ESG Disclosures under Investment Firms Regulations (IFR)

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ESG Risks

1. Disclosure requirements

Under Article 53 of the Investment Firms Regulation (**"IFR**") Goodbody Stockbrokers UC (**"Goodbody"** or the **"Company" or the "Firm"**) is required to disclose information on environmental, social and governance ("ESG") risks, including physical risks and transition risks, as defined in the EBA report on the Management and Supervision of ESG Risks for Credit Institutions and Investment Firms issued on 23 June 2021 (the "EBA Report").

From 2023, this information will be disclosed by Goodbody on a bi-annual basis.

2. Types of ESG Risks

ESG factors are environmental, social or governance matters that may have a positive or negative impact on the financial performance or solvency of an entity, sovereign or individual.

- Environmental risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of environmental factors on its counterparties or invested assets.
- Social risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of social factors on its counterparties or invested assets.
- Governance risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of governance factors on its counterparties or invested assets.
- Physical risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of the physical effects of environmental factors on its counterparties or invested assets.
- Transition risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of the transition to an environmentally sustainable economy on its counterparties or invested assets.

3. Integration of ESG within Goodbody

The EBA Report, which is a key component of the EBA's broader ESG work, provides a comprehensive proposal on how ESG factors and ESG risks should be included in the regulatory and supervisory framework for credit institutions and investment firms.

ESG risks are addressed within Goodbody:

- Within the risk appetite and risk management framework as a key part of strategic formulation and key performance monitoring
- As part of the Sustainable Finance disclosure
- Underpinned by a robust corporate governance framework within the Firm.

3.1 Risk Management Framework

Risk Appetite and ESG

Goodbody acknowledges ESG risks as key risks which may have significant impacts on the economy and the execution of the Firm's strategy and has progressed on addressing these.

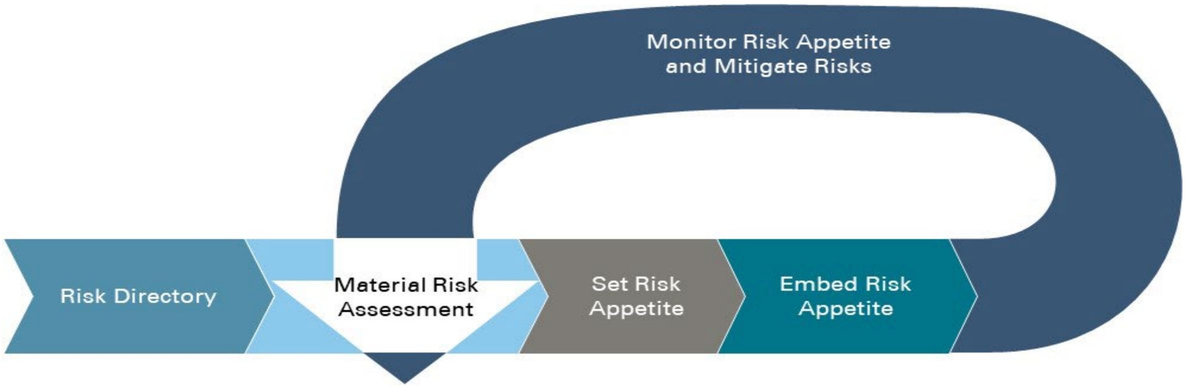
A mature Risk Management Framework ("RMF") and Risk Appetite Policy ("RAP") is the foundation for the Firm's Risk Appetite Statement ("RAS"). Risk Appetite is the amount of risk that Goodbody Stockbrokers UC is willing to accept or tolerate in pursuit of its strategic objectives.

The RAP and associated procedures outline how Risk Appetite is managed in the firm. The purpose of the RAP and its procedures is to set out:

- The principles under which the Firm develops its RAS.
- The process by which the RAS is developed, reviewed and monitored; and,
- The roles and responsibilities across the Three Lines of Defence ("3LoD") in relation to Risk Appetite.

The RAS has been developed to outline the level of risk that Goodbody is willing to assume across each Material Risk. This is articulated through qualitative statements about the nature and type of risk that the firm will assume and quantitative metrics and limits that define the range of acceptable risk.

RAS Development Lifecycle



- The Risk Directory is a catalogue of the current and potential risk categories likely to impact the firm. It provides a taxonomy of risk categories and definitions.
- The Material Risk Assessment identifies the Material Risks to the Firm and is approved by the Board Risk & Compliance Committee ("BRCC").
- The Risk Appetite is developed by Risk Owners, working with the Risk Team, and is approved by the Executive Risk Committee ("ERC") and BRCC.
- The Risk Appetite is embedded into how risk is managed across the Firm and supported strategic decision making.
- Risk Appetite Qualitative Statements and Quantitative Metrics are monitored by the Second Line of Defence ("2LOD") and reported to ERC and BRCC.

- On at least an annual basis, the Material Risks and Risk Appetite Statement are reassessed and reapproved.

Risk Directory

In recognition of their potential impact on Goodbody's strategic ambitions, Goodbody currently defines both ESG and Governance Risk as sub-risks of Business Model Risk on its Risk Directory.

Material Risk Assessment and ESG

Goodbody's Material Risk Assessment ("MRA") process is a 'Top-Down' Assessment performed on at least an annual basis and identifies the key material risks to the Firm taking into account its strategic objectives, in addition to internal and external risk information. This 'Top-Down' risk identification and assessment process is overseen by Goodbody's CRO and supported by the wider Risk function.

The risk assessment process aims to include identification of emerging and evolving risks for the Firm, including ESG risks, based on a review of the changing circumstances and conditions facing the Firm by reference to our experience and a review of current and expected market trends, regulatory and industry commentary. A risk from any of these areas may be deemed as material; it is not the level or area of the risk but the business impact vis-á-vis the Firm's strategic goals and risk appetite which is relevant to this materiality assessment. Risks are identified by monitoring the actual risk profile, as well as through management input gathered through a consultation process across the Firm and the tracking of key external information sources.

This process also identifies and helps to understand the key emerging risks being future internal or external events which could have an adverse impact on the material risks or on the Firm's strategy, operations and on our customers. Consideration of the velocity is taken into account in terms of how quickly the risk driver could emerge and the impact on the material risks. The probability, timescale and/or materiality of emerging risks can be particularly difficult and may lead to scenario testing and expert judgement being applied in its identification and assessment.

ESG as part of the MRA process

- In the Firm's risk taxonomy, Governance Risk is defined as the risk that the Firm's organisational infrastructure fails to provide robust oversight of decision making and the control mechanisms to ensure strategies, management instructions and the management of risks are implemented effectively. In recognition of its potential impact on the Firm's ability to successfully execute its strategic objectives, Governance Risk is recognised as a material sub-risk of Business Model Risk by the Firm's MRA process. All material risks are monitored and reported on to the ERC and BRCC through the CRO report.

- The suite of Risk Drivers assessed in the Goodbody MRA process includes Climate Risk, both the Physical and Transition risks, to consider the potential impact on the material risk categories of the firm.

Financial Risk and ESG

ESG risks are considered in both Financial Risk management process and investment decision-making process and are built into Goodbody's Financial Risk management policies and financial risk management strategies.

The integration of the ESG risk management and Firm's wider financial risk management process is illustrated in Goodbody's Internal Capital Adequacy Assessment and Risk Assessment Process (ICARAP). The ICARAP is an assessment of the level and nature of risks including ESG risks to which Goodbody is or might be exposed and the determination of the level of capital and liquidity that it considers adequate to cover those risks. Goodbody adopts a set of stress testing approaches in assessing the firm's capital and liquidity adequacy on a risk-by-risk basis including ESG risks.

We understand that ESG risks will ultimately impact on Goodbody's risk returns on investments and the Firm's investment strategy and that deployment of own funds to absorb potential future financial losses is necessary. However, given the complexity involved in the assessment of potential impacts due to ESG risks and the ongoing development of AIB Group and Goodbody ESG risk management initiatives, we anticipate that the impact on Financial Risk management would be further assessed, monitored and reported.

Risk Management Function and ESG

The 2LOD comprises Risk and Compliance and oversees the 1st Line of Defence ("1LOD"), setting the Risk frameworks, policies and limits consistent with the Risk Appetite of the Firm. The functions are put in place by senior management to help ensure risk management processes and controls implemented by 1LOD are adequately designed and operate effectively. 2LOD is responsible for providing independent oversight and challenge to business line managers with regard to risk management, in a supportive and collaborative manner. Oversight involves regular monitoring of Business Units risk management activities and reporting, for example through the Risk and Control Assessment process and incident management. Challenge requires proactive engagement with business line managers to test and confirm the integrity and effectiveness of first line risk management.

As part of AIB Group (the Group), Goodbody's policy & governance architecture is aligned to that of the Group. Goodbody operates under the Subsidiary Governance Framework of the Group. Incorporating ESG risks into the relevant Policies and Frameworks is an ongoing activity and a maturing process within the Firm. Areas for consideration include policies governing the Firm's approach to Business Model & Capital Adequacy Risk, sub-risks of Operational Risk such as Third-Party Management and Credit Risk policies associated with counterparty exposure.

To ensure that the Firm's 2LOD control functions are equipped to discharge their role, the Risk and Compliance functions undertake capabilities assessments on at least an annual basis. This facilitates the ongoing assessment of the capabilities required to manage all risks faced by the Firm, including emerging risks and new regulatory obligations, and informs training and workforce planning. ESG risks and the associated regulatory landscape are considered as part of this process.

Internal Audit and ESG

The Goodbody Stockbrokers Internal Audit (GSIA) function is an independent evaluation and appraisal function that provides objective assurance to the Board Audit Committee (BAC) over the effectiveness of the governance, risk management and internal control frameworks. As part of the annual audit planning process, GSIA assess and consider ESG and can include ESG within audit scopes as part of the annual audit plans where relevant.

Risk Culture

Goodbody defines Risk Culture as the values, behaviours, beliefs, knowledge, attitudes, awareness and understanding of and towards risk shared by individuals and groups within the Firm. The awareness of an individual's own responsibilities within the defined Risk Management Framework is essential to this definition. Risk Culture is an integral part of the Firm's overall Culture.

A sound Risk Culture is the basis for effective risk management and part of the 'how' of the Risk Management Framework – how our day-to-day behaviours and activities support and embed robust risk management practices. This applies to all categories of risk and will mature as the Firm's approach to ESG risks matures.

Conduct Risk

Goodbody understands that it is exposed to Conduct Risk and that it exposes its clients to Consumer Protection Risks through its market and client activities. Goodbody is committed to the protection of its clients, its clients' assets and to providing a high-quality service to its clients across all business areas.

The Firm's objective is to ensure that it can provide a high-quality service to its clients while abiding by its regulatory obligations and it will proactively seek to address any poor practices that present a risk to this objective.

The material Conduct sub-risks the Firm actively manages include:

- Customer outcomes risk - The risk that inappropriate actions or inactions on a systemic scale cause poor or unfair customer outcomes or negatively impact market integrity, including mis-selling of products & services and market abuse.

- Governance and Regulatory - the risk that ineffective governance structures are put in place which do not effectively manage regulatory impacts to customers or do not mitigate the Goodbody's consumer protection risks.
- Conflicts of interest (e.g., through corporate activity in the area of merger & acquisitions (M&A), disposals, restructurings, Initial Public Offerings (IPOs), fundraisings and strategic advice to Irish public, private and semi-state/government clients) - the risk of the organisation not identifying and appropriately managing actual, potential or perceived conflicts of interest
- Suitability - the risk that the organisation's sales processes, suitability assessments are not appropriate for customer needs, information being provided is unfair or unnecessarily complex, and the delivery of post-sales support fails to meet customer needs resulting in customer detriment, regulatory sanctions and/or reputational damage.

Goodbody has in place a Conduct Risk Framework and Policies to manage the Conduct Risk profile of Goodbody. The Board Risk & Compliance Committee oversees the Firm's conduct risk profile and reviews conduct risk trends, internal and external stakeholder impacts and adherence to risk appetite.

The Goodbody Remuneration Policy promotes sound and effective risk management with respect to sustainability risks, ensuring that the structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks. This includes an assessment of the performance of our employees based on:

- how employees integrate sustainability risk into investment decisions and
- the extent to which employees promote the principles of sustainability thus reducing sustainability risks.

The Firm has also incorporated sustainability as one of the pillars of the Firm's business strategy and now measures and assesses the performance of each business unit against defined targets linked to this pillar. An assessment of performance against these targets will have an impact on the variable pay opportunity for each business area.

Goodbody has established a strategic programme of work on Inclusion and Diversity, achieving Bronze accreditation from Irish Centre of Diversity in 2023. The Firm launched 'Universal Inclusion – every day, every colleague' The focus of the programme is as follows:

- Inclusion: raising awareness and education about inclusion, giving our leaders the training and tools to be more inclusive and developing our practices, processes and policies to be more inclusive.
- Diversity: with a focus on Gender Balance.
- Wellbeing: with a focus being mental health.

On Diversity, the Firm has launched a Gender Balance network and are meeting our obligations reporting on Gender Pay gaps and setting actions to address these gaps.

3.2 ESG and Strategy

Overview

Sustainability is a key strategic pillar of Goodbody with ESG related Firm and business line key performance indicators defined as a key enabler of strategy execution across the business.

The suite of Risk Drivers assessed in the Goodbody MRA process includes Climate Risk, both the Physical and Transition risks, to consider the potential impact on the material risk categories of the Firm, including the ability of the Firm to execute on its strategy.

A key purpose and value of the Firm is to make a difference by contributing to long-term prosperity for our clients and for the Firm by anticipating and responding to the risks and opportunities linked to the defining challenges of our time, including the climate crisis. The climate crisis we believe will transform industries and therefore our customer base. It is our responsibility, as trusted advisors to our clients and stewards of the business, to have a deep understanding of the risks and opportunities linked to climate change and other environmental and social issues. Understanding these issues so that we can future proof our clients' investments and their corporate strategies is paramount.

Sustainability Framework

The Company has developed a sustainability framework, that articulates our ambition and identifies what ESG areas are most important to our business. The Goodbody Board considered and approved the Goodbody Sustainability Strategy Framework (the "Framework") in H1 2023, and this was subsequently launched across the Firm in H1 2023.

As well as linking our sustainability ambitions to strategy, the Framework includes clear implementation plans for the business to pursue as well as a training and upskilling agenda for our people to support the key objective of deepening our sustainability expertise.

The Goodbody Sustainability Taskforce has capability from across Goodbody to help embed the Framework and deliver key actions. This includes developing a suite of sustainability KPI's and a quarterly dashboard that is reported through EXCO. Members of this taskforce are the local champions and key enablers for Goodbody as it matures its sustainability agenda.

Sustainable Propositions

Enhancing our sustainable propositions was identified as a key area of focus we have developed our client offerings as follows:

Investment Banking

Within our Investment Banking business, in Q3 2023, the Firm acquired a specialist and market leading ESG advisory consultancy, Clearstream Solutions (to be known as Goodbody Clearstream), to support our capability in sustainable finance mandates. Enhancing our client offering via in-house capability and expertise in ESG was a key strategic priority, as demand for sustainable financing continues to grow including advice on both Green and Social funding programmes for corporates.

Within our Capital Markets business, our research analysts have developed a framework to incorporate ESG factors in evaluating the investment case on all companies under our coverage. In 2023, the Debt Capital Markets team developed a Green Bond framework for a client and in Q2 2024 the team were mandated as joint lead manager and sole ESG Advisor on their inaugural green bond.

Wealth Management

Our Wealth Management business adopts a responsible investment approach in our role as a financial market participant and a financial adviser. This means that, to the extent data is available, sustainability risk factors are used as an additional risk mitigation tool that should not impact the delivery of financial returns.

As a Financial Market Participant, the integration of sustainability risks into the investment decision making process is incorporated both at the initial due diligence stage and on an ongoing basis. The integration of sustainability risks is incorporated into our asset allocation and security selection decisions, which includes our Vantage UCITS products.

As a Financial Advisor, sustainability risks are integrated into the investment and insurance advice provided to relevant clients. In our capacity as a financial advisor, we utilise the information obtained in our capacity as a financial market participant, and more specifically as part of the asset allocation and security selection.

As part of the MiFID II suitability assessment, our Wealth Management clients are asked to complete a Sustainability Preference Assessment to determine if they have sustainability preferences. Clients are asked to express their specific preferences through environmentally sustainable investments aligned with the EU Taxonomy; sustainable investments as per Sustainable Finance Disclosure Regulation (SFDR); and/or consideration of Principal Adverse Impacts (PAI).

The investment team has developed a 'sustainability enhanced model' for clients with expressed sustainability preferences. The sustainability enhanced model has a dual objective to follow the asset allocation strategy of our core models while also providing enhanced sustainability characteristics. The sustainability enhanced model is a blend of Article 8 labelled funds that have a minimum commitment to sustainable investments (as defined by EU SFDR) and a commitment to PAI considerations. There is an exception for government bond allocations within the models, where the availability of appropriate Article 8 funds is limited. For this part of the portfolio direct green bonds may also be considered for inclusion. The Investment Strategy team applies an ESG integration framework in the selection of portfolio holdings. All funds are checked for UNGC violations and red flag controversies using OECD guidelines. All funds are screened for exposure to fossil fuels, arms, and tobacco. Goodbody also use manufacturer data, provided via the European ESG Template (EET), to validate the underlying exposure to SFDR sustainable investments.

As a leading financial services firm, we are acutely aware of the role we can potentially play in the growth of sustainable finance as we advise clients seeking to respond to sustainability challenges and integrate sustainability risks into our investment decision making processes, in both our Wealth and Asset Management business lines.

Asset Management

Pursuant to the Sustainable Finance Disclosure Regulation (EU) 2019/2088 (SFDR), the following funds as part of our Asset Management suite of funds are classified as Article 8 Funds pursuant to the the SFDR

- Goodbody Dividend Income Cautious Fund
- Goodbody Dividend Income Balanced Fund
- Goodbody Global Smaller Companies Fund,
- Goodbody Global Leaders Fund, and
- Goodbody Global Equity Fund

While the Funds promote environmental and social characteristics, they do not currently commit to investing in any “sustainable investments” with an environmental objective within the meaning of SFDR, nor do the Funds commit to invest in taxonomy aligned investments, which are a sub-set of “sustainable investments”. Accordingly, the investments underlying the Funds do not factor in the EU criteria for environmentally sustainable economic activities.

Sustainability Risks, as defined by the SFDR refer to “an environmental, social, or governance event or condition, that if it occurs, could cause an actual or potential material negative impact on the value of the investments”.

Sustainability Risks are integrated into the Goodbody Asset Management investment decision making process which in our assessment is likely to be beneficial to the risk adjusted returns profile of the Funds we manage.

We view a company’s ability to manage environmental, social and governance (ESG) factors as a proxy for prudent risk management. It is our view that failure to address ESG issues properly could expose a company to potentially significant legal, regulatory, product, and reputational risks which could have a material impact on our investment in that company.

By evaluating and understanding the ESG characteristics of underlying Fund holdings both in absolute terms and relative to appropriate sector peers, and monitoring trends in these characteristics over time, the Team integrates sustainability risks into the investment decision making process.

Our broader approach to ESG integration is disclosed separately in our ‘Environmental, Social, and Governance (ESG) Policy Statement’.

3.3 Corporate Governance

The Company's Corporate Governance arrangements are in place to enable effective decision making and drive accountability in the Firm. The corporate governance structure specifies the distribution of rights and responsibilities among the different participants in the organisation such as the board, managers, shareholders, and other stakeholders and lays down the rules and procedures for decision-making.

ESG is integrated into existing Goodbody governance structures through the embedding of ESG into the:

- Goodbody strategic pillars
- 3-year strategic plans,
- Risk management framework,
- Risk appetite and material risk assessment and
- ESG key performance indicators

all of which are approved and overseen by the Goodbody Board or Board committees.

Goodbody's governance arrangements are based on the following principles:

1. The Company is headed by an effective Board which is collectively responsible for the long-term, sustainable success of the Company.
2. The Board retains primary responsibility for corporate governance within the Company at all times.
3. There is a clear division of roles and responsibilities between the Chair of the Board and the Chief Executive Officer.
4. The Goodbody ExCo supports the Goodbody CEO in the effective day-to-day running of Goodbody's business and in the delivery of the Board-approved strategy.
5. The governance framework and organisational structure is sufficient to ensure that there is:
    a. effective oversight of the activities of the Company taking into consideration the nature, scale and complexity of, and risks inherent in, the business, and
    b. no one individual has unfettered powers of decision.
6. The Company's governance arrangements include:
    a. a Board of Directors of sufficient size and expertise to oversee the operations of the Company, led by a Chair who has the relevant qualifications, expertise and background to effectively conduct that role.
    b. a CEO to whom the Board has delegated responsibility for the day-to-day management of the Company, ensuring an effective organisational structure, the selection, motivation and direction of the ExCo, and for the operational management, compliance and performance of all the Company's businesses.
    c. a clear organisational structure with well defined, transparent and consistent lines of responsibility.
    d. a framework and policy architecture which comprises a comprehensive and coherent suite of frameworks, policies, procedures and standards covering business and financial planning, corporate governance and risk management.

   e. effective structures and processes to identify, assess, manage, monitor and report the risks to which Goodbody is, or might be exposed, including a three line of defence risk governance model; and
   f. adequate internal control mechanisms, including sound administrative and accounting procedures, IT systems and controls, people policies and practices, including remuneration, that are consistent with and promote sound and effective risk management.
7. The corporate governance structure, roles and responsibilities are articulated clearly and communicated to all appropriate staff within the Company.
8. The Company's governance and organisational arrangements comply with relevant statutory requirements and reflect relevant best practice standards and guidelines.

The Role of the Board

The Board retains primary responsibility for corporate governance within the Company at all times. The Board has full responsibility for all of the operations and business of the Company in accordance with its legal and fiduciary duties and has responsibility for ensuring compliance with the regulatory and legal obligations of the Company. The business of the Company shall be managed by its Directors, who collectively may exercise all powers of the Company which are not required (under law or the Constitution of the Company) to be exercised by the Company in General Meeting.

Although the Board may delegate any of their powers to such person or persons as they think fit, including delegation to Board Committees, certain matters are specifically reserved for Board approval.

Examples of matters reserved for the Goodbody Board include:

- Setting Goodbody's purpose and values;
- Ensuring the culture of the Company is effective and that there is a commitment to high standards and values with customers at the heart of decision making; Approval of the Company's 3 year strategic and financial plans.
- Approval of the Company's Risk Management Framework and Risk Appetite Statement.
- Approval of the Goodbody Client Asset Management Plan.
- Approval of the ICARAP and statutory financial statements of the Company.

All members of the Board are required to comply with the provisions of the Code of Conduct and Conflicts of Interest Policy for Directors. Where conflicts of interest arise, the Director shall follow the agreed disclosure procedures and the Board shall ensure this is noted in the minutes and the Board Register of Conflicts of Interest. Where conflicts arise, the Board will agree the best course of action to mitigate the conflict.

Sustainability is one of the four strategic pillars of Goodbody and there is a mandatory requirement, where relevant, to identify all sustainability implications considered when preparing individual Board reports. Sustainability has also been identified as one of the key skills forming the basis of the Goodbody Board skills matrix which is updated and reviewed by the Board on an annual basis.

Board Committees

The Goodbody Board is assisted in carrying out its duties and obligations by a number of Board Committees. These Board Committees consider in greater depth than would be practicable at Board meetings, matters for which the Board retains responsibility. Where the Board delegates authority it has mechanisms in place for documenting the delegation and monitoring the exercise of delegated functions. These include:

- Clear written terms of reference are approved by the Board for each of its committees. These terms of reference outline authority, duties and responsibilities, membership and reporting obligations of the Committee. A review of Board Committee Terms of Reference takes place annually at Board level.
- Papers of all Board Committee meetings are made available to all Directors.
- The minutes of meetings of Board Committees are made available to all Directors, for information, and are formally noted by the Board.
- The Chair of each Board Committee provides an update on key items considered by the Committee, as well as any matters recommended to the Board for approval, at the next scheduled Board meeting.

In H2 2023 a review of Board Governance structures was undertaken, with a recommendation made to the Goodbody Board that the Goodbody Board Risk and Board Compliance Committees be merged. Following approval of this recommendation, the Goodbody Board Risk & Compliance Committee became effective from 1 January 2024.

The Goodbody Board has established the following Committees to assist in its execution of its responsibilities:

Board Audit Committee (BAC)

In accordance with the Central Bank of Ireland's Corporate Governance Requirements for Investment Firms and Market Operators, the Board has established an Audit Committee. The Committee is appointed by the

Board to assist in fulfilling its independent oversight, statutory and fiduciary responsibilities. The Committee monitors and reviews (amongst other matters):

- The quality and integrity of the Company's accounting policies, financial and narrative reports, and disclosure practices.
- The effectiveness of the Company's internal controls and accounting and financial reporting systems.
- The independence and performance of the Internal and External Auditors.

Under the BAC terms of reference, it has Board delegated responsibility for reviewing and approving disclosures required under IFD/IFR, including ESG Disclosures.

Board Risk & Compliance Committee (BRCC)

In accordance with the Central Bank of Ireland's Corporate Governance Requirements for Investment Firms and Market Operators, the Goodbody Board has established a Risk & Compliance Committee. The Committee is appointed by the Board to assist and advise the Board in fulfilling its oversight responsibilities in relation to:

- Fostering sound risk governance, regulatory compliance and a robust risk and compliance risk management culture across the Company's operations, encompassing the implementation and maintenance of the Company's overall risk culture, risk and compliance management frameworks and its risk appetite, strategy, and policies, to ensure they are consistent with the strategy, regulatory requirements, corporate governance principles and industry best practice.
- Discharging its responsibilities in ensuring that all material risks within the Company are appropriately identified, reported, assessed, managed and controlled, including receipt and consideration of reports on key risk issues.
- Ensuring that the Company's overall actual and future risk appetite and strategy, taking into account all types of risks, are aligned with the business strategy, objectives, corporate culture and values of Goodbody.
- Promoting risk awareness culture within the Company
- Reviewing the strength of the Compliance culture within the business and promoting a strong Compliance culture of the Company.

Internal Controls

The Board is responsible for the Company's system of internal controls. Such systems are designed to manage, rather than remove, the risk of failure to achieve business objectives and only provides reasonable and not complete protection.

The Board and its Committees receive reports that give it a view of the significant risks and the effectiveness of the Company's system of internal control in managing these risks. The Board Audit Committee also receives independent reports from Group Internal Audit Function on the effectiveness of internal controls and tracks until completion any significant control failings or weaknesses identified by Goodbody Internal Audit.

EXECUTIVE GOVERNANCE STRUCTURES

Goodbody Executive Committee (ExCo)

Accountable to the CEO, the ExCo is the most senior management committee of the Company. The ExCo comprises the group of senior executives selected by the CEO to support and assist in the effective day-to-day running of the Goodbody business and in the delivery of the Board approved strategy. The ExCo scope of authority is designated by the CEO, whose own authority is set out by the Board.

The ExCo is primarily responsible for providing support and decisions, as required, for the management and resolution of issues arising from the operations of Goodbody. Each ExCo member is individually accountable for the responsibilities agreed with the CEO.

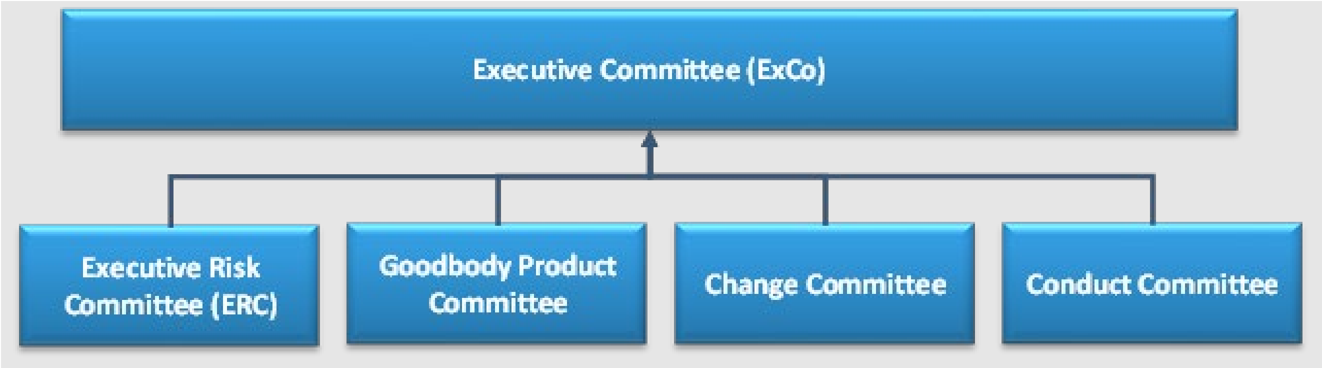
The core overarching areas of oversight and decision making for the ExCo are:

- Strategy
- Business Performance Management
- Risk Management, Control, Governance & Assurance
- Third Party Management and Managed Services Agreement
- People and Culture

The ExCo is assisted in carrying out its duties and obligations by several ExCo Sub-Committees. These Sub-Committees consider in greater depth than would be practicable at ExCo meetings, matters for which the ExCo retains responsibility. Where the ExCo delegates authority it has mechanisms in place for documenting the delegation and monitoring the exercise of delegated functions. These include:

- Clear written terms of reference for each of its Sub-Committees. These terms of reference outline authority, duties and responsibilities, membership and reporting obligations of the Sub-Committee.
- A review of Sub-Committee terms of reference takes place at least annually.
- The Chair of each Sub-Committee provides an update to ExCo on key items considered by the Sub-Committee, following each meeting.

The ExCo has established the following Sub-Committees to assist in the execution of its responsibilities:



Executive Risk Committee (ERC)

ERC supports the ExCo in carrying out their responsibilities of fostering sound risk governance within the Firm, ensuring that risks are properly identified, assessed, controlled and reported and that the Firm's strategy is consistent with the Board-approved Risk Appetite. ERC is chaired by the Goodbody Chief Risk Officer.

Goodbody Product Committee

The Goodbody Product Committee is the principal approving body and primary decision maker for product risk management in Goodbody. It plays a key role in providing leadership and promoting a culture of compliance and client focus across Goodbody in all aspects of the product lifecycle. The Goodbody Product Committee is chaired by the Goodbody Head of Wealth Management.

Change Committee

The Goodbody Change Committee provides clear guidance and oversight to change initiatives, as well as identifying and addressing any potential barriers to success. This involves working across the organisation to ensure that change efforts are aligned with our values, our strategy and business requirements. The Goodbody Change Committee is chaired by the Goodbody Chief Operating Officer.

Conduct Committee

The Goodbody Conduct Committee reviews and oversees the Goodbody conduct risk profile (considering client, firm and market) and seeks to further promote and embed a client centric culture in Goodbody, driving consistent client management and fair outcomes across all Goodbody business units.