management roles over a twenty year period including Group General Manager and Regional Head of Retail Banking and Wealth Management, UK and Europe, Regional Head of Retail Banking and Wealth Management, Middle East and North Africa, and Head of Personal Financial Services, Hong Kong. Francesca is a very experienced global retail banker, with an exceptional track record, both in terms of financial performance and her leadership of transformation to drive future results in a range of increasingly senior banking roles, and in a range of countries and operating structures. She brings to the Board a leadership style characterised by strong commercial results orientation and a clear strategic vision, with significant customer empathy. Francesca is a member of the PRA Practitioner Panel. She has previously served on the Board of the British Bankers' Association (BBA), where she was Deputy Chair, and on the Board of the National Centre for Universities and Business in the UK. Francesca has a Bachelor of Arts Degree in Politics, Philosophy and Economics from Oxford University.

Fiona Muldoon

Fiona Muldoon has been a member of the court of directors of BOI since June 2015 and a member of the Board since May 2017. Fiona is Group Chief Executive of FBD Holdings plc and FBD Insurance plc, one of Ireland's largest property and casualty insurers. Prior to this, Fiona served from 2011 to 2014 with the Central Bank of Ireland including as Director, Credit Institutions and Insurance Supervision. She also spent 17 years of her career with XL Group in Dublin, London and Bermuda, where she worked in various senior financial management positions including general insurance responsibilities, corporate treasury and strategic activities including capital management, rating agency engagement and corporate development. Fiona has significant experience in governance, regulatory compliance and financial oversight and is an experienced financial services professional. She has significant previous experience within a financial institution with an international focus. Fiona has a Bachelor of Arts Degree from University College Dublin and is a Fellow of Chartered Accountants Ireland. She also serves as Director of Insurance Ireland (Member Association) CLG.

Patrick Mulvihill

Patrick Mulvihill has been a member of the court of directors of BOI since December 2011 and a member of the Board since May 2017. Patrick spent much of his career at Goldman Sachs, retiring in 2006 as Global Head of Operations covering all aspects of Capital Markets Operations, Asset Management Operations and Payment Operations. He previously held the roles of Co-Controller, Co-Head of Global Controller's Department, covering financial / management reporting, regulatory reporting, product accounting and payment services. He was also a member of the firm's Risk, Finance and Credit Policy Committees. Patrick has over twenty years' experience of international financial services and has held a number of senior management roles based in London and New York with Goldman Sachs. As a result, he has an in-depth knowledge of financial and management reporting, regulatory compliance, operational, risk and credit matters within a significant financial institution with an international focus. Patrick is a Fellow of Chartered Accountants Ireland and Associate of the Institute of Directors. His external appointments include: Non-executive Director of International Fund Services (Ireland) Limited and Director of Beachvista Limited.

Stephen Pateman

Stephen Pateman has been a member of the Board since September 10, 2018. Mr. Pateman was appointed Chief Executive Officer of Shawbrook Bank Limited in October 2015. His employment with Shawbrook will terminate on December 31, 2018 following a period of gardening leave which commenced on July 27, 2018. He joined Shawbrook from Santander UK, where he was Executive Director and Head of UK Banking and was responsible for the bank's Corporate, Commercial, Business and Retail Banking operations as well as Wealth Management. He also held a number of senior positions at Santander UK, Royal Bank of Scotland and NatWest. Mr. Pateman has extensive knowledge of the banking sector, particularly in corporate and retail banking, and has considerable lending experience in the UK. Mr. Pateman is a member of the Financial Capability Board for the Money Advice Service and was appointed Vice President of the Council of the Chartered Institute of Bankers Scotland in June 2017.

Conflicts of Interest

The Issuer is not aware of any potential conflicts of interest between the duties to BOIG of the persons listed under "*Board of Directors*" above and their private interests or other duties.

Group Executive Officers

The following table sets forth the BOIG Group's executive officers and their positions as of the date of this Offering Memorandum.

Name	Position	Year Appointed to Executive Committee
Francesca McDonagh	Group Chief Executive Officer	2017
Donal Collins.....	Head of Group Strategy Development	2014
Sean Crowe.....	Chief Executive Officer, Markets and Treasury	2014

Des Crowley	Chief Executive Officer, Retail (UK)	2000
Gavin Kelly……....	Chief Executive Officer, Retail Ireland	2018
Andrew Keating.....	Group Chief Financial Officer	2012
Vincent Mulvey	Group Chief Risk Officer (formerly Chief Credit and Market Risk Officer until March 2018)	2009
Amy Burke	Interim Head of Group Human Resources	2017
Tom Hayes……	Chief Executive Officer, Corporate Banking	2018
Jackie Noakes……...	Group Chief Operating Officer	2018
Henry Dummer……...	Chief Marketing Officer	2018

Regulation

Historically the Central Bank of Ireland has had overall responsibility for the authorization and supervision of credit institutions operating in Ireland. Council Regulation (EU) No 1024/2013 of 15 October 2013 confers specific tasks on the European Central Bank relating to the prudential supervision of credit institutions (the **SSM Regulation**) and established the Single Supervisory Mechanism for credit institutions established in the Eurozone and other Member States that opt in to the SSM. The Regulation transferred to the ECB supervisory responsibility and decision making powers in respect of core activities. An institution categorised as significant (a **Significant Institution**) for the purposes of Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17) is directly supervised by a Joint Supervisory Team consisting of both European Central Bank and Central Bank of Ireland supervisors (a **JST**). In practice, SSM supervision of the Group is carried out in cooperation with the Central Bank of Ireland.

The Group's business in the UK is subject to the supervision of the UK Prudential Regulation Authority and joint decisions of the ECB and PRA are issued with respect to Bank of Ireland (UK) plc's capital requirements.

Please see the risk factors entitled "The Group is subject to regulatory regimes which may require that it holds or raises additional capital and/or eligible liabilities or result in increased costs" and "The Group's business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments" for further detail.

Competition

The Group faces strong competition in all of its major markets. Other financial services groups, including indigenous and international local banks and domestic and foreign financial services companies, compete for business in these markets. Technology-led changes on how customers spend, move and manage money are expected to continue to drive a host of new innovations and potential competitors outside of the traditional competitor groups.

The Group's businesses are subject to inherent risks arising from general and sector-specific economic conditions in the markets in which it operates, particularly Ireland, where the Group's earnings are predominantly generated. Since the financial crisis in 2007/2008, the global economy and the global financial system have experienced a period of significant turbulence and uncertainty, which contributed to related problems at many large global and Irish commercial banks, investment banks, insurance companies and other financial and related institutions.

Government and EU intervention in the banking sector has affected, and may affect in the future, the competitive position of banks within a country. Potentially, international competitors may be subject to different or lesser forms of government intervention, which may put the Group at a competitive disadvantage relative to other banks.

Ireland

The Group provides a comprehensive range of banking services in Ireland and faces competition from various types of institutions in the financial services sector, both domestic and foreign.

The Group's main competitors across the range of banking activities are other banks, in particular, Allied Irish Banks, Ulster Bank, KBC Bank Ireland, and Permanent TSB.

In addition to these banks, there is also competition in different segments from other banks operating in Ireland, building societies, An Post (the Irish post office) and credit unions.

The general competitive environment in Ireland is subject to the operation of the Competition Act, 2002 (as amended) and the Competition and Consumer Protection Act 2014 (the **Competition Acts**). The provisions of the Competition Acts broadly implement and supplement EU competition legislation.

In June 2017, the Irish Competition and Consumer Protection Commission (the **CCPC**) published a paper entitled "Options for Ireland's Mortgage Market". The paper was published in response to an Irish Government request to the CCPC to work with the Central Bank of Ireland to set out the options for the Government in terms of market structure, legislation and regulation to lower the cost of secured mortgage lending and improve the degree of competition and consumer protection in Ireland. The paper proposes certain short, medium and longer term options to allow for greater competition from new entrants and encourage lenders to compete on price, quality and innovation.

United Kingdom

The Group's operations in the UK (including Northern Ireland) and its distribution partnership with the UK Post Office and the AA is conducted primarily through its PRA authorized and PRA and FCA regulated UK subsidiary, Bank of Ireland (UK) plc. Bank of Ireland (UK) plc focuses on specific product offerings, in particular business banking, retail savings and current assets, asset finance and personal lending and foreign exchange services.

In the UK (including Northern Ireland) the competitive environment is subject to the Competition Act 1998 and the Enterprise Act 2002, which (as in Ireland) broadly reflect and supplement EU competition legislation. The UK Financial Services (Banking Reform) Act of December 2013 made further provision about banking and financial services, including the ring fencing of certain activities.

The UK has a competitive and sophisticated financial market. The Group's principal competitors include other providers of personal and commercial financial services, such as banks, building societies, neo-banks, supermarkets and insurance companies many of which have extensive branch networks throughout the UK and some with direct or online-only propositions. The UK industry has also taken a lead over much of Europe in Open Banking, with the nine largest banks in the UK having launched in advance of PSD2 obligations. This has contributed to the proliferation of financial technology companies (fintechs) offering innovative financial services propositions to compete with the larger banks and increase competition.

The FCA has an operational objective to promote effective competition in the interests of consumers. It also has a duty to promote effective competition when addressing its consumer protection or market integrity objectives. Together, this objective and duty provide it with a strong mandate to promote competition in the interests of consumers. The FCA has made use of its powers to make the authorizations process for new banks wishing to enter the market easier and less costly.

International

In international market areas, the Group's strategy is to focus on its mid-market US / European Acquisition Finance businesses where the Group has a strong track record for more than 20 years. The business operates out of Dublin, London, Frankfurt and Paris in Europe and Connecticut, California and Chicago in the US and focuses on lead arranging and underwriting leveraged finance transactions for private equity sponsors. These businesses generate attractive margins and fee income within disciplined risk appetite and face a broad range of competitors. In addition, certain businesses based in Ireland face competition on an international, rather than a national basis.

Substantial Shareholdings

In accordance with LR 6.8.3(2) of the ISE Listing Rules, details of notifications received by BOIG in respect of substantial interests in its ordinary shares of up to September 13, 2018 are indicated in the table below:

Shareholder	**Percentage of Shareholdings**

Ireland Strategic Investment Fund (ISIF) / Minister for Finance	13.95%
The Capital Group Companies Inc.	6.9962%
EuroPacific Growth Fund[(1)]	4.34%
Blackrock, Inc.	4.82%
Baillie Gifford & Co	4.53%
Templeton Global Advisors Ltd.	3.29%
Templeton Investment Counsel LLC	3.00%

(1) EuroPacific Growth Fund has granted proxy voting authority to The Capital Research and Management Company, its investment adviser, and consequently holds no voting rights. Notifications submitted in respect of the voting rights held by The Capital Group Companies, Inc. include EuroPacific Growth Fund's holdings.

As of the date of this Offering Memorandum, the Group had 1,078,822,872 ordinary shares of €1.00 each in issue, of which 2,914,175 were treasury shares. BOIG's shares are listed on Euronext Dublin and the London Stock Exchange.

Form of the Notes

The Notes will be issued in fully registered global form. Notes will be offered and sold both outside the United States in reliance on the exemption from registration provided by Regulation S under the Securities Act (**Regulation S**) and within the United States to QIBs (as defined below) in reliance on Rule 144A under the Securities Act (**Rule 144A**).

The Notes offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will be represented by one or more global notes in registered form, without receipts or interest coupons (each a **Regulation S Global Note**), which will be deposited with a custodian for, and registered in the name of a nominee of, Euroclear and Clearstream. Prior to expiry of the distribution compliance period (as defined in Regulation S), beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 (Transfers) and may not be held otherwise than through Euroclear or Clearstream and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Notes may only be offered and sold in the United States or to U.S. persons in private transactions to "qualified institutional buyers" within the meaning of Rule 144A (**QIBs**). The Notes sold to QIBs will be represented by a one or more global notes in registered form, without receipts or interest coupons (each a **Rule 144A Global Note** and, together with each Regulation S Global Note, the **Global Notes**), which will be deposited with a custodian for, and registered in the name of a nominee of, DTC.

Persons holding beneficial interests in Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in the Agency Agreement) as the registered holder of the Global Notes. Neither the Issuer nor any Fiscal Agent will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 5(a)) in the manner provided in that Condition.

Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, Exchange Event means that (i) an Event of Default has occurred and is continuing, (ii) a clearing system has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Global Notes or DTC has ceased to constitute a clearing agency registered under the Exchange Act at a time when DTC is required to be so registered in order to act as depositary, and in each case the Issuer fails to appoint a successor depositary within 90 days of such notice or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 12 (Notices) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Global Note) may give notice to the Fiscal Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Fiscal Agent requesting exchange. Any such exchange shall occur not later than 30 days after the date of receipt of the first relevant notice by the Fiscal Agent.

Transfer of Interests

Interests in a Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Note. No beneficial owner of an interest in a Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and/or Clearstream.

Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see "Subscription and Sale."

General

So long as DTC, Euroclear and/or Clearstream (or their respective nominee(s)) is the registered owner or holder of a Global Note, DTC, Euroclear and/or Clearstream, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with the applicable clearing system's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 9 (Events of Default for, and Enforcement of, Notes). In such circumstances, where any Note that is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream and DTC. In addition, holders of interests in such Global Note credited to their accounts with the relevant clearing system may require such clearing system to deliver Definitive Notes in registered form in exchange for their interest in such Global Note in accordance with applicable clearing system's standard operating procedures.

Terms and Conditions of the Notes

The following (other than the text in italicised font, which is descriptive only) are the Terms and Conditions of the Notes to be issued by the Issuer.

The U.S.$500,000,000 4.500% Notes due 2023 (the **Notes**) issued by Bank of Ireland Group plc (the **Issuer**) are being issued pursuant to a Fiscal and Paying Agency Agreement (the **Agency Agreement**) to be dated September 25, 2018 and made *among* the Issuer, Citibank, N.A., London Branch as fiscal, principal paying agent and transfer agent (the **Fiscal Agent**, which expression shall include any successor or additional agents) and Citigroup Global Markets Europe AG as registrar (the **Registrar**, which expression shall include any successor registrar). The Fiscal Agent and the Registrar are together referred to as the **Agents**. Any capitalized term used herein but not defined shall have the meaning assigned to such term in the Agency Agreement.

Those Notes which are sold in an "offshore transaction" to persons other than "U.S. persons" within the meaning of Regulation S will initially be represented by interests in one or more Global Notes (each a **Regulation S Global Note**) and those Notes sold in the United States to QIBs pursuant to Rule 144A will initially be represented by one or more Global Notes (each a **Rule 144A Global Note**, and together with the Regulation S Global Notes, the **Global Notes**). Each Global Note will be deposited with (a) in the case of the Regulation S Global Note, a common depositary for Euroclear Bank S.A./N.V. (**Euroclear** and Clearstream Banking S.A. (**Clearstream**) and registered in the name of a nominee for such common depositary or (b) in the case of the Rule 144A Global Note, a custodian for, and registered in the name of a nominee of, The Depository Trust Company (**DTC** and together with Euroclear and Clearstream, the **Clearing Systems**) on the issue date.

Except in the limited circumstances set forth in the Notes and the Agency Agreement, owners of interests in the Notes will not be entitled to receive physical delivery of Notes in definitive form.

The Agents are agents of the Issuer.

Copies of the Agency Agreement are available for inspection by Noteholders during normal business hours at the registered office of the Fiscal Agent. The Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement which are applicable to them.

The Notes are not deposit liabilities of the Issuer and are not insured by the U.S. Federal Deposit Insurance Corporation or any other governmental agency of the U.S., Ireland or any other jurisdiction.

In these Conditions (i) the expression **Noteholders** means the persons in whose name the Notes are registered (and, in relation to any Notes represented by the Global Notes, shall be construed as provided below); and (ii) **U.S. dollars** or **U.S.$** means United States dollars (and references to **cent** shall be construed accordingly).

1. Form, Denomination and Title

The Notes shall be issued only in fully registered form without coupons in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (referred to as the **Specified Denomination**). The Issuer will procure that the register of Noteholders to be kept by the Registrar outside the United Kingdom (the **Register**).

Title to the Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement and the Notes. The Issuer and any Agent may to the fullest extent permitted by applicable law deem and treat the registered holder of any Note as the absolute owner thereof (whether or not the same are overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of the Global Notes, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes are represented by the Global Notes held on behalf of DTC, Euroclear or Clearstream, as applicable, each person who is for the time being shown in the records of the relevant Clearing System as the holder of a particular nominal amount of Notes shall be deemed to be and shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the registered holder of the Global Notes shall be treated by the Issuer and any Agent as the holder of such Notes in accordance with and subject to the terms of the

Global Notes (and the expressions **Noteholder**, **holder** (in relation to any Note) and related expressions shall be construed accordingly). Notes which are represented by the Global Notes will be transferable only in accordance with the rules and procedures for the time being of the relevant Clearing System.

For so long as any of the Notes are represented by the Global Notes held on behalf of DTC, Euroclear and Clearstream, in the event of any inconsistency between the procedures set out herein and the applicable rules and operating procedures of the relevant Clearing System, the terms hereof shall be deemed to be amended to reflect the relevant rules and operating procedures of the relevant Clearing System in effect at such time.

References to DTC, Euroclear and Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Fiscal Agent.

2. Transfers of Notes

(a) Transfers of interests in the Global Notes

Transfers of beneficial interests in the Global Notes will be effected by DTC, Euroclear or Clearstream, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in the Global Notes will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note only in the Specified Denominations and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear and Clearstream and in accordance with the terms and conditions specified in the Agency Agreement and the Notes.

(b) Transfers of Notes in definitive form

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Note in definitive form may be transferred in whole or in part (in a Specified Denomination). In order to effect any such transfer (A) the holder or holders must (i) surrender the relevant Certificate for registration of the transfer of the relevant Note(s) represented thereby at the specified office of the Fiscal Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (ii) complete and deposit such other certifications as may be required by the Fiscal Agent and (B) the Fiscal Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe.

(c) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. Status of the Notes

(a) Status

The Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations other than subordinated obligations (if any) of the Issuer from time to time outstanding.

(b) Waiver of Set-off

No holder of a Note may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Notes and each holder of a Note shall, by virtue of its subscription, purchase or holding of any such Note, be deemed to have waived all such rights of set-off. Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Noteholder of a Note against the Issuer is discharged by set-off, such Noteholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding-up of the Issuer, the liquidator of the Issuer and accordingly such discharge will be

deemed not to have taken place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer or, as the case may be, the liquidator of the Issuer.

4. Interest

(a) Interest Rate and Interest Payment Dates

Each Note bears interest on its outstanding nominal amount from (and including) September 25, 2018 (the **Issue Date** and **Interest Commencement Date**) to but excluding the Maturity Date at the rate of 4.500% per annum (the **Rate of Interest**), payable semi-annually in arrear on May 25 and November 25 in each year from (and including) May 25, 2019 up to (and including) the Maturity Date (each an **Interest Payment Date**) (long first coupon).

(b) Interest Amounts

The amount of interest payable on each Interest Payment Date (except for the first Interest Payment Date scheduled to occur on May 25, 2019) will be equal to U.S.$22.50 per Calculation Amount (where **Calculation Amount** means U.S.$1,000 in nominal amount of the Notes).

If interest is required to be paid in respect of any period other than semi-annually, the amount of interest shall be calculated by the Fiscal Agent by applying the Rate of Interest to:

(A) in the case of Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Notes in definitive form, the Calculation Amount, and, in each case, multiplying such sum by a fraction equal to (i) the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by (ii) 360, and rounding the resultant figure to the nearest cent (with half a cent being rounded upwards).

The amount of interest payable in respect of a Note will be the aggregate of the amounts of interest payable for each Calculation Amount comprising the Specified Denomination of such Note, without any further rounding.

(c) Accrual of Interest

Each Note will cease to bear interest from the due date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent or the Registrar, and notice to that effect has been given to the Noteholders in accordance with Condition 12.

5. Payments

(a) Method of Payment

Payments of principal in respect of each Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Note at the specified office of the Registrar or the Fiscal Agent, provided that, in respect of any Notes in global form, such presentation and surrender shall be in accordance with the applicable rules and operating procedures of the relevant Clearing System. Such payments will be made by transfer to the designated U.S. dollar account (the **Designated Account**) maintained with a bank in New York by or on behalf of the holder (or the first named of joint holders) of the Note specified in the Register:

(i) where in global form, at the close of the business day (being for this purpose a day on which the Clearing Systems are open for business) before the relevant due date; and

(ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date.

Payments of interest in respect of each Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Note appearing in the Register:

(i) where in global form, at the close of the business day (being for this purpose a day on which the Clearing Systems are open for business) before the relevant due date; and

(ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date, (the **Record Date**).

Payment of the interest due in respect of each Note on redemption will be made in the same manner as payment of the principal amount of such Note.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Notes.

None of the Issuer and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(b) Payments Subject to Fiscal and Other Laws

Payments will be subject in all cases, to (i) any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 7, in the place of payment, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or any official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof or any law implementing such an intergovernmental agreement. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

(c) General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear and Clearstream as the beneficial holder of a particular nominal amount of Notes represented by a Global Note must look solely to DTC, Euroclear and Clearstream for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of such Global Note shall have any claim against the Issuer in respect of any payments due on such Global Note.

(d) Payment Day

If the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York and London and (in the case of payments in respect of definitive Notes where presentation or surrender of such Note is required only) in the place of presentation or surrender (as the case may be).

(e) Interpretation of Principal and Interest

Any reference in these Terms and Conditions to **principal** and **interest** in respect of the Notes shall be deemed to include any additional amounts which may be payable with respect to principal or interest, respectively, under Condition 7.

6. Redemption, Purchase, Substitution and Variation

(a) Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, each Note will be redeemed by the Issuer on November 25, 2023 (the **Maturity Date**) at its principal amount together with unpaid interest accrued to (but excluding) the Maturity Date.

(b) Redemption following a Tax Event

The Notes may be redeemed at the option of the Issuer (in its sole discretion and subject to the provisions of Condition 6(f)) in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice in accordance with Condition 12 (which notice shall be irrevocable), if, as a result of a Tax Law Change, on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (a **Tax Event**) and the same cannot be avoided by the Issuer taking reasonable measures available to it (such measures not involving any material additional payments by, or expense for, the Issuer), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Fiscal Agent, to be made available to the Noteholders upon request, a certificate signed by two Directors of the Issuer stating that (i) a Tax Event has occurred and that the same cannot be avoided by the Issuer taking reasonable measures available to it and (ii) the conditions set out in Condition 6(f) have been satisfied and such certificate shall (in the absence of manifest error or bad faith) be conclusive and sufficient evidence of the matters confirmed therein and binding on the Noteholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their principal amount together with unpaid interest accrued to (but excluding) the date of redemption.

In these Terms and Conditions, **Tax Law Change** means any change in, or amendment to, the laws or regulations of Ireland or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date.

(c) Redemption due to Loss Absorption Disqualification Event

The Notes may be redeemed at the option of the Issuer (subject to the provisions of Condition 6(f)) in whole, but not in part, at any time at their principal amount together with unpaid interest accrued to (but excluding) the date of redemption, on giving not less than 30 nor more than 60 days' notice in accordance with Condition 12 (which notice shall be irrevocable), if the Issuer determines that a Loss Absorption Disqualification Event has occurred.

For the purposes of these Terms and Conditions:

Competent Authority means the European Central Bank and/or such successor or other authority having for the time being primary supervisory authority and/or responsibility with regards to prudential, conduct and/or resolution matters in respect of the Issuer and/or any Regulatory Group of which the Issuer forms part, as may be relevant in the context and circumstances;

CRD IV means, collectively, 'Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012' (the **Capital Requirements Regulation**), 'Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC' (the **Capital Requirements Directive**) and any laws or regulations of Ireland implementing or transposing any provision of the Capital Requirements Regulation or the Capital Requirements Directive, in each case as may be amended or superseded from time to time;

Loss Absorption Disqualification Event shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the Issue Date, the Notes are or (in the

opinion of the Issuer or the Competent Authority) are likely to become fully or partially excluded from the minimum requirements of the Issuer and/or any Regulatory Group of which the Issuer forms part (whether on a solo, individual consolidated, consolidated or sub-consolidated basis, as applicable) for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer and/or any Regulatory Group of which the Issuer forms part and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the Notes from the relevant minimum requirement(s) is due to the remaining maturity of the Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer and/or the Group;

Loss Absorption Regulations means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of Ireland, the Competent Authority and/or of the European Parliament or of the Council of the European Union then in effect in Ireland and applicable to the Issuer and/or any Regulatory Group of which the Issuer forms part including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Competent Authority from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer or to any Regulatory Group of which the Issuer forms part);

Regulatory Capital Requirements means, at any time, any requirement contained in the law, regulations, requirements, guidelines and policies relating to capital adequacy and/or prudential supervision then in effect and applicable to the Issuer and/or any Regulatory Group of which the Issuer forms part, including (without limitation to the generality of the foregoing), those laws, regulations, requirements, guidelines and policies of Ireland and/or of the Competent Authority and any applicable regulation, directive or other binding rules, standards or decisions adopted by the institutions of the European Union (including, without limitation and for so long as the same continue to apply to the Issuer and/or any Regulatory Group of which the Issuer forms part, CRD IV); and

Regulatory Group means, at any time, the (or each) prudential group and/or sub-group of which the Issuer forms part under the Regulatory Capital Requirements at such time and/or the (or each) resolution group and/or sub-group of which the Issuer forms part under the Loss Absorption Regulations at such time, as may be relevant in the context and circumstances (and any such group or sub-group may include the Issuer, any direct or indirect parent undertaking of the Issuer and any direct or indirect subsidiary undertakings, participations and participating interests of the Issuer from time to time and any other undertakings from time to time consolidated with the Issuer, or with which the Issuer is consolidated, for prudential or resolution purposes), in each case applied in accordance with the rules and guidance of the Competent Authority then in effect.

Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent, to be made available to the Noteholders upon request, a certificate signed by two Directors of the Issuer stating (i) that a Loss Absorption Disqualification Event has occurred as at the date of the certificate and (ii) that the conditions set out in Condition 6(f) have been satisfied, and such certificate shall (in the absence of manifest error or bad faith) be conclusive and sufficient evidence of the matters confirmed therein and binding on the Noteholders.

(d) Purchases

The Issuer or any subsidiary of the Issuer may (in its sole discretion and subject to the provisions of Condition 6(f) to the extent applicable) at any time purchase or otherwise acquire Notes in the open market or otherwise and in any manner and at any price. Such Notes may be held, or, at the option of the Issuer, surrendered to the Fiscal Agent and/or the Registrar for cancellation.

(e) Cancellation

All Notes which are redeemed or purchased as aforesaid and surrendered to the Fiscal Agent and/or the Registrar for cancellation will forthwith be cancelled and cannot be reissued or resold.

(f) Conditions to Redemption, Purchase and Modification

Any redemption, purchase or modification of any Note in accordance with Conditions 6(b), 6(c), 6(d) or 13, as the case may be, is subject to:

(i) the Issuer giving notice to the Competent Authority and the Competent Authority granting permission to redeem, purchase or modify the relevant Notes (in each case if and, to the extent, and in the manner, required by the Competent Authority or the Regulatory Capital Requirements or Loss Absorption Regulations); and

(ii) compliance with any other pre-conditions to such redemption, purchase or modification if and, as may be, required by the Competent Authority or the Regulatory Capital Requirements or Loss Absorption Regulations at such time.

(g) Substitution and Variation

(i) Substitution and Variation

Upon the occurrence of a Loss Absorption Disqualification Event the Issuer (in its sole discretion but subject to the provisions of Condition 6(g)(ii)), having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), and having delivered to the Fiscal Agent, to be made available to Noteholders upon request, the certificate referred to in the definition of Loss Absorption Compliant Notes, may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Notes for, or vary the terms of all (but not some only) of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of or, as the case may be, substitute the Notes in accordance with this Condition 6(g)(i).

For the purposes of these Terms and Conditions:

EEA regulated market means a market as defined by Article 4.1(14) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended;

Loss Absorption Compliant Notes means securities that comply with the following (which compliance has been certified to the Fiscal Agent in a certificate signed by two Directors of the Issuer and delivered to the Fiscal Agent, to be made available to Noteholders upon request, prior to the issue of the relevant securities):

(a) are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a guarantee of such obligations by the Issuer;

(b) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) equally with the ranking of the Notes;

(c) other than in respect of the effectiveness and enforceability of Condition 15(c), have terms not materially less favorable to Noteholders than the terms of the Notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognised standing);

(d) (without prejudice to (c) above) (1) contain terms such that they comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards the minimum requirements of the Issuer and/or any Regulatory Group of which the Issuer forms part (whether on a solo, individual consolidated, consolidated or sub-consolidated basis, as applicable) for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) bear the same rate of interest as the Notes and preserve the same Interest Payment Dates; (3) do not contain terms providing for mandatory deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to Condition 15(c)); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the Notes which has accrued to Noteholders and not been paid;

(e) are listed on the same stock exchange or market as the Notes or the London Stock Exchange or another EEA regulated market selected by the Issuer; and

(f) if the Notes had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, benefit from (or will, as announced by each such Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the Notes, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 15(c);

Rating Agency means each of S&P Global Ratings Europe Limited, Moody's Investors Services Limited, Fitch Ratings Limited and DBRS Ratings Limited and each of their respective affiliates or successors.

(ii) Conditions to Substitution and Variation

In connection with any substitution or variation in accordance with this Condition 6(g), the Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this Condition 6(g) is also subject to the following conditions:

(A) the Issuer shall have obtained the permission from the Competent Authority (if then required by the Competent Authority or by the Regulatory Capital Requirements or, as the case may be, Loss Absorption Regulations at such time);

(B) such substitution or variation must be permitted by, and conducted in accordance with, any other applicable requirement of the Competent Authority or under the Regulatory Capital Requirements or, as the case may be, Loss Absorption Regulations at such time;

(C) such substitution or variation shall not result in any event or circumstance which at or around that time gives the Issuer a redemption right in respect of the Notes; and

(D) prior to the publication of any notice of substitution or variation pursuant to this Condition 6(g), the Issuer shall have delivered to the Fiscal Agent, to be made available to Noteholders for inspection, a certificate signed by two Directors of the Issuer stating that the Loss Absorption Disqualification Event giving rise to the right to substitute or vary the Notes has occurred or, as the case may be, that the relevant substitution or variation is being effected in order to ensure the effectiveness and enforceability of Condition 15(c) , in each case as at the date of the certificate and that all conditions set out in (A), (B) and (C) above have been satisfied, and such certificate shall (in the absence of manifest error or bad faith) be conclusive and sufficient evidence of the matters confirmed therein and binding on the Noteholders.

7. Taxation

All payments of principal and/or interest in respect of the Notes shall be made without withholding and/or deduction for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of a Relevant Jurisdiction, unless such withholding and/or deduction is required by law. In that event, the Issuer will account to the relevant authorities for the amount required to be withheld or deducted and will pay such additional amounts as will result (after such withholding and/or deduction) in the receipt by the holders of the Notes of such sums which would have been receivable (in the absence of such withholding and/or deduction) from it in respect of their Notes, except that no such additional amounts shall be payable under any of the following circumstances:

(i) The tax, duty or charge is imposed only because the Noteholder, or a fiduciary, settlor, beneficiary or member or shareholder of, or possessor of a power over, the Noteholder, if the Noteholder is an estate, trust, partnership or corporation, was or is connected to the Relevant Jurisdiction, other than by merely holding the Note or guarantee or receiving principal or interest in respect thereof. These connections include where the Noteholder or related party:

(1) is or has been a citizen or resident of the Relevant Jurisdiction;

(2) is or has been engaged in trade or business in the Relevant Jurisdiction; or

(3) has or had a permanent establishment in the Relevant Jurisdiction; and/or

(ii) The Noteholder is a fiduciary, partnership or other entity that is not the sole beneficial owner of the payment of the principal of, or any interest on, any Note, and the laws of the jurisdiction require the payment to be included in the income of a beneficiary or settlor for tax purposes with respect to such fiduciary, a member of such partnership or a beneficial owner who would not have been entitled to such additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Note; and/or

(iii) The tax, duty or charge is on account of an estate, inheritance, gift, sale, transfer, personal property or similar tax, duty or charge; and/or

(iv) The tax, duty or charge is imposed or withheld because the Noteholder or beneficial owner failed to accurately comply with a request from Issuer or the Fiscal Agent to meet certification, identification or information reporting requirements concerning the nationality, residence or identity of the Noteholder or beneficial owner of the Notes or to satisfy any information or reporting requirement, or to present the relevant Note (where presentation is required), if compliance with such action is required as a precondition to exemption from, or reduction in, such tax, assessment or other governmental charge by a Relevant Jurisdiction; and/or

(v) The Note is presented for payment (where presentation is required under these Terms and Conditions) at any specified office in a Relevant Jurisdiction of the Fiscal Agent by or on behalf of a Noteholder who, at the time of such presentation, is eligible to receive the relevant payment without withholding or deduction for or on account of any such tax, duty or charge (under then current law and practice of the Relevant Jurisdiction) but fails to fulfil any legal requirement necessary to establish such eligibility; and/or

(vi) The tax, duty or charge is imposed due to the presentation of a Note for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days (assuming, whether or not such is in fact the case, such last day to be a Payment Day); and/or

(vii) In the case of any combination of the above items.

In no event will additional amounts be payable under this Condition 7 or otherwise in respect of any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or any official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof or any law implementing such an intergovernmental agreement.

For the purposes of these Terms and Conditions, the **Relevant Date** in respect of any payment means the date on which such payment first becomes due, or, if the full amount of the moneys payable has not been duly received by the Fiscal Agent or the Registrar, as the case may be, on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 12.

For the purposes of these Terms and Conditions, **Relevant Jurisdiction** means Ireland (or, should the Issuer become organized under the laws of any other country, such other country) or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal or interest on the Notes.

8. Prescription

The Notes will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

9. Events of Default for, and Enforcement of, Notes

(A) If default is made in the payment of any principal or interest due in respect of any Note and such default continues for a period of 15 days after the due date for the same or, as the case may be, after any other date upon which the payment of interest is compulsory, the holder of such Note may institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere), but (save as provided in Condition 9(B) below) may take no further action in respect of such default.

(B) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by an Extraordinary Resolution of the Noteholders or, on terms approved by any competent court or regulatory authority pursuant to which the Notes remain obligations of a successor entity to the Issuer, an order is made or an effective resolution is passed for the winding up of the Issuer, any Noteholder may, by notice to the Issuer (or the relevant administrator, liquidator or other insolvency official, as applicable), declare its Notes, and such Notes shall accordingly thereby forthwith become, immediately due and repayable at their principal amount, plus accrued and unpaid interest and together with any damages awarded in respect thereof, and the Noteholder may prove in the winding up of the Issuer in respect thereof.

(C) Without prejudice to Conditions 9(A) and 9(B) above, any Noteholder may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes (other than any obligation for the payment of any principal or interest in respect of the Notes or any damages awarded in respect thereof), provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums representing or measured by reference to principal or interest in respect of the Notes sooner than the same would otherwise have been payable by it, or any damages awarded in respect of the Notes.

(D) No remedy against the Issuer, other than as provided above in this Condition 9, shall be available to the Noteholders for the recovery of amounts owing in respect of such Notes or under the Agency Agreement in so far as it relates to the Notes.

10. Replacement of Certificates

Should any Certificate be lost, stolen, mutilated, defaced or destroyed, it may, subject to all applicable laws and stock exchange requirements, be replaced at the specified office of the Registrar, or any other place approved by the Registrar of which notice shall have been published in accordance with Condition 12, upon payment by the claimant of such costs, expenses, taxes and duties as may be incurred in connection therewith and on such terms as to evidence, security and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

11. Agents

The name of the initial fiscal, principal paying agent and transfer agent and their initial specified offices are set out below.

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

The name of the initial registrar and their initial specified offices are set out below.

Citigroup Global Markets Europe AG
Reuterweg 16 60323
Frankfurt am Main

Germany

The Issuer is entitled to vary or terminate the appointment of the Fiscal Agent, Registrar and/or appoint additional or other paying agents and/or approve any change in the specified office through which any paying agent acts, provided that:

(i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a transfer agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority or authorities);

(ii) there will at all times be a fiscal agent and a registrar; and

(iii) there will at all times be a principal paying agent in a jurisdiction within the United States and/or Europe, other than the jurisdiction in which the Issuer is incorporated.

Notice of any variation, termination, appointment or change in the fiscal, transfer or principal paying agent will be given to the Noteholders promptly by the Issuer in accordance with Condition 12.

12. Notices

All notices to be given to Noteholders regarding the Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Notwithstanding the foregoing provisions of this Condition 12 (and provided that, in the case of Notes listed on a stock exchange, the rules of that stock exchange or other relevant authority so permit), so long as all the Notes outstanding are represented by the Global Notes and the Global Notes are held in their entirety by a Clearing System or Clearing Systems, the Issuer may, in lieu of notice as aforesaid, give notice by the delivery of the relevant notice to each such Clearing System for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to the relevant Clearing System(s).

Notices to be given by any Noteholder to the Issuer (or its administrator, liquidator or other insolvency official, as the case may be) shall be in writing and given by lodging the same, together with the relative Note, with the Agents or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

13. Meetings of Noteholders, Extraordinary Resolutions and Modification

Any modification, waiver, authorization or substitution pursuant to this Condition 13 shall be binding on the Noteholders and any such modification or substitution shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 12.

(a) Ordinary Resolutions

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests. Subject to the discussion below under "—Extraordinary Resolutions", any resolution passed by holders shall be an **Ordinary Resolution**. An Ordinary Resolution may be passed by a majority of Noteholders present at a meeting at which the necessary quorum will be one or more persons holding or representing not less than $1/20^{th}$ in nominal amount of the Notes for the time being outstanding. At any adjourned meeting for an Ordinary Resolution, one or more persons present whatever the nominal amount of the Notes held or represented by him or them will form a quorum.

(b) Extraordinary Resolutions

An **Extraordinary Resolution** shall be any resolution which seeks to:

1. modify the date of maturity of the Notes or reduce the amount of principal payable on any such date;
2. reduce or cancel the principal amount payable on the Notes;
3. reduce the amount payable or modify the method of calculating the amount payable or modify the date of payment in respect of any interest on the Notes;
4. alter the currency in which payments are made on the Notes; and
5. alter in any manner the provisions which govern meetings, Ordinary Resolutions and Extraordinary Resolutions.

An Extraordinary Resolution may, subject to the next paragraph, be passed by three-quarters of persons present and can only be made at a meeting at which the necessary quorum will be one or more persons holding or representing not less than a clear majority in nominal amount of the Notes for the time being outstanding. At any adjourned meeting for an Extraordinary Resolution, the necessary quorum will be one or more persons present holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding.

An Extraordinary Resolution may also be passed by the Noteholders by way of:

(i) a resolution in writing signed by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding; or

(ii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding.

An Extraordinary Resolution (whether passed at any meeting of the Noteholders or by way of written resolution or electronic consents) shall be binding on all the Noteholders, whether present or not at the relevant meeting and/or whether or not voting on (or voting in favor of) the relevant Extraordinary Resolution.

(c) Modification

The Agents and the Issuer may agree, without the consent of the Noteholders, to:

(a) any modification of the Notes or any of the provisions of the Agency Agreement which the Issuer has determined is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law, or

(b) any modification of the Notes or the Agency Agreement which the Issuer has determined is not prejudicial to the interests of the Noteholders.

(d) Regulatory consent

Any modification or substitution pursuant to this Condition 13 is subject to, if, and to the extent applicable, Condition 6(f).

14. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue date, nominal amount, interest commencement date, date of the first payment of interest thereon and/or issue price and the date from which interest starts to accrue and so that the same shall be consolidated and form a single series with the outstanding Notes; *provided that* if the further notes are not fungible with the original Notes for United States federal income tax purposes, the further notes must have a CUSIP, ISIN and other identifying numbers that are different from those of the original Notes.

15. Governing Law, Submission to Jurisdiction and Acknowledgement of Irish Statutory Resolution Powers

(a) Governing Law

The Agency Agreement and the Notes are governed by, and shall be construed in accordance with, the laws of the State of New York except that Condition 3(b), Condition 15(c) and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Ireland.

(b) Submission to Jurisdiction

The Issuer irrevocably agrees for the benefit of the Noteholders that (subject as provided below) any legal suit, action or proceeding arising out of or based upon the Notes may be instituted in the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan, or the courts of the State of New York in each case located in the City and County of New York, Borough of Manhattan (collectively, the **Specified Courts**), and the Issuer irrevocably submits to the jurisdiction of such courts in any such suit, action or proceeding.

Service of any process, summons, notice or document by mail to the Issuer's agent to receive service of process shall be effective service of process for any suit, action or other proceeding brought in any such court.

The Issuer irrevocably and unconditionally waives any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

The Issuer irrevocably appoints CT Corporation as its agent to receive service of process or other legal summons for purposes of any such suit, action or proceeding that may be instituted in any state or federal court in the City and County of New York. The Issuer undertakes that, in the event of such person ceasing so to act, it will appoint an alternative agent for that purpose.

Nothing herein shall affect the right to serve process in any other manner permitted by law.

Without prejudice to the foregoing, in the event that any legal action, suit or proceedings with respect to Conditions 3(b) and 15(c) are commenced in the courts of Ireland, each Noteholder irrevocably accepts the non-exclusive jurisdiction of such courts and waives any objection to the courts of Ireland on the grounds that they are an inconvenient or inappropriate forum to settle any such dispute.

(c) Acknowledgement of Irish Statutory Loss Absorption Powers and jurisdiction of the Irish courts

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder, each Noteholder, by its acquisition of any Note acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

(i) the effect of the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:

(A) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;

(B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes;

(C) the cancellation of the Notes or the Relevant Amounts in respect thereof; and

(D) the amendment or alteration of the Maturity Date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the terms of the Notes as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

Each Noteholder, by its acquisition of any Note, irrevocably authorizes (i) the Agents to take such steps as may be necessary or expedient in order to give effect to any application of any Irish Statutory Loss Absorption Powers in respect of the Notes and (ii) accepts the non-exclusive jurisdiction of the courts of Ireland in connection with any legal suit, action or proceeding arising out of or based upon the application of any Irish Statutory Loss Absorption Powers.

In these Terms and Conditions:

Irish Statutory Loss Absorption Powers means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Ireland, relating to (i) the transposition into Irish law of Directive 2014/59/EU as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

Relevant Amounts means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts and any other amounts due on or in respect of the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority; and

Relevant Resolution Authority means the resolution authority with the ability to exercise any Irish Statutory Loss Absorption Powers in relation to the Issuer and/or the Notes (being, as at the Issue Date, the Single Resolution Board).

See the risk factor entitled "The European Union adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a "relevant entity") considered to be at risk of failing" for further information.

Book-Entry—Clearance Systems

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear and Clearstream currently in effect. The information in this section concerning DTC, Euroclear and Clearstream has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer nor any Initial Purchaser takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of DTC, Euroclear and Clearstream are advised to confirm the continued applicability of the rules, regulations and procedures of DTC, Euroclear and Clearstream. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of DTC, Euroclear and Clearstream or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-Entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC was created to hold securities that its participating organizations (collectively, the **Participants**) deposit with DTC and to facilitate the clearance and settlement of transactions in those securities among Participants through electronic book-entry changes in Participants' accounts. The Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the **Rules**), DTC makes book-entry transfers of Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system (**DTC Notes**) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the SEC. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (**Owners**) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest with respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to Cede & Co. If

less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy). Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants. Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended. Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Notes from DTC as described below.

Euroclear and Clearstream

Our understanding with respect to the organization and operations of Euroclear and Clearstream is as follows. Euroclear and Clearstream each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-Entry Ownership of and Payments in Respect of Rule 144A Global Notes

The Issuer will apply to DTC in order to have the Rule 144A Global Notes represented by a Global Note accepted in its book-entry settlement system. Upon the issue of any such Rule 144A Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant dealer. Ownership of beneficial interests in such a Global Note will be limited to Direct Participants or Indirect Participants, including the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in a Rule 144A Global Note will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Rule 144A Global Note registered in the name of DTC's nominee will be made to the order of such nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC's nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participant's account. The Issuer expects DTC to credit accounts of Direct Participants on the

applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Fiscal Agent, the Registrar or the Issuer. Payments of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Book-Entry Ownership of and Payments in Respect of Regulation S Global Notes

The Issuer will make application to Clearstream and Euroclear for acceptance in their respective book-entry systems in respect of the Regulation S Global Notes to be represented by a Global Note. The Regulation S Global Notes will have an ISIN.

Transfers of Notes Represented by the Global Notes

Transfers of any interests in Notes represented by a Global Note within DTC, Euroclear and Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Global Note to pledge such Notes to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Rule 144A Global Note to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Beneficial interests in an interest in a Regulation S Global Note may be held only through Clearstream or Euroclear. Transfers may be made at any time by a holder of an interest in a Regulation S Global Note to a transferee who wishes to take delivery of such interest through the Regulation S Global Note for the Notes provided that any such transfer made on or prior to the expiration of the distribution compliance period (as further discussed in "Subscription and Sale") relating to the Notes represented by such Regulation S Global Note will only be made upon receipt by the Registrar or the Fiscal Agent of a written certificate from Euroclear or Clearstream, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Regulation S Global Note will only be made upon request through Clearstream or Euroclear by the holder of an interest in the Regulation S Global Note to the Fiscal Agent and receipt by the Fiscal Agent of details of that account at DTC to be credited with the relevant interest in the Rule 144A Global Note. Transfers at any time by a holder of any interest in the Rule 144A Global Note to a transferee who takes delivery of such interest through an Regulation S Global Note will only be made upon delivery to the Registrar or the Fiscal Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Notes.

Subject to compliance with the transfer restrictions applicable to the Notes described under "Subscription and Sale", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and the custodian (**Custodian**) with whom the Global Notes have been deposited, which is the Fiscal Agent. On or after the Issue Date, transfers of Notes of between accountholders in Clearstream and Euroclear will generally have a settlement date three business days after the trade date (T+3) and transfers of Notes between participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Transfers of interests between the Legended Notes and Regulation S Global Notes will be effected through the Registrar, the Fiscal Agent and the Custodian receiving

instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of crossmarket transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Notes among participants and accountholders of DTC, Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents and any Dealer will be responsible for any performance by DTC, Clearstream or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Certain Tax Considerations

The statements herein regarding taxation are based on the laws in force as at the date of this Offering Memorandum and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid.

This summary assumes that the Issuer is resident for tax purposes in Ireland and is structured and conduct its business in the manner outlined in this Offering Memorandum. Changes in the Issuer's organizational structure, tax residence or the manner in which each of them conducts its business, as well as the change of the Issuer, may invalidate this summary. This summary also assumes that each transaction with respect to the Notes is at arm's length.

The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Notes are advised to consult their own tax advisors concerning the overall tax consequences under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

United States Federal Income Taxation

The following discussion is a summary of certain material United States federal income tax consequences of the purchase, ownership and disposition of the Notes by a U.S. holder (as defined below), but does not purport to be a complete analysis of all potential tax effects and does not address the effects of any state, local or non-U.S. tax laws. It applies only to persons who acquire the Notes in the initial offering and who hold the Notes as capital assets for tax purposes. This discussion does not apply to members of a class of holders subject to special rules, such as:

- a dealer in securities,
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings,
- a bank,
- a life insurance company,
- a tax-exempt organization,
- a person that owns Notes that are a hedge or that are hedged against interest rate risks,
- a person that owns Notes as part of a straddle or conversion transaction for tax purposes,
- a person that purchases or sells Notes as part of a wash sale for tax purposes, or
- a person whose functional currency for tax purposes is not the U.S. dollar.

This discussion is based upon the Internal Revenue Code of 1986, as amended (the **Code**), its legislative history, existing and proposed Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. The Notes should be classified as debt instruments for U.S. federal income tax purposes and the discussion below assumes that the Notes will be so treated.

For purposes of this discussion, a "**U.S. holder**" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation or any entity taxable as a corporation created or organized in the United States or under the laws of the United States or of any political subdivision thereof; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its

source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A holder that is a partnership, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the Notes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of holding Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other federal, state, local, foreign or other tax laws.

Payments of interest

It is anticipated, and this discussion assumes, that the Notes will not be issued with original issue discount for U.S. federal income tax purposes. Accordingly, payments of stated interest on the Notes generally will be taxable to a U.S. holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

The Notes will be issued with a de minimis amount of original issue discount (**OID**). While a U.S. holder is generally not required to include de minimis OID in income prior to the sale or maturity of the notes, under recently enacted legislation, U.S. holders that maintain certain types of financial statements and that are subject to the accrual method of tax accounting may be required to include de minimis OID on the notes in income no later than the time upon which they include such amounts in income on their financial statements. U.S. holders that maintain financial statements should consult their tax advisors regarding the tax consequences to them of this legislation.

Should any foreign tax be withheld, the amount withheld and the gross amount of any additional amounts paid to a U.S. holder pursuant to Condition 7 (Taxation) will be included in such holder's income at the time such amount is received or accrued (or deemed received or accrued) in accordance with such holder's method of tax accounting. U.S. holders should consult their tax advisors regarding the creditability or deductibility of any withholding taxes. Any additional amounts would generally constitute foreign source income.

Interest income on a Note and any additional amounts paid with respect to withholding tax on the Notes, including withholding tax on payments of such additional amounts, is income from sources outside the United States and will generally be "passive" income for purposes of the rules regarding the foreign tax credit allowable to a U.S. holder. Holders should consult their own tax advisors regarding the creditability of any withholding taxes.

Sale, Exchange, Retirement, or Other Taxable Disposition of Notes

Upon the sale, exchange, retirement, or other taxable disposition of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement or other disposition (less an amount allocable to any accrued but unpaid interest, which will be taxable as interest income as discussed above to the extent not previously included in income by the U.S. holder) and the adjusted tax basis of the Note. A U.S. holder's adjusted tax basis in a Note will, in general, be its cost for such Note.

Any gain or loss will be capital gain or loss. Capital gains of noncorporate U.S. holders (including individuals) derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Capital gain or loss recognized by a U.S. holder generally will be U.S.-source gain or loss.

The Issuer will have the right to substitute or vary the terms of the Notes. See "Terms and Conditions of the Notes—Substitution and Variation". Noteholders should consult their own tax advisors regarding whether gain or loss would be recognized in the event of a substitution or variation.

Medicare Tax

A U.S. holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. holder's "net investment income" (or "undistributed net investment income" in the case of an estate or trust) for the relevant taxable year and (2) the

excess of the U.S. holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between US$125,000 and US$250,000, depending on the individual's circumstances). A U.S. holder's net investment income generally includes its interest income and its net gains from the disposition of Notes, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. holder that is an individual, estate or trust, is urged to consult a tax advisor regarding the applicability of the Medicare tax to income and gains in respect of investing in the Notes.

Information with Respect to Foreign Financial Assets

Owners of "specified foreign financial assets" with an aggregate value in excess of US$50,000 (and in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" may include financial accounts maintained by foreign financial institutions, as well as the following, but only if they are held for investment and not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-United States persons, (ii) financial instruments and contracts that have non-United States issuers or counterparties, and (iii) interests in foreign entities. Holders are urged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Notes.

Information Reporting and Backup Withholding

For a noncorporate U.S. holder, information reporting requirements, on Internal Revenue Service Form 1099, generally would apply to payments of principal and interest on a Note within the United States, and the payment of proceeds from the sale of a Note effected at a United States office of a broker.

Additionally, backup withholding may apply to such payments if a U.S. holder fails to comply with applicable certification requirements or (in the case of interest payments) is notified by the IRS that the holder has failed to report all interest and dividends required to be shown on the holder's federal income tax returns.

Payment of the proceeds from the sale of a Note effected at a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker could be subject to information reporting in the same manner as a sale within the United States (and in certain cases may be subject to backup withholding as well) if (i) the broker has certain connections to the United States, (ii) the proceeds or confirmation are sent to the United States or (iii) the sale has certain other specified connections with the United States.

A U.S. holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed the holder's income tax liability by filing a refund claim with the IRS.

Taxation in the Republic of Ireland

The following is a general description of certain Irish tax considerations relating to Notes. It does not purport to be a complete analysis of all tax considerations relating to Notes, whether in the jurisdictions mentioned below or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Offering Memorandum and is subject to any change in law that may take effect after such date.

Withholding Tax

In general, withholding tax at the standard rate of income tax (currently 20%) must be deducted from Irish source yearly interest payments made by an Irish company (for these purposes interest includes premia but not discounts). However, no withholding for or on account of Irish income tax is required to be made from yearly interest paid on quoted Eurobonds (see below).

Quoted Eurobonds

Notes which are quoted on a recognised stock exchange and carry a right to interest constitute "quoted Eurobonds" under Section 64 of the Irish Taxes Consolidation Act, 1997 (**Section 64**). So long as Notes continue to qualify as

quoted Eurobonds, interest payments may be made by a paying agent outside Ireland on behalf of the Issuer without deduction of withholding tax. In addition, where interest is paid by a paying agent in Ireland in respect of a quoted Eurobond, withholding tax will not apply provided:

(a) the Notes are held in a recognised clearing system (e.g., Euroclear, Clearstream Banking SA and Clearstream Banking AG); or

(b) the person who is the beneficial owner of the Note and who is beneficially entitled to the interest is not resident in Ireland and has made the appropriate declaration to the relevant person.

Discounts paid on Notes will not be subject to Irish withholding tax, however premia paid will be subject to the same provisions as interest.

However, an encashment tax withholding obligation may arise as discussed under the heading "Encashment Tax" below.

Encashment Tax

Encashment tax may arise in respect of Notes which constitute quoted Eurobonds where a collection agent in Ireland obtains payment of interest or premium (whether or not in Ireland). Where encashment tax arises, a withholding tax will be deducted from such payments at the standard rate of tax (which is currently 20%), unless a bank acts solely in the clearing of a cheque and has no other relationship with the Noteholder. However if the person owning the Note and entitled to the interest is not resident in Ireland and has provided the appropriate declaration to the relevant person encashment tax will not arise. It is also necessary, to avoid withholding, that such interest is not deemed under the provisions of Irish tax legislation to be income of another person that is resident in Ireland.

In the case of interest payments made by or through a paying agent outside Ireland, no encashment tax arises provided the interest is not received by, or presented to, a banker (subject to the above) or any other person in Ireland for encashment.

Reporting Requirements

In the case of an Irish resident issuing or paying agent paying to an Irish resident, there is a requirement to report to the Irish Revenue Authorities the names and addresses of the person to whom interest was paid or credited, the amount of interest paid or credited and the tax reference number of the person to whom the payment was made.

Taxation of Interest

Notwithstanding the fact that an Issuer may not be required to deduct withholding tax in accordance with the preceding paragraphs, any interest, discount or premium on Notes issued in Ireland is Irish source income. Such income is within the charge to Irish income tax, social insurance and the universal social charge in the case of Noteholders that are Irish resident or ordinarily resident individuals. In the case of Noteholders who are non-resident individuals such income is within the charge to Irish income tax and the universal social charge. Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However interest on the Notes will be exempt from Irish income tax where such interest is paid by an Issuer to a person that is not a resident of Ireland and that is regarded as being resident in a member state of the European Union (other than Ireland) or is a country with which Ireland has signed a double tax treaty (a "Relevant Territory") or to a company not resident in Ireland which is controlled by a person that is resident in a Relevant Territory (and is not controlled by a person not so resident) or to a company not resident in Ireland where the principal class of shares of the company or its 75% parent is substantially and regularly traded on a recognised stock exchange in an EU or treaty country, and the Notes are quoted Eurobonds.

Interest falling within the above exemption is also exempt from the universal social charge.

While the matter is not free from doubt payments of premium should, if regarded as interest, come within the above mentioned exemptions.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge.

Capital Gains Tax

A holder of a Note who is either resident or ordinarily resident in Ireland for tax purposes will generally be subject to Irish tax on capital gains (currently 33%) on a disposal of a Note. A holder of a Note who is neither resident nor ordinarily resident for tax purposes in Ireland will not be subject to Irish tax on capital gains unless such holder:

(i) has an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable; or

(ii) the Notes derive their value or the greater part of their value directly or indirectly from Irish land or certain Irish mineral or exploration rights.

Stamp Duty

Irish stamp duty will not be payable on the issue of Notes.

A transfer of Notes by instrument in writing or effected through an approved or recognized relevant system as provided for in the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 will be subject to Irish stamp duty at a rate of 1 % except where the Notes meet all of the following conditions: they are not issued at a discount of more than 10 %, do not carry rights akin to share rights, are not convertible into shares and do not carry a right to a payment linked wholly or partly, and directly or indirectly, to an equity index or equity indices.

Capital Acquisitions Tax

A gift or inheritance consisting of Notes will generally be within the charge to Irish Capital Acquisitions tax (currently 33%) if either:

(i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or in case of gifts/inheritances taken under a discretionary trust, capital acquisitions tax will apply where the disponer is resident or ordinarily resident (or in the case of discretionary trusts established before December 1, 1999, domiciled) in Ireland irrespective of the residence or ordinary residence of the donee/successor) on the date of gift or inheritance; or

(ii) if the Notes are Irish situated property. Notes which are in registered form are regarded as Irish property where the principal register is maintained in Ireland or is required to be maintained in Ireland.

The proposed financial transactions tax (FTT)

On February 14, 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia, Slovakia (together, the **participating Member States**) and Estonia. However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances,

including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

Automatic exchange of information

Irish reporting financial institutions, which would include the Issuer, may have reporting obligations in respect of a Noteholder under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard, which Ireland has implemented into Irish law.

Information exchange and the implementation of FATCA in Ireland

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) (the **Irish Regulations**) implementing the information disclosure obligations, Irish financial institutions such as the Issuer are required to report certain information with respect to U.S. account holders and non-financial entities controlled by U.S. persons to the Irish Revenue Commissioners. The Irish Revenue Commissioners will provide that information annually to the IRS. Aside from where the Notes are listed (see below), the Issuer must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information may be sought from each holder and beneficial owner of the Notes. It should be noted that the Irish Regulations require the filing of returns with the Irish Revenue Commissioners regardless as to whether the Issuer holds any U.S. assets or has any U.S. investors. However, to the extent that the Notes are listed on a recognized stock exchange (which includes Euronext Dublin) and regularly traded (i.e. listed with the intention that the interests may be traded) and/or held within a recognized clearing system, the Issuer should have no reportable accounts in a tax year. In that event, the Issuer will make a nil return for that year to the Irish Revenue Commissioners.

Common Reporting Standard (the CRS)

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On July 21, 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the **Standard**) was published, involving the use of two main elements, the Competent Authority Agreement (the **CAA**) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (**FIs**) relating to accountholders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It results in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information, which was entered into by Ireland in its capacity as a signatory to the Convention on Mutual Administrative Assistance in Tax Matters and which relates to the automatic exchange of financial account information in respect of CRS, while sections 891F and 891G of the 1997 Act and regulations made thereunder contain measures necessary to implement the CRS internationally and across the European Union, respectively. The Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the **CRS Regulations**), giving effect to the CRS from January 1, 2016 came into operation on December 31, 2015.

Under the Regulations, reporting financial institutions, which may include each Issuer, are required to collect certain information on accountholders and on certain controlling persons (as defined in the Regulations) in the case of the accountholder being an entity, as defined for CRS purposes, to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Where a Note is held in a clearing system it is understood that either the clearing system itself or the relevant clearing participants are likely to be considered FIs and accordingly each Issuer should not have reporting

obligations in respect of a Noteholder holding such Notes. In that event each Issuer will make a nil return for that year to the Irish Revenue Commissioners.

Certain ERISA Considerations

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**) (each, a **Plan**), should consider the fiduciary standards of ERISA in the context of the Plan's particular circumstances before authorizing an investment in the Notes. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the Plan, and whether the investment would involve a prohibited transaction under ERISA or the Code.

Section 406 of ERISA and Section 4975 of the Code prohibit Plans, as well as individual retirement accounts, Keogh plans and any other plans that are subject to Section 4975 of the Code (also **Plans**), from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the Plan. A violation of these prohibited transaction rules may result in excise tax or other liabilities under ERISA or the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) (**Non-ERISA Arrangements**) are not subject to the requirements of Section 406 of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, non-U.S. or other laws (**Similar Laws**).

The acquisition and holding of the Notes by a Plan or any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a **Plan Asset Entity**) with respect to which we, the Initial Purchasers or any of our or their respective affiliates is or becomes a party in interest or disqualified person may result in a prohibited transaction under ERISA or Section 4975 of the Code, unless the Notes are acquired and held pursuant to an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or "PTCEs", that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the Notes. These exemptions are PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), and PTCE 96-23 (for transactions managed by in-house asset managers). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of the Notes, provided that neither the issuer of the Notes nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction, and provided further that the Plan pays no more and receives no less than "adequate consideration" in connection with the transaction (the "service provider exemption"). There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Any purchaser or holder of the Notes or any interest therein will be deemed to have represented by its purchase and holding of the Notes or any interest therein that it either (1) is not a Plan, a Plan Asset Entity or a Non-ERISA Arrangement and is not purchasing the Notes on behalf of or with the assets of any Plan, a Plan Asset Entity or Non-ERISA Arrangement or (2) the purchase and holding of the Notes will not constitute a non-exempt prohibited transaction under ERISA or the Code or a similar violation under any applicable Similar Laws.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing the Notes on behalf of or with the assets of any Plan, a Plan Asset Entity or Non-ERISA Arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the service provider exemption or the potential consequences of any purchase or holding under Similar Laws, as applicable. Purchasers of the Notes have exclusive responsibility for ensuring that their purchase and holding of the Notes do not violate the fiduciary or prohibited transaction rules of ERISA or the Code or any similar provisions of Similar Laws. The sale of any Notes to a Plan, Plan Asset Entity or Non-ERISA Arrangement is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement or that such investment is appropriate for such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement.

Subscription and Sale

Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, HSBC Securities (USA) Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, and UBS Securities LLC (together, the **Initial Purchasers**) are acting as joint bookrunners of the offering of the Notes. Pursuant to a purchase agreement (the **Purchase Agreement**) dated September 18, 2018, each of the Initial Purchasers has severally agreed to purchase, and the Issuer has agreed to sell to each of the Initial Purchasers, the principal amount of the Notes set forth opposite each Initial Purchaser's name in the following table:

Initial Purchaser	**Principal Amount**
Citigroup Global Markets Inc.	US$100,000,000
Credit Suisse Securities (USA) LLC	US$100,000,000
HSBC Securities (USA) Inc.	US$100,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	US$100,000,000
UBS Securities LLC	US$100,000,000
Total	**US$500,000,000**

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other customary closing conditions, the delivery of certain legal opinions by counsel. In the Purchase Agreement, the Issuer has agreed to reimburse the Initial Purchasers for certain of their expenses in connection with the offering of the Notes and to indemnify the several Initial Purchasers against certain liabilities that may be incurred by them in connection therewith.

The Initial Purchasers expect that delivery of the Notes will be made against payment therefor on or about the issue date, which will be the fifth New York business day following the date of pricing of the Notes (such settlement being referred to as "T+5"). Under Rule 15c6-1 under the Securities Exchange Act of 1934, trades in the secondary market are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date of this Offering Memorandum or the next two succeeding business days will be required, by virtue of the fact that the Notes initially settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of this Offering Memorandum or the next two succeeding business days should consult their advisors.

In connection with the offering, the Initial Purchasers may purchase and sell Notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves sale of Notes in excess of the nominal amount of Notes to be purchased by the Initial Purchasers in this offering, which creates a short position for the Initial Purchasers. Covering transactions involve purchase of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of Notes made for the purpose of preventing a decline in the market price of the Notes while the offering is in progress. These activities may cause the price of the Notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The Initial Purchasers may conduct these transactions, in the over-the-counter market or otherwise. If the Initial Purchasers commence any of these transactions, they may discontinue them at any time.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and

non-financial activities and services. Certain of the Initial Purchasers and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and its affiliates and to persons and entities with relationships with the Issuer and its affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Initial Purchasers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments, including serving as counterparties to certain derivative and hedging arrangements, and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and its affiliates (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and its affiliates. If any of the Initial Purchasers or their respective affiliates have a lending relationship with us, certain of those Initial Purchasers or their affiliates routinely hedge, and certain other of those Initial Purchasers or their respective affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these Initial Purchasers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (**Regulation S**).

Each Initial Purchaser has represented and agreed that it will offer and sell the Notes (A) as part of its distribution at any time and (B) otherwise until 40 days after the later of the commencement of the offering of the Notes and the issue date of the Notes, only in accordance with Regulation S or Rule 144A under the Securities Act (**Rule 144A**). Each of the Initial Purchasers has further agreed that, at or prior to the confirmation of sale of any Notes sold in reliance on Regulation S (**Regulation S Notes**), such Initial Purchaser will have sent to each distributor, dealer or other person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

Until 40 days after the later of the commencement of the offering of the Notes and the issue date of the Notes, an offer or sale of the Notes initially sold in reliance on Regulation S within the United States by a dealer (whether or not participating in the offering of the Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Notes will be eligible for resale to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Initial Purchasers may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased is US$200,000.

Prohibition of Sales to EEA Retail Investors

Each of the Initial Purchasers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision: the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each of the Initial Purchasers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Ireland

Each Initial Purchaser has represented and agreed that:

(a) it will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) ("**MiFID II Regulations**) including, without limitation, Regulation 5 (Requirement for authorization) and certain provisions concerning MTFs and OTFs thereof, or any rules or codes of conduct made under the MiFID II Regulations, the provision of the Investor Intermediaries Act 1995 (as amended) and the provisions of the Investor Compensation Act 1998 (as amended);

(b) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Companies Act 2014 (as amended, the **Companies Act**), the Central Bank Acts 1942–2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);

(c) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland under Section 1363 of the Companies Act;

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes otherwise than in conformity with the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016, the Market Abuse Directive or Criminal Sanctions for market abuse (Directive 2014/57/EU) (as amended) and any rules and guidance issued by the Central Bank of Ireland under Section 1370 of the Companies Act.

France

The Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities in France (*offre au public de titres financiers*) within the meaning of Article L.411-1 of the French Monetary and Financial Code and Title I of Book II of the *Règlement Général of the Autorité des marchés financiers* (the French Financial Markets Authority) (the **AMF**). Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France, and neither the Offering Memorandum nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with Articles L.411-1, L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and applicable regulations thereunder.

Prospective investors are informed that:

(i) the Offering Memorandum has not been and will not be submitted for clearance to the AMF;

(ii) in compliance with Articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code, any qualified investors subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Monetary and Financial Code.

Republic of Italy

The offering of Notes has not been registered with the Commissione Nazionale per le Società e la Borsa (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Memorandum or of any other document relating to any Notes be distributed in the Republic of Italy, except, in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations:

(i) to qualified investors *(investitori qualificati)*, referred to in Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the **Financial Services Act**) and Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time (Regulation No. 11971); or

(ii) in other circumstances which are exempted from the rules on public offerings, pursuant to Article 100 of the Financial Services Act and Article 34-*ter*, first paragraph of Regulation No. 11971.

In any event, any offer, sale or delivery of the Notes or distribution of copies of the Offering Memorandum or any other document relating to the Notes in the Republic of Italy must be in compliance with the selling restrictions under paragraphs (i) or (ii) above and must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Unified Financial Act, CONSOB Regulation No. 20307 of February 15, 2018 and Legislative Decree No. 385 of September 1, 1993 (the Italian Banking Act) (in each case, as amended from time to time); and

(b) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB and/or the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian competent authority.

Provisions relating to the secondary market

In accordance with Article 100-*bis* of the Financial Services Act, where no exemption from the rules on public offerings applies under paragraphs 1 and 2 above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors. Furthermore, where the Notes are placed solely with professional investors and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain

circumstances be entitled to declare such purchase void and to claim damages from any authorized person at whose premises the Notes were purchased, unless an exemption provided for under the Financial Services Act applies.

Switzerland

The Offering Memorandum, as well as any other material relating to the Notes, does not constitute a public offering prospectus pursuant to article 652a or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange Ltd. Or any other regulated trading facility in Switzerland, and, therefore, the documents relating to the Notes, including, but not limited to, the Offering Memorandum, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd. and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd. The Notes are being offered in Switzerland by way of a private placement (i.e., to a limited number of selected investors only), without any public advertisement and only to investors who do not purchase the Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. The Offering Memorandum, as well as any other material relating to the Notes, is personal and confidential and does not constitute an offer to any other person. The Offering Memorandum, as well as any other material relating to the Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without the Issuer's express consent. The Offering Memorandum, as well as any other material relating to the Notes, may not be used in connection with any other offer and shall in particular not be copied or distributed to the public in (or from) Switzerland.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (**NI 33-105**), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering of the Notes.

Singapore

This Offering Memorandum has not been, and will not be, registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

(a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**);
(b) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Sections 275, of the SFA; or
(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Notes pursuant to an offer made under section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Section 309B(1)(c) of the SFA: The Notes shall be (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

By accepting this Offering Memorandum the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

Hong Kong

Each of the Initial Purchasers has represented, warranted and agreed that:

(c) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(d) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be assessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

People's Republic of China

The Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions of

the People's Republic of China or Taiwan), except as permitted by the People's Republic of China securities laws as well as related regulations regarding issuance and sale of notes by an offshore issuer in the People's Republic of China.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the **FIEA**) and each of the Initial Purchasers and each of its affiliates has represented and agreed that it has not offered or sold and it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations, and ministerial guidelines of Japan. As used in this paragraph, "resident of Japan" means a natural person having his/her place of domicile or residence in Japan, or a legal person having its main office in Japan. A branch, agency or other office in Japan of a non-resident, irrespective of whether it is legally authorized to represent its principal or not, shall be deemed to be a resident of Japan even if its main office is in any other country than Japan.

If an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Law (**Qualified Institutional Investor**), the Notes will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Such offeree or purchaser of the Notes is prohibited from transferring the Notes except in the case of a transfer of such Notes in whole to a single transferee. Further, any such transferee is also prohibited from transferring the Notes except in the case of a transfer of such Notes in whole to a single transferee. If an offeree falls under the Qualified Institutional Investor, the Notes will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshokamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Such offeree who subscribes the Notes (the **QII Notes**) or purchaser of the QII Notes will be prohibited from transferring its QII Notes other than to another Qualified Institutional Investor. Furthermore, any such transferee of the QII Notes will also be prohibited from transferring its QII Notes other than to another Qualified Institutional Investor.

The Netherlands

The Notes are and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors (*gekwalificeerde beleggers*) (as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)).

General

Each of the Initial Purchasers has agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Offering Memorandum and has obtained and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Initial Purchasers shall have any responsibility therefor.

Neither the Issuer nor the Initial Purchasers represents that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Sale and Transfer Restrictions

As a result of the following restrictions, purchasers of the Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of the Notes.

Each purchaser of an interest in the Notes, by its acceptance thereof, will be deemed to have acknowledged, represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

1. that (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (b) it is outside the United States and is not a U.S. person;

2. that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered, sold, pledged, or otherwise transferred except as set forth below;

3. that, if it holds an interest in a Rule 144A Global Note, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so only (a) to the Issuer or any affiliate thereof, (b) for so long as the Notes are eligible for resale pursuant to Rule 144A, inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under Regulation S under the Securities Act, or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable securities laws of the states of the United States or any other applicable jurisdiction;

4. it will, and will require each subsequent holder to, notify each person to whom it transfers the Notes of the resale restrictions referred to in paragraph (3) above, if then applicable;

5. that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and that the Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;

6. that the Rule 144A Global Notes will bear a legend to the following effect, unless otherwise agreed to by the Issuer:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER: (1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT; AND (2) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN, EXCEPT: (A) TO THE ISSUER OR ANY AFFILIATE THEREOF, (B) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (C) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

7. if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the issue date of the Notes), and except in either case in accordance with Regulation S under the Securities Act, it will do so only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person

whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or 904 under the Securities Act, or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable securities laws of the states of the United States or any other applicable jurisdiction; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect, unless otherwise agreed to by the Issuer:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER: AGREES FOR THE BENEFIT OF THE ISSUER THAT DURING THE DISTRIBUTION COMPLIANCE PERIOD, WHICH IS THE 40 DAY PERIOD COMMENCING ON THE LATER OF THE DATE OF COMMENCEMENT OF THE DISTRIBUTION OF THE NOTES AND THE DATE OF THE ORIGINAL ISSUE OF THE NOTES, IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN, EXCEPT (A) TO THE ISSUER OR ANY AFFILIATE THEREOF, (B) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (C) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION; and

8. that the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of legended Notes in the United States to any one purchaser will be for less than US$200,000 principal amount and no legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least US$200,000 of the Notes.

General Information

Authorization

The issue of the Notes by the Issuer has been authorized by a committee of the board of directors of Bank of Ireland Group plc on September 13, 2018.

Documents available

So long as Notes are outstanding, copies of the following documents will, when published, be available for inspection in hard copy, without charge, from the registered office of the Issuer and from the specified office of the Fiscal Agent for the time being in London:

(i) the articles of association/by-laws of the Issuer;

(ii) the Agency Agreement and the form of the Global Notes;

(iii) the Unaudited Condensed Interim Consolidated Financial Statements and the Audited Consolidated Financial Statements;

(iv) a copy of this Offering Memorandum; and

(v) any future supplements, prospectuses, information memoranda and supplements including this Offering Memorandum and any other documents incorporated herein or therein by reference.

Litigation

Save as disclosed in the risk factor entitled "*The Group is exposed to litigation and regulatory investigation risk*", there are no, nor have there been any, governmental, legal or arbitration proceedings involving the Issuer or any subsidiary of the Issuer which may have or have had during the 12 months prior to the date hereof a significant effect on the financial position or profitability of the Group taken as a whole, nor, so far as the Issuer is aware, are any such proceedings pending or threatened involving the Issuer or any of its subsidiaries.

Significant or Material Change

There has been no significant change in the financial or trading position of the BOIG Group taken as a whole since June 30, 2018, and no material adverse change in the financial position or prospects of the Issuer since December 31, 2017.

Material Contracts

The Issuer is not party to any material contracts that are entered into outside the ordinary course of the Issuer's business and that could result in any group member being under an obligation or entitlement material to the Issuer's ability to meet its obligations under the Notes.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

Independent Auditor

KPMG of 1 Harbourmaster Place, IFSC, Dublin 1, Ireland, registered with Chartered Accountants Ireland, are the current statutory auditor of the Issuer. They were appointed by the board of the Issuer for the year ending December 31, 2018 and their continuation in office was approved by the shareholders by way of advisory resolution at the AGM on April 20, 2018. With respect to the unaudited condensed consolidated financial statements for the period ended June 30, 2018, included in the 2018 Interim Report incorporated by reference herein, KPMG, the independent auditors, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the 2018 Interim Report, and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied

PricewaterhouseCoopers (**PwC**) of One Spencer Dock, North Wall Quay, Dublin 1, Ireland, registered with Chartered Accountants Ireland, were the auditors of the Issuer through financial year end December 31, 2017. The Audited Consolidated Financial Statements contained in the 2017 and 2016 Annual Reports incorporated by reference herein have been audited by PwC.

Legal Matters

Sullivan & Cromwell LLP has advised Bank of Ireland Group plc on certain New York legal matters relating to the Notes. A&L Goodbody has advised Bank of Ireland Group plc on certain Irish legal matters relating to the Notes. Allen & Overy LLP has advised the Initial Purchasers on certain New York and English legal matters relating to the Notes. Arthur Cox has advised the Initial Purchasers on certain Irish legal matters relating to the Notes.

ISSUER

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