

QUESTIONS AND ANSWERS ABOUT THE OFFERS

This section provides an overview, in 'question and answer' format, of the Offers described in this document. These questions and answers are not meant to be a substitute for the information contained in the rest of this Offer Memorandum, and this information is qualified in its entirety by the more detailed descriptions and explanations contained in other parts of this Offer Memorandum. Capitalised terms used herein have the meanings given in the Definitions section of the Offer Memorandum. Bondholders are urged to read the Offer Memorandum in its entirety prior to making any decision. Bondholders should consult their own tax, accounting, financial and legal advisers regarding the consequences of participating in the Offers.

(1) Why have I received this Offer Memorandum?

You have received this Offer Memorandum as you have been identified as a Holder of some of the £75,000,000 13³/₈ per cent. Unsecured Perpetual Subordinated Bonds (ISIN: GB0000510312) of BOI (the “**Bonds**”) of which £45,903,600 in aggregate principal amount of the Bonds remains outstanding.

The Bonds are subordinated liabilities of BOI. The origin of the Bonds can be traced back to securities (permanent interest bearing shares, or “**PIBS**”) originally issued by Bristol and West Building Society (the “**B&W Society**”). The PIBS were issued by the B&W Society in 1991. In 1997, the entire business of the B&W Society was transferred to Reading Mortgages plc, a wholly-owned subsidiary of BOI. Reading Mortgages plc subsequently changed its name to Bristol & West plc (“**B&W**”). PIBS are a form of instrument particular to building societies. Since B&W was not a building society, upon transfer of B&W Society's business to B&W, the interests of the holders of the PIBS were (as envisaged by the terms of the PIBS) effectively converted into interests in new bonds issued by B&W. The bonds which were created at that time are the Bonds which you hold. In 2007, the English High Court approved the transfer of B&W's banking business to BOI pursuant to the FSMA. Accordingly, with effect from 1 October 2007, the Bonds ceased to be obligations of B&W and became direct obligations of BOI only.

If you do not hold any Bonds and have received this document in error, please destroy this document and contact the Receiving Agent (using the contact details on page 6 above) to let them know.

(2) What are the Offers?

The Offers described in this Offer Memorandum comprise a Tender Offer and a Consent Solicitation. The Tender Offer and the Consent Solicitation are made on the terms and subject to the conditions contained in this Offer Memorandum (including the offer restrictions referred to in “*Offer and Distribution Restrictions*”).

Tender Offer

The Tender Offer is an invitation by BOI to Bondholders to tender (i.e. offer to sell) any or all of their Bonds for purchase by the Purchaser for a cash amount, in pounds Sterling, equal to 192.031 per cent., or £1,920.31 for each £1,000, of the principal amount of any such tendered Bonds, being a payment in respect of the principal amount of those Bonds and a payment in lieu of accrued but unpaid interest up to the Settlement Date of £40.31 for each £1,000 in principal amount of the Bonds (the “**Tender Consideration**”).

If BOI decides that such tender is to be accepted, the Purchaser will, subject to the outcome of the Consent Solicitation described below, purchase the relevant tendered Bonds on the Settlement Date and the relevant Bondholder will receive the Tender Consideration, for such purchase of its tendered Bonds by the Purchaser.

The Tender Offer is subject to the outcome of the Consent Solicitation described below. If the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting), the Purchaser will not purchase any Bonds pursuant to the Tender Offer and all of the Bonds will instead be redeemed by BOI on the Redemption Date pursuant to the Issuer Call. However, if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting) and if BOI elects that any tenders of Bonds pursuant to the Tender Offer are to be accepted for purchase by the Purchaser, then any Bonds validly tendered will be purchased by the Purchaser.

Consent Solicitation

The Consent Solicitation involves BOI convening a meeting of Bondholders (the “**Meeting**”) to vote on the Extraordinary Resolution proposed by BOI for the early redemption of the Bonds (i.e. the Issuer Call) by way of the modification of the terms and conditions of the Bonds (the “**Conditions**”) to provide for such Issuer Call, all in accordance with the Trust Deed and the Conditions.

The Extraordinary Resolution is explained further at Questions (5) and (6) below.

If the necessary quorum of Bondholders is present or represented at the Meeting (or, if applicable, the adjourned Meeting) and sufficient votes are cast in favour of the Extraordinary Resolution, BOI will be entitled (but not required) to modify the Conditions as set out in the Extraordinary Resolution. If the modification to the Conditions as set out in the Extraordinary Resolution is made, BOI will redeem the Bonds pursuant to the Issuer Call on the Redemption Date. Such modification would bind all Bondholders, including those who do not vote in favour of the Extraordinary Resolution.

Any Bondholder who either (a) validly tenders its Bonds for purchase pursuant to the Tender Offer by the applicable Tender Deadline (‘Option 1’) or (b) validly submits a Voting Only Instructions specifying ‘Option 2’ by the applicable Consent Deadline will also be eligible to receive the voting fee (the “**Voting Fee**”), which will involve payment to each such eligible Bondholder of 2.000 per cent., or £20.00 for each £1,000, of the principal amount of the Bonds tendered or in respect of which such Voting Only Instructions are submitted, if the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting). The Voting Fee will be paid in addition to the Redemption Consideration, all as further described in this Offer Memorandum. Payment of the Voting Fee is conditional on the passing of the Extraordinary Resolution and the execution by BOI and the Trustee of the Third Supplemental Trust Deed for the implementation of the Extraordinary Resolution.

In addition to delivering a valid Tender Instruction (‘Option 1’) or Voting Only Instruction specifying ‘Option 2’ by the applicable Tender Deadline or Consent Deadline, as the case may be, to be eligible for the Voting Fee, Bondholders must not attend, or seek to attend, the Meeting (or, if applicable, the adjourned Meeting) in person (including by way of video conference) or make any other arrangements to be represented at the Meeting (or, if applicable, the adjourned Meeting) (other than by way of the relevant Tender Instructions (‘Option 1’) or Voting Only Instructions specifying ‘Option 2’). Bondholders are entitled to, and so may choose to, attend and vote at the Meeting (or, if applicable, the adjourned Meeting) in person (including by way of video conference), or make other arrangements to be represented and vote at the Meeting (or, if applicable, the adjourned Meeting) (other than by way of the relevant Tender Instructions (‘Option 1’) or Voting Only Instructions specifying ‘Option 2’), in accordance with the provisions for meetings of Bondholders set out in the Trust Deed, and as described in the Notice. However, any Bondholder that separately seeks to appoint a proxy to vote at the Meeting (or, if applicable, the adjourned Meeting) on its behalf or attends the Meeting (or, if applicable, the adjourned Meeting) in person (including by way of video conference) or makes other arrangements to be represented and vote at the Meeting (or, if applicable, the adjourned Meeting) (other than by way of the relevant Tender Instructions (‘Option 1’) or Voting Only Instructions specifying ‘Option 2’) will not be eligible to receive the Voting Fee, irrespective of whether such Bondholder has delivered a Tender Instruction (‘Option 1’) or Voting Only Instruction specifying ‘Option 2’ or such other arrangements are made by the applicable Tender Deadline or Consent Deadline.

(3) What is the timetable for the Offers?

The expected timetable of events for the Offers is set out in the section of this document headed “*Expected Timetable*”.

This timetable is indicative only, and may change. If the timetable changes, BOI will inform Bondholders of the changes as soon as is reasonably practicable in the manner set out in “*Announcements*” below.

(4) Why is BOI conducting the Tender Offer and Consent Solicitation?

BOI is conducting the Tender Offer and Consent Solicitation as part of the Group’s process to optimise its capital structure, to achieve among other things, a removal of perpetual instruments which no longer qualify as regulatory capital while also providing liquidity to Bondholders.

For reference, the quoted mid-market prices for the Bonds on the London Stock Exchange plc (sourced from Bloomberg) as at close of business on 20 June 2023 (the latest practicable date before finalisation of this Offer Memorandum) and on the first dealing day on each of the prior six months were as follows:

3 January 2023	168.250% (£1,682.50 for each £1,000 in principal amount of the Bonds)
1 February 2023	174.625% (£1,746.25 for each £1,000 in principal amount of the Bonds)
1 March 2023	176.500% (£1,765.00 for each £1,000 in principal amount of the Bonds)
3 April 2023	173.500% (£1,735.00 for each £1,000 in principal amount of the Bonds)
2 May 2023	173.250% (£1,732.50 for each £1,000 in principal amount of the Bonds)
1 June 2023	172.625% (£1,726.25 for each £1,000 in principal amount of the Bonds)
20 June 2023	169.000% (£1,690.00 for each £1,000 in principal amount of the Bonds)

This reflects the quoted mid-price of the bid and offered prices on the London Stock Exchange on such date. It should be noted that, given limited trading volumes in the Bonds, this mid-market price may not be a reliable indicator of the price at which a Bondholder would have been able to sell their Bonds in the market on such date, and should not be taken as an indication of the price at which a Bondholder may be able to sell their Bonds in the market on any future date.

The Tender Consideration for the Bonds under the Tender Offer and the Redemption Consideration for the Bonds if redeemed pursuant to the Issuer Call is 192.031 per cent., or £1,920.31 for each £1,000 in principal amount of the Bonds.

BOI wishes to purchase and redeem the Bonds because they no longer satisfy the purpose for which they were originally issued in 1991. The Bonds were originally issued as PIBs to count towards the 'tier 1' capital adequacy requirements of the B&W Society. Under capital adequacy requirements, financial institutions must maintain a certain level of capital reserves that are designed to absorb losses in times of financial stress while protecting depositors and enabling the financial institution to continue as a viable business. The Bonds were originally issued with the features that satisfied the prudential rules at the time for counting towards these requirements. However, the prudential rules have since changed and the Bonds are no longer eligible to count as 'tier 1' or any other capital of BOI.

BOI, as with all European Union banks, is also required by its regulators to take reasonable steps to try to retire legacy capital instruments which no longer count towards its capital requirements and could cause impediments to resolvability given the potential for inconsistent treatment of the Bonds in a resolution as compared to an insolvency scenario. Therefore, BOI has elected to launch the Offers with a view to redeeming the Bonds in full if the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting) or the Purchaser otherwise purchasing those Bonds that Bondholders wish to sell to it.

The Purchaser is a special purpose vehicle, in which The Trustees of the Bank of Ireland Staff Pensions Fund is the sole investor. Funding for the settlement of the Tender Offer by the Purchaser, if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting), will be partially by way of a conditional pension funding contribution made by BOI. The terms of the conditional pension funding contribution include, among other things, the requirements that (i) the Purchaser may not dispose of any Bonds other than by way of the redemption or purchase of those Bonds by BOI or any other member of the BOI Group and (ii) BOI will convene a meeting of Bondholders to provide for the redemption of the Bonds by BOI in the event that the Purchaser acquires 50 per cent. or more of the outstanding aggregate principal amount of the Bonds and on each occasion on which the Purchaser acquires any further 5 per cent. of the outstanding aggregate principal amount of the Bonds.

The Purchaser expresses no opinion as to the merits of the Tender Offer and has not been involved in formulating the commercial terms of the Consent Solicitation.

The Purchaser is required to act on the instructions of The Trustees of the Bank of Ireland Staff Pensions Fund in relation to any resolution that may be put to Bondholders by BOI or any other right exercisable by the Purchaser in relation to any Bonds it may acquire but there is no requirement for the Purchaser to approve any such resolution or in relation to the exercise of any such rights (other than the above restriction on any transfer of such Bonds). There is also no requirement for the Purchaser to sell any Bonds that may be acquired by the Purchaser to BOI or any other member of the BOI Group and any decision in relation to such sale or any resolution that may be put to Bondholders by BOI or other action that may be taken in relation to any Bonds acquired by the Purchaser (other than the above restriction on any transfer of such Bonds) may be made by the Purchaser at the sole discretion of The Trustees of the Bank of Ireland Staff Pensions Fund as instructing entity.

If Bonds are purchased by BOI instead of the Purchaser then such Bonds are required under the Conditions to be cancelled and so can no longer remain outstanding. Should BOI elect in the future to convene any further meeting of Bondholders such Bonds would not, therefore, remain outstanding for the

purposes of any such meeting and any resolution to be voted on by Bondholders at that meeting. Therefore, by providing for the Purchaser to purchase any Bonds that Bondholders wish to sell if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting), such Bonds can remain outstanding and the Purchaser may, acting on the instructions of The Trustees of the Bank of Ireland Staff Pensions Fund vote in respect of such Bonds at any future meeting of Bondholders that BOI may elect to convene (including where the Purchaser acquires 50 per cent. or more of the outstanding aggregate principal amount of the Bonds and on each occasion on which the Purchaser acquires any further 5 per cent. of the outstanding aggregate principal amount of the Bonds). At the same time, liquidity can be provided by way of the Tender Offer to those Bondholders that wish to sell their Bonds. It is expected that the Purchaser and The Trustees of the Bank of Ireland Staff Pensions Fund as instructing entity will consider and vote in respect of any resolution that BOI may put to Bondholders or act in relation to any other action to be taken in respect of the Bonds in accordance with their economic interests.

BOI has previously received permission from the Competent Authority pursuant to Article 77(1)(c) and Article 78(1)(b) of the EU Capital Regulations to reduce its own funds on an individual basis and on the basis of the consolidated situation of Bank of Ireland Group plc, the holding company of BOI, through the repurchase and subsequent redemption of certain legacy capital instruments, including the Bonds.

(5) What is the Extraordinary Resolution and why is BOI proposing it?

The full terms of the Extraordinary Resolution are set out in the Notice of Meeting which is attached at the end of this document. The background to the Extraordinary Resolution and the proposed changes to the Conditions are summarised below and at Question (6).

The Extraordinary Resolution involves a proposal by BOI to vary the Conditions of the Bonds to allow BOI to include an Issuer Call and redeem the Bonds on the Redemption Date. This means that BOI would be able (without any further approvals from the Bondholders, but upon giving not less than 3 business days' notice to them) to repay and cancel all outstanding Bonds on the Redemption Date, upon paying to the Bondholders the Redemption Consideration of an amount equal to £1,920.31 for each £1,000 in principal amount of Bonds, being a payment in respect of the principal amount of the Bonds and a payment in lieu of accrued but unpaid interest of £40.31 for each £1,000 in principal amount of the Bonds and the separate payment of the Voting Fee to eligible Bondholders.

If the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting) the Purchaser will not purchase any Bonds pursuant to the Tender Offer and all of the Bonds will instead be redeemed by BOI on the Redemption Date pursuant to the Issuer Call. Upon any such redemption, BOI will also pay the Voting Fee to eligible Bondholders.

While the Tender Offer gives Bondholders a chance to sell their Bonds to the Purchaser if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting), BOI is seeking, through the passing of the Extraordinary Resolution, the right to redeem the Bonds in full because the Bonds no longer satisfy the purpose for which they were originally issued, as further discussed in Question (4) above.

(6) What is the change to the Conditions proposed in the Extraordinary Resolution?

The proposed change to the Conditions if the Extraordinary Resolution is passed would be made to Condition 4 and involve the insertion of a new Condition 4.2, which will set out BOI's right to redeem the Bonds on the Redemption Date for the Redemption Consideration. The full text of this proposed new Condition 4.2 is set out in the Notice of Meeting which is attached at the end of this document.

(7) What are the minimum thresholds for passing the Extraordinary Resolution?

Quorum requirement for the Meeting

The minimum quorum required for the Meeting to consider the Extraordinary Resolution is one or more persons present and holding or representing in aggregate not less than two-thirds of the principal amount of the Bonds for the time being outstanding. If the Meeting is required to be adjourned, the quorum at such adjourned Meeting will be one or more persons present and holding or representing in aggregate not less than one-third of the Bonds.

Tender Instructions and Voting Only Instructions which are validly submitted in accordance with the procedures set out in this Offer Memorandum (including its Annex) and the Notice of Meeting which is attached at the end of the document, and which have not been subsequently revoked (in the limited circumstances in which such revocation is permitted), will remain valid for the adjourned Meeting.

Minimum votes required for passing the Extraordinary Resolution

The Extraordinary Resolution will only be passed at the Meeting (or, if applicable, the adjourned Meeting) if not less than three-quarters of the votes cast at such Meeting are cast in favour of the Extraordinary Resolution.

(8) What happens if the Extraordinary Resolution is not passed and implemented?

If the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting) and implemented, BOI will not acquire a right to redeem the Bonds on the Redemption Date. However, the Purchaser may still purchase those Bonds that Bondholders elect to tender in the Tender Offer. Any Bonds purchased by the Purchaser in the Tender Offer will continue to be held by the Purchaser and will not be cancelled and the Purchaser may, acting on the instructions of The Trustees of the Bank of Ireland Staff Pensions Fund, vote in respect of such purchased Bonds in any subsequent meeting of Bondholders that may be convened by BOI.

(9) What happens if the Meeting gets adjourned?

If the Meeting is adjourned, BOI may, in its sole discretion, elect to make certain amendments in respect of the Offers, including (without limitation) changing the applicable Tender Deadline and/or Consent Deadline, the Voting Deadline, the Settlement Date and/or the Redemption Date (which will take place shortly after the conclusion of any adjourned Meeting) in respect of the Offers. BOI will announce any such amendments as soon as is reasonably practicable after the Meeting is adjourned.

Tender Instructions and Voting Only Instructions which are validly submitted in accordance with the procedures set out in this Offer Memorandum (including its Annex) and in the Notice of Meeting attached at the end of this document, and which have not been subsequently revoked (in the circumstances in which such revocation is permitted), shall remain valid for the adjourned Meeting. Restrictions on the transfer of Bonds will apply from the time of submission of Tender Instructions or Voting Only Instructions until the conclusion of any adjourned Meeting and the Settlement Date or Redemption Date (as applicable).

(10) Do I have to take any action in connection with the Offers?

Bondholders may elect to participate in the Offers, but are not required to do so. The options available to Bondholders who wish to participate are set out in Question (12) below.

If the Extraordinary Resolution is not passed, Bondholders who do not participate will continue to hold their Bonds. Since the Conditions of their Bonds may be modified if the Extraordinary Resolution is passed and their Bonds redeemed, such Bondholders are urged to read this Offer Memorandum carefully before deciding whether or not to participate in the Offers. Upon any redemption of the Bonds pursuant to the Issuer Call, Bondholders will only be eligible to receive the Voting Fee if they submit valid Tender Instructions ('Option 1') or Voting Only Instructions specifying 'Option 2' that are received by the Receiving Agent by the applicable Tender Deadline or Consent Deadline, as the case may be.

(11) Am I a Retail Investor or an Institutional Investor?

Please see the section "*Certain Definitions*" on page 33 of this document for the meaning of the terms 'Retail Investor' and 'Institutional Investor'.

Any Bondholder who is an individual (rather than a company or other organisation) will be a Retail Investor.

Any Bondholder that is a company or other organisation and is not sure whether they are a Retail Investor or an Institutional Investor may contact the Retail Information Agent for further information (see page 6 above for the Retail Information Agent's contact details).

(12) I want to participate in the Offers. What options do I have?

Bondholders who wish to take part in the Offers can select from the three options below in respect of some or all of their Bonds. ‘Option 1’ is a Tender Instruction. ‘Option 2’ and ‘Option 3’ are Voting Only Instructions.

OPTION 1 – Tender Instruction – tender Bonds and vote in favour of the Extraordinary Resolution

A Bondholder who wishes to participate in the Tender Offer should select ‘Option 1’. This will involve the Bondholder submitting a Tender Instruction (or arranging to have a Tender Instruction submitted on its behalf).

If the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting) and BOI elects that tenders of Bonds are to be accepted and for the Purchaser to settle the Tender Offer, the Purchaser will purchase those Bonds on the Settlement Date and will pay the Tender Consideration of £1,920.31 for each £1,000 in principal amount of such Bonds, being a payment in respect of the principal amount of such Bonds and a payment in lieu of accrued but unpaid interest up to the Settlement Date of £40.31 for each £1,000 in principal amount of those Bonds. In such a situation, no Voting Fee will be paid to any Bondholder.

The submission of a Tender Instruction will also constitute the Bondholder’s instruction to appoint the Chairperson of the Meeting (or their nominee) as such Bondholder’s proxy to attend the Meeting on such Bondholder’s behalf and cast the votes attaching to the Bonds which are the subject of such Tender Instruction in favour of the Extraordinary Resolution. **Accordingly, Bondholders electing ‘Option 1’ should take no other action in respect of the Meeting or the Extraordinary Resolution in respect of those Bonds for which ‘Option 1’ is selected. Any Bondholder that submits both a Tender Instruction and a Voting Only Instruction in respect of the same Bonds will be deemed to have made a Tender Instruction in respect of those Bonds.** The number of votes cast on a poll will be equal to 1 vote for each £1.00 in principal amount of Bonds.

Bondholders who hold their Bonds in CREST and who are not themselves a CREST Participant can exercise ‘Option 1’ by arranging for the CREST Participant through which they hold their Bonds to submit a Tender Instruction on their behalf via CREST, which must be done by no later than the Institutional Investor Tender Deadline, in the case of Institutional Investors, and the Retail Investor Tender Deadline, in the case of Retail Investors.

Bondholders who hold their Bonds outside CREST in certificated form can exercise ‘Option 1’ by selecting and completing ‘Option 1’ on their Paper Instruction Form, which must be returned by post to the Receiving Agent, to be received by the Receiving Agent by no later than the Institutional Investor Tender Deadline, in the case of Institutional Investors, and the Retail Investor Tender Deadline, in the case of Retail Investors.

For full details on how to participate in the Offers, please see the section of this document headed “*Procedures for Participating in the Offers*”.

A Bondholder who does not wish to tender their Bonds, but who wishes to vote on the Extraordinary Resolution, may instead elect ‘Option 2’ or ‘Option 3’ on their Paper Instruction Form, as summarised below.

If a Bondholder elects ‘Option 1’ but the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting) and the Third Supplemental Trust Deed for the implementation of the Extraordinary Resolution is executed by BOI and the Trustee, the Bonds tendered by that Bondholder will be redeemed pursuant to the Issuer Call and the Bondholder will receive the Voting Fee (in addition to the Redemption Consideration) in respect of the Bonds validly tendered by that Bondholder. The Redemption Consideration and Voting Fee (if any) will be paid to the Registrar on the Redemption Date for onward payment to the relevant Bondholders in accordance with the usual procedures of the Registrar for payments to such Bondholders.

OPTION 2 – Voting Only Instruction – appoint the Chairperson of the Meeting as proxy to vote on the Extraordinary Resolution, without tendering Bonds

A Bondholder who does not wish or is not able to tender Bonds in the Tender Offer, and who wishes to vote on the Extraordinary Resolution in respect of its Bonds not tendered, can elect to appoint the Chairperson of the Meeting (or their nominee) as proxy to cast the votes attaching to their Bonds in respect of the Extraordinary Resolution as instructed by them.

The amount of Bonds voted 'in favour of' or 'against' the Extraordinary Resolution must be an amount equal to £1,000 or a whole multiple of £1,000. If a Bondholder holds less than £1,000 in principal amount of Bonds or holds an amount of Bonds which is not a whole multiple of £1,000, it should contact the Receiving Agent.

To be eligible for the Voting Fee such Voting Only Instructions must be received by the Receiving Agent by the applicable Consent Deadline.

Bondholders should note that 'Option 2' does not involve a tender of Bonds. Accordingly, the Bonds of such Bondholders will not be purchased by the Purchaser pursuant to the Tender Offer if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting), and such Bondholders will therefore not receive the Tender Consideration in respect of their Bonds upon settlement of the Tender Offer. Such Bondholders will instead continue to hold their Bonds.

Bondholders who hold their Bonds in CREST and who are not themselves a CREST Participant can exercise 'Option 2' by arranging for the CREST Participant through which they hold their Bonds to submit a Paper Instruction Form selecting and completing 'Option 2' in respect of such Holders' Bonds. The Paper Instruction Form must be returned by post to the Receiving Agent, to be received by the Receiving Agent by no later than (i) the applicable Consent Deadline to be eligible for the Voting Fee or (ii) otherwise the Voting Deadline. Such Bondholders should note that it will not be possible to submit Voting Only Instructions electronically in CREST, due to the limitations of the CREST system in light of the concurrent Tender Offer.

Bondholders who hold their Bonds outside CREST in certificated form can exercise 'Option 2' by selecting and completing 'Option 2' on their Paper Instruction Form. The Paper Instruction Form must be returned by post to the Receiving Agent, to be received by the Receiving Agent by no later than (i) the applicable Consent Deadline to be eligible for the Voting Fee or (ii) otherwise the Voting Deadline.

For full details on how to participate in the Offers, please see the section of this document headed "*Procedures for Participating in the Offers*".

OPTION 3 – Voting Only Instruction – elect to attend, or appoint a separate proxy to attend, and vote at the Meeting, without tendering Bonds

A Bondholder who does not wish to tender Bonds in the Tender Offer or to appoint the Chairperson of the Meeting as proxy to attend the Meeting and vote on the Extraordinary Resolution on their behalf, but who still wishes to vote on the Extraordinary Resolution in respect of its Bonds not tendered, may instead elect to attend, or to appoint a proxy other than the Chairperson to attend, the Meeting and cast the votes attaching to such Bonds at the Meeting. Please refer to Questions (16) and (18) below for further information on attending the Meeting.

At the Meeting, Bondholders, or the proxy appointed on their behalf, should cast their votes in respect of the Extraordinary Resolution when prompted to do so by the Chairperson.

The amount of Bonds voted in favour of, or against, a Resolution must be an amount equal to £1,000 or a whole multiple of £1,000. If a Bondholder holds less than £1,000 in principal amount of Bonds or holds an amount of Bonds which is not a whole multiple of £1,000, it should contact the Receiving Agent.

Bondholders should note that to be eligible for the Voting Fee, a Bondholder must either (a) submit a valid Tender Instruction that is received by the Receiving Agent by the applicable Tender Deadline ('Option 1') or (b) submit valid Voting Only Instructions in accordance with 'Option 2' above that are received by the Receiving Agent by the applicable Consent Deadline. **Therefore, by selecting and completing 'Option 3' a Bondholder will not be eligible for the Voting Fee even if its Voting Only Instruction is received by the Receiving Agent by the applicable Consent Deadline.** If the Extraordinary Resolution is passed at the Meeting (or, if applicable, the adjourned Meeting) a Bondholder that selects and completes 'Option 3' will only be eligible to receive the Redemption Consideration but not any Voting Fee.

Bondholders should note that 'Option 3' does not involve a tender of Bonds. Accordingly, such Holders' Bonds will not be purchased by the Purchaser pursuant to the Tender Offer if the Extraordinary Resolution is not passed at the Meeting (or, if applicable, the adjourned Meeting), and such Bondholders will therefore not receive the Tender Consideration in respect of their Bonds upon settlement of the Tender Offer. Such Bondholders will instead continue to hold their Bonds.

Bondholders who hold their Bonds in CREST and who are not themselves a CREST Participant can exercise ‘Option 3’ by arranging for the CREST Participant through which they hold their Bonds to submit a Paper Instruction Form selecting and completing ‘Option 3’ in respect of such Holders’ Bonds. The Paper Instruction Form must be returned by post to the Receiving Agent, to be received by the Receiving Agent by no later than the Voting Deadline. Such Bondholders should note that it will not be possible to submit Voting Only Instructions electronically in CREST, due to the limitations of the CREST system in light of the concurrent Tender Offer.

Bondholders who hold their Bonds outside CREST in certificated form can exercise ‘Option 3’ by selecting and completing ‘Option 3’ on their Paper Instruction Form. The Paper Instruction Form must be returned by post to the Receiving Agent, to be received by the Receiving Agent by no later than the Voting Deadline.

For full details on how to participate in the Offers, please see the section of this document headed “*Procedures for Participating in the Offers*”.

(13) Can I select more than one Option in respect of my Bonds?

Only one of the above three options (the “**Options**”) can be selected for each Bond held. However, Bondholders who hold more than one Bond do not have to choose the same Option for all their Bonds.

Each Bond has a denomination of £1,000. Therefore, a Bondholder who holds more than £1,000 in principal amount of Bonds can select different Options, provided that at least £1,000 (or a whole multiple of £1,000) of Bonds is specified in each Option selected, and the total amount of Bonds across all the Options selected by a Bondholder cannot exceed the total amount of such Holder’s Bonds. If a Bondholder holds less than £1,000 in principal amount of Bonds or holds an amount of Bonds which is not a whole multiple of £1,000, it should contact the Receiving Agent.

If a Bondholder selects more than one Option and the total amount of Bonds represented across those Options exceeds that Holder’s total holding of Bonds, then: (1) any Bonds specified in ‘Option 1’ will be treated as the first priority instruction, such that those Bonds will be deemed to have been tendered in the Tender Offer; (2) to the extent that the Holder’s total holding of Bonds exceeds the Bonds specified in ‘Option 1’, any remaining Bonds specified in ‘Option 2’ will be treated as a second priority instruction; and (3) to the extent that the Holder’s total holding of Bonds exceeds the Bonds specified in Options 1 and 2, any remaining Bonds specified in ‘Option 3’ will be treated as a third priority instruction.

(14) How do I participate?

The steps you must take if you wish to participate in the Offers differ depending on whether you hold your Bonds in CREST or in certificated form outside of CREST, and which Option(s) (as described in Question (12)) you wish to select in respect of your Bonds.

Please note, the deadline for receipt of Tender Instructions and Voting Only Instructions is **1:00 p.m. (UK time) on 29 June 2023**, in the case of Institutional Investors and **1:00 p.m. (UK time) on 2 August 2023**, in the case of Retail Investors. Any Bondholder who either (a) validly tenders its Bonds for purchase pursuant to the Tender Offer by the applicable Tender Deadline (‘Option 1’) or (b) validly submits a Voting Only Instruction specifying ‘Option 2’ by the applicable Consent Deadline, will be eligible to receive the Voting Fee, subject to the Extraordinary Resolution being passed at the Meeting (or, if applicable, the adjourned Meeting) and the implementation of the Extraordinary Resolution.

If you hold your Bonds through a broker, bank, custodian or other Intermediary and you wish to participate in the Offers, you are urged to contact that Intermediary as a matter of priority, to ascertain what that Intermediary needs to receive from you, and by when, in order to ensure the Intermediary can arrange for the submission of instructions on your behalf by the above deadline.

For full details on how to participate in the Offers, please see the section of this document headed “*Procedures for Participating in the Offers*”.

(15) I’ve lost my Bonds certificate(s). Can I still participate in the Offers?

Bondholders who hold their Bonds in certificated form outside CREST will have received one or more Bond certificates evidencing their holding when they first obtained their Bonds.

If such a Bondholder wishes to tender their Bonds in the Tender Offer, they must return their Tender Instruction together with their Bonds certificate(s) representing their holding of the Bonds so tendered. If

such Holder has lost their Bonds certificate(s), then such Holder should contact the Receiving Agent (whose contact details are set out on page 6 of this document) as a matter of urgency to obtain a Letter of Indemnity, which must be duly completed and signed and returned together with such Bondholder's Tender Instruction.

Bondholders who wish to vote on the Extraordinary Resolution without tendering any Bonds only need to return their Voting Only Instruction to the Receiving Agent. Such Holders do not need to return their Bonds certificate(s) (or a Letter of Indemnity) (but should ensure that the principal amount of Bonds in respect of which they submit Voting Only Instructions does not exceed their total holding of Bonds).

Bondholders who hold their Bonds in CREST do not need to send any certificates (or Letters of Indemnity) to the Receiving Agent in order to participate in the Tender Offer or to vote on the Extraordinary Resolution (but will need to return their Paper Instruction Form to the Receiving Agent if they wish to submit Voting Only Instructions).

(16) If I participate in the Offers and tender my Bonds, will I be charged brokerage fees?

If you hold the Bonds in certificated form, you will not have to pay brokerage fees to participate in the Offers. Please note such brokerage fees may be chargeable if you wished to sell your Bonds on the market or otherwise dispose of your Bonds. No brokerage costs are being levied by BOI, the Purchaser or the Receiving Agent. Bondholders should check whether their brokers or custodians will assess fees.

(17) When is the Meeting?

The Meeting has been convened for 1:00 p.m. (UK time) on 4 August 2023.

If a quorum is not present at the Meeting, the Meeting may be adjourned, until a date not less than 14 days nor more than 24 days later, in which case a further notice will be given to Bondholders confirming the date and time of the adjourned Meeting.

(18) Where is the Meeting being held?

The Meeting is being convened at the offices of Allen & Overy LLP at One Bishops Square, London E1 6AD, United Kingdom.

BOI is also arranging for Bondholders who select 'Option 3' for their Bonds to be able to attend the Meeting by way of a video conference. However, any Bondholder that separately seeks to appoint a proxy to vote at the Meeting (or, if applicable, the adjourned Meeting) on its behalf or attends the Meeting (or, if applicable, the adjourned Meeting) in person (including by way of video conference) or makes other arrangements to be represented and vote at the Meeting (or, if applicable, the adjourned Meeting) (other than by way of the relevant Tender Instructions ('Option 1') or Voting Only Instructions specifying 'Option 2') will not be eligible to receive the Voting Fee, irrespective of whether such Bondholder has delivered a Tender Instruction or Voting Only Instruction specifying 'Option 2' or such other arrangements are made by the applicable Tender Deadline or Consent Deadline.

Bondholders who wish to attend the Meeting, or appoint a proxy other than the Chairperson of the Meeting to attend the Meeting on their behalf, will attend the Meeting virtually and will not attend the physical location unless they specify otherwise in their Paper Instruction Form.

Attending via video conference

Bondholders who select 'Option 3' for their Bonds, and thus elect to attend the Meeting (or to appoint a proxy other than the Chairperson of the Meeting (or their nominee) to attend the Meeting on their behalf) will be required to specify, on their Paper Instruction Form, an email address to which log-in details for the video conference can be sent. The Paper Instruction Form must be received by the Receiving Agent by no later than the Voting Deadline.

Log-in details will be emailed to the relevant participants on the day before the Meeting (or, if applicable, the adjourned Meeting). Participants who are expecting to receive log-in details and have not received them by 1.00 p.m. (UK time) on the day before the Meeting should contact the Registrar, whose contact details are set out on page 63 of this document.

The video conference facility will be hosted by Lumi. The log-in details will include a weblink to the electronic platform, the Meeting ID, a Bondholder Reference Number (BRN) and PIN.

Bondholders or proxies attending the Meeting via the video conference facility will be able to vote electronically during the Meeting, once instructed by the Chairman.

Bondholders should note that they are entitled to attend the physical meeting (or appoint a proxy to do so on their behalf) provided that they have specified that they will do so in their Paper Instruction Form, but attendance at the Meeting (whether virtually or physically) will mean that a Bondholder will no longer be eligible to receive the Voting Fee.

Any Bondholders who do not submit a Tender Instruction ('Option 1) or Voting Only Instruction specifying 'Option 2' by the applicable Tender Deadline and/or Consent Deadline (as applicable) or a Paper Instruction Form specifying 'Option 3' by the Voting Deadline (including for any adjourned Meeting) will not be able to tender their Bonds for purchase or be eligible to receive the Consent Fee or be able to vote on the Extraordinary Resolution whether at the Meeting or any adjourned Meeting.

(19) I also hold preference shares and/or other debt instruments issued by members of the BOI Group – is it possible to tender those instruments in the Tender Offer?

The Tender Offer and the Consent Solicitation only apply to the £75,000,000 13^{3/8} per cent. Unsecured Perpetual Subordinated Bonds of BOI, with ISIN GB0000510312) (originally issued as PIBS by the B&W Society and then as bonds by B&W) of which £45,903,600 remains outstanding. Tender offers are being made in respect of other perpetual instruments issued by members of the BOI Group and separate tender offer memoranda will be made available in respect of each such instrument, being the 8.125% Non-Cumulative Non-Redeemable Preference Shares issued by B&W (ISIN GB0000510205), £1,876,090 12.625% Non-Cumulative Sterling Preference Stock of £1.00 each (ISIN IE0000730808) issued by BOI and €3,842,987 12% Non-Cumulative Euro Preference Stock of € 1.27 each (ISIN IE0000730790) issued by BOI. You are advised to please refer to and review any other tender offer memoranda that have been distributed for the applicable terms and conditions. The same Retail Information Agent has been appointed to each of the respective offers currently being undertaken by members of the Group and will also be able to assist in this regard.

(20) What are the tax implications for me if I participate in the Offers?

This Offer Memorandum does not discuss the tax consequences for Bondholders arising from the Offers. Bondholders are urged to consult their own professional advisers regarding the possible tax consequences to them that may arise under the laws of the jurisdictions that apply to them in connection with the Offers, including (if their Bonds are purchased by the Purchaser pursuant to the Tender Offer or redeemed by BOI pursuant to the Issuer Call) the receipt of the Tender Consideration or Redemption Consideration, as applicable, and any Voting Fee and/or the disposal of Bonds sold to the Purchaser pursuant to the Tender Offer or redemption of Bonds redeemed by BOI pursuant to the Issuer Call.

(21) Where can I obtain further information on the Offers?

For details of whom you can contact to obtain further information on the Offers, please see the section of this document headed "*Further Information*" on page 6 above.