Barclays Bank Ireland PLC

SFDR Article 8 website product disclosure for financial products that promote environmental or social characteristics

based on Articles 24 to 36 SFDR Delegated Regulation (EU) 2022/1288

31 August 2023

Discretionary Portfolio Management Products:

- Sustainable Multi-Asset Low Risk Strategy (EUR, USD, GBP)
- Sustainable Multi-Asset Low-Moderate Risk Strategy (EUR, USD, GBP)
- Sustainable Multi-Asset Moderate Risk Strategy (EUR, USD, GBP)
- Sustainable Multi-Asset Moderate-High Risk Strategy (EUR, USD, GBP)
- Sustainable Multi-Asset High Risk Strategy (EUR, USD, GBP)
- Sustainable Global Equity Strategy (EUR, USD, GBP)

(together, the "Products" and each a "Product")

Manager: Barclays Bank Ireland PLC (the "Investment Manager")
Legal entity identifier: 2G5BKIC2CB69PRJH1W31

This document sets out sustainability-related disclosures in relation to the Products, for the purposes of Article 10 of the EU Sustainable Finance Disclosure Regulation (SFDR). This document is published on the Investment Manager's website.

1. Summary

The Investment Manager has categorised each Product as meeting the provisions set out in Article 8 of SFDR for products which promote environmental and/or social characteristics, as further described below.

A summary of the disclosures set out below is separately available on the Investment Manager's website in English, and also translated into an official language of each EU member state where the Products have been made available.

2. No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

Each Product has committed that at least 75% of its assets under management will be invested in sustainable investments, for the purposes of SFDR.

One element of the definition of a sustainable investment is that the investment must do no significant harm (DNSH) to any environmental or social objectives (the DNSH test). The Investment Manager has integrated the DNSH test into its due diligence process for assessing financial instruments as potential sustainable investments.

In order to ensure that the sustainable investments that the Product partially intends to make do not cause significant harm to any environmental or social sustainable objective, the Product carries out various levels of screening and analysis:

1. An exclusionary screen removes businesses (direct equities and bond positions) from the most contentious industries based on strict revenue thresholds.
2. An assessment is carried out with reference to the mandatory and relevant optional Principal Adverse Impact (PAI) indicators outlined under the Regulation (EU) 2019/2088.
3. A detailed qualitative analysis is carried out into each position with the aim of creating a balanced view of a company's economic activities.
4. Controversy alerts for direct equity and bond positions are monitored using third party data providers.
5. Voting and engagement is used to drive improvements in areas where investee companies are performing below expectations where possible.

The Investment Manager monitors a list of mandatory and optional PAI indicators which it considers as part of the investment due diligence process. This forms a list of sustainability indicators against which the Investment Manager obtains and reviews data on the adverse impact caused by investments.

For each such indicator, for the purposes of the DNSH test, the Investment Manager sets a threshold of what it considers to be significant harm. This will be judged on a relative basis to the wider market. If a particular potential investment is assessed by the Investment Manager to breach this threshold, then further detailed due diligence is carried out into that area. If, after further due diligence, it is deemed that the company is doing significant harm against one or more PAI indicators, then it will be excluded from the Product.

The Investment Manager, through the due diligence, risk assessment and screening process (both positive and negative), ensures that the sustainable investments are in undertakings which have implemented procedures to ensure alignment with the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations (UN) Guiding Principles on Business and Human Rights. This is supported through screening for violations or screening for processes and policies to ensure compliance with the above standards. This forms part of the Product's 'good governance test'.

3. Environmental and social characteristics of the financial product

The Product aims to maximise risk-adjusted total return through a portfolio of financial instruments that are promoting environmental and/or social characteristics through their economic activities. The Product uses the UN Sustainable Development Goals (SDGs) as the basis for defining environmental and social characteristics. Through quantitative and qualitative assessment, each sustainable investment held within the Product addresses at least one of the SDGs, without doing significant harm to the others. The environmental and social characteristics promoted include:

Environmental	Social
• Clean water and sanitation • Affordable and clean energy • Sustainable cities and communities • Responsible consumption and production • Climate action • Life below water • Life on land	• No poverty • Zero hunger • Good health • Quality education • Gender equality • Decent work and economic growth • Industry, innovation and infrastructure • Reduced inequalities • Peace, justice and strong institutions

The composition of the Product will change over time as will the characteristics being addressed. As such, at some points, certain characteristics may have zero promotion, whilst others may have multiple instruments promoting the characteristic.

The Product also aims to invest in businesses that demonstrate high standards of non-financial Environmental, Social and Governance (ESG) quality. ESG analysis is used as a tool to assess the operational quality of a business to help improve financial returns, but also as a means to identify companies that perform well relative to peers across areas such as labour conditions, waste management, equality and commitments to decarbonisation.

The Product excludes all direct equity and bond holdings in companies involved in the manufacture of controversial weapons.

An exclusionary policy is also adopted by the Product, which excludes direct equity or bond holdings in companies within the energy and utilities sectors, and the metals and mining sub-industry, that either have proved and probable fossil fuel reserves for energy purposes, or derive revenues from activities associated with the energy application of fossil fuels. It also excludes companies that generate revenues, over our internally defined thresholds, from the following industries: adult entertainment, alcohol, armaments, gambling and/or tobacco. In exceptional cases, a specific trading block in stocks in these industries can be overridden by escalation only. Companies that fail to meet the United Nations Global Compact (UNGC) Principles are also excluded. If a company, already included in a strategy, has an event that triggers it to fail one of the UNGC Principles, it must either be exited within three months, or an engagement plan put in place to rectify the points of failure. If after 12 months, sufficient progress has not been made through engagement, the position must be sold when possible. Third-party funds held within the Product may have different exclusionary criteria, and as such may hold investments within these industries. The Investment Manager tries to mitigate this by selecting sustainable funds aligned as closely as possible to the Investment Manager's exclusionary policies, where possible.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Product.

4. Investment strategy

Summary of investment strategy

The Product aims to maximise risk-adjusted total return over the long term through a combination of capital growth and income. The overarching philosophy of the Product's investment strategy is to invest in assets that demonstrate high standards of non-financial Environmental, Social and Governance (ESG) quality for the long term:

- **Sustainable Multi-Asset Class Strategies:** equities, government and corporate debt instruments (bonds) and alternative investments.

- **Sustainable Global Equity Strategy:** equities.

The Investment Manager commits to invest a minimum of 75% of the Product's Portfolio Value in sustainable investments. Portfolio Value means the mark-to-market value of all security positions and valuation of cash and cash equivalents in the portfolio currency. The Investment Manager looks to invest in a way that promotes sustainability and ESG characteristics by investing into direct instruments that must pass a three-stage sustainability assessment process.

- **Stage 1: Baseline screen**
  We exclude all direct equity and bond holdings in companies involved in the manufacture of controversial weapons. Our baseline screen then uses a third-party screening tool to avoid exposure to controversial companies and industries that may conflict with the non-financial objectives of our clients. Independent research is conducted if an alternative approach is required. We exclude direct equity or bond holdings in companies within the energy and utilities sectors, and the metals and mining sub-industry, that either have proved and probable fossil fuel reserves for energy purposes, or derive revenue from activities associated with the energy application of fossil fuels. We also exclude companies that generate revenues, over our internally defined thresholds, from the following industries: adult entertainment, alcohol, armaments, gambling and/or tobacco. The baseline screen also uses third-party reports to help identify and remove businesses that fail to comply with the United Nations Global Compact (UNGC) Principles. This screen is not based on revenue exposure thresholds; it simply removes any company that fails to comply.

- **Stage 2: ESG integration**
  ESG dashboards are developed for each equity and fixed income holding. The dashboards further guide analysis on material ESG issues for consideration in the investment decision-making process. We seek to invest in companies that we believe are able to mitigate ESG risks from an investment perspective and also demonstrate high standards of non-financial ESG quality (e.g. high quality environmental standards, safe working environment). The Investment Manager determines this based on their proprietary research and understanding of the companies we seek to invest in.

- **Stage 3: SDG alignment**
  The final stage of our investment process is to identify companies whose economic activities align to at least one of the UN SDGs based on a qualitative assessment of the company. UN SDG alignment ensures that we only invest in companies that generate revenue from selling goods and services that help to address at least one of the UN SDGs.

  The Product also excludes businesses that are, on balance, in material conflict with other SDGs, based on either revenue thresholds from controversial industries, or following qualitative assessment by the Investment Manager.

Summary of policy to assess good governance practices of investee companies:

As part of initial and ongoing investment due diligence, an assessment is carried out into the governance practices of investee companies. This includes assessment across certain areas which are set out below alongside the metrics considered across these areas:

- **Sound management structures:** UN Global Compact compliance, auditor independence, audit committee independence, board independence, subcommittee independence, board diversity, and bribery/corruption policies.

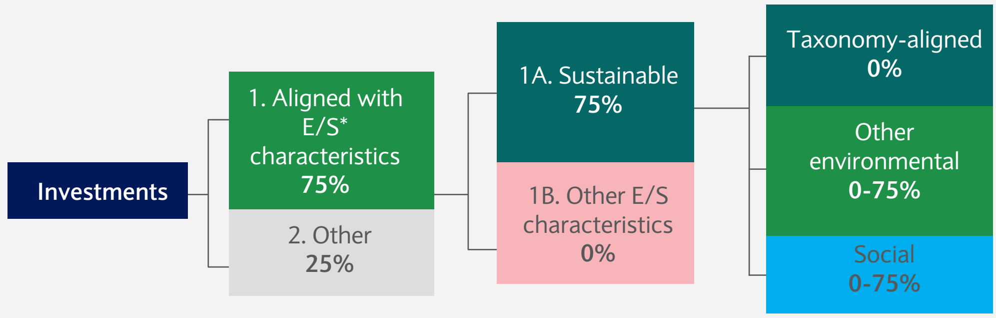
- **Employee relations:** UN Guiding Principles for Business & Human Rights compliance, International Labour Organisation (ILO) Labour Standards compliance, ILO Fundamental Principles compliance, insider ownership share, UNGCP collective bargaining compliance.

- **Tax compliance:** presence of severe/very severe controversies related to tax.
- **Remuneration of staff:** share based compensation to sales, controversies related to compensation, median employee pay, CEO to median pay, presence of significant shareholder dissent, presence of multiple share classes, concerns around controlling shareholders, presence of golden parachutes.

Governance due diligence then goes beyond this to look at the structure of short and long term executive compensation and an assessment of accounting quality.

5. Proportion of investments

The Investment Manager commits to invest a minimum of 75% of the Product's Portfolio Value[1] in sustainable investments. To identify sustainable investments, the Investment Manager uses the SDGs, as described in the section 'Environmental and social characteristics of the financial product'. Sustainable investments must also pass the 'good governance test' outlined above and must meet the principle to 'do no significant harm'.



1. Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

2. Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Category **1. Aligned with E/S characteristics** covers:

- The sub-category **1A. Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **1B. Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

* E/S refers to Environmental/Social.

As at the date of this disclosure the following allocations apply:

- **1 Aligned with E/S characteristics:** The Investment Manager intends to invest a minimum of 75% of the Product's Portfolio Value in investments which attain the environmental and social characteristics promoted by the Product.
- **1A Sustainable:** The Investment Manager commits to invest a minimum of 75% of the Product's Portfolio Value in sustainable investments. In respect of the further sub-categories of sustainable investment indicated in the asset allocation chart above:
  - Taxonomy-aligned: The Product does not commit to a minimum extent of investment in economic activities which are aligned with the EU Taxonomy Regulation.

[1] Portfolio Value is the mark-to-market value of all security positions and valuation of cash and cash equivalents in the portfolio currency.

– Other environmental and social sustainable investments: As described above, the Investment Manager uses the SDGs to identify sustainable investments and may identify an investment as contributing to both environmental and social objectives, rather than a binary environmental or social classification. In addition, an investment's classification may change over time, such that the assessment of contribution to environmental or social objectives is enhanced or reduced. Consequently, the Investment Manager is not able to make any further fixed minimum commitment to allocate sustainable investments among the sub-categories of other environmentally sustainable investments, or socially sustainable investments.

However, the Investment Manager commits that the combined allocation of the sub-categories will reach the minimum allocation threshold of 75% of the Portfolio Value.

- **2 Other:** The remaining 25% of the Product's Portfolio Value will be in investments which seek to achieve the broader objectives of the Product, including those which may not match the Product's sustainability criteria in its entirety but have the adequate minimum safeguards, achieved through the baseline exclusions. These instruments are typically used for diversification or hedging purposes, such as gold, cash, derivatives and alternative asset classes.

Direct and indirect exposures

The Product will distinguish between direct exposures in investee entities and all other types of exposures to those entities. The Product will primarily invest directly in equity and fixed income investments as well as a limited number of third party collective vehicles and other assets used for diversification, depending on the strategy chosen. The direct investments aim at fulfilling the declared threshold of sustainable investments. Indirect investments may or may not contribute to a sustainable position, instead being in the portfolio for diversification and hedging purposes. However, all instruments aim at meeting the 'do no significant harm' requirement. The Product may at times also have exposure to cash and cash equivalent positions for purposes of liquidity and risk management.

6. Monitoring of environmental or social characteristics

The attainment of the environmental and/or social characteristics promoted by the Product is measured at a portfolio level using sustainability indicators. Ongoing monitoring of ESG quality and the sustainability of economic activity is carried out through a periodic qualitative review, as well as controversy alert data feeds and quarterly monitoring of principal adverse impacts.

The sustainability indicators used by the Product are specified in Section 7.

Internal control mechanisms

The Investment Manager has a governance structure that helps to ensure that it applies the Private Bank Responsible Investing Policy (Discretionary Portfolio Management) in an aligned and consistent way across the Products. Accountability for all investment management activities, including the integration of ESG considerations, lies with the Head of Investments, Private Bank Europe. The Investment Manager's portfolio management teams are responsible for integrating ESG issues into investment decisions, supported by investment representatives from the Private Bank and the Responsible Investing team who help guide on practices for ESG integration and stewardship in the investment decision-making process. The Responsible Investing team maintains the Responsible Investing policy which is available at: https://privatebank.barclays.com/what-we-offer/investments/responsible-investing-engagement-and-voting-activities/

External control mechanisms

The Manager does not involve external audit firms in reviewing its ESG reporting processes.

7. Methodologies

The Product looks at a range of ESG indicators to measure the attainment of environmental or social characteristics at both an aggregate and instrument level. These include the metrics listed below. However, each instrument also undergoes an assessment of how its economic activities align to environmental or social characteristics. The metrics used to assess each instrument may vary and cannot be aggregated. As an illustration, these may include metrics such as children taught in a virtual classroom, or genomes sequenced, or tonnes of CO2 avoided by using construction material additives.

In the table below "Coverage" indicates the scope of investments held by the Strategy against which the ESG indicators are measured. Reference to "All Eligible Assets" indicates that, while the reported metric is measured on all asset classes within the Strategy, some instruments may not be included due to their eligibility of reporting for that metric or availability of information. All coverage for the Global Equity Strategy is based on Direct Equity Holdings.

Name/Group	Fields and methodology	Coverage	Type (E/S/G)
Weighted Average Carbon Intensity	Strategy Composite versus MSCI ACWI	All Eligible Assets	Environmental
	Top 5/Bottom 5	Direct Equity Holdings	
Equity Carbon Matrix	Stock Level Backward and Forward-Looking Carbon Metrics	Direct Equity Holdings	Environmental
Implied Temperature Rise	Strategy versus MSCI ACWI	Direct Equity Holdings	Environmental
Net Zero Carbon Targets	Number of Companies with Net Zero Targets Number of Science-Based Net Zero Targets Number of Non-Science-Based Net Zero Targets Number of Companies without Net Zero Targets	Direct Equity Holdings	Environmental
Water Withdrawal Intensity	Strategy Composite versus MSCI ACWI	All Eligible Assets	Environmental
Waste Intensity	Top 5/Bottom 5	Direct Equity Holdings	Environmental
Waste Diverted from Landfill	Top 5/Bottom 5	Direct Equity Holdings	Environmental
Whistleblower Protection and Governance Table	Whistleblower Protection	Direct Equity Holdings	Social
	Lack of Board Independence	All Eligible Assets	Governance
	No Women Directors		
	Women Representing at least 30% of Directors		
	Women on Board		
	Independent Board Members		
Executive (Management) Compensation	Issuers with Management Compensation Incorporating ESG Performance	Direct Equity Holdings	Governance

Name/Group	Fields and methodology	Coverage	Type (E/S/G)
Primary SDG Alignment **(determined by material economic activity contributing towards an SDG)**	Goal 1 No Poverty	All Eligible Assets	Social
	Goal 2 Zero Hunger		Social
	Goal 3 Good Health and Well-Being		Social
	Goal 4 Quality Education		Social
	Goal 5 Gender Equality		Social
	Goal 6 Clean Water and Sanitation		Environmental
	Goal 7 Affordable and Clean Energy		Environmental
	Goal 8 Decent Work and Economic Growth		Social
	Goal 9 Industry, Innovation and Infrastructure		Social
	Goal 10 Reduced Inequalities		Social
	Goal 11 Sustainable Cities and Communities		Environmental
	Goal 12 Responsible Consumption		Environmental
	Goal 13 Climate Action		Environmental
	Goal 14 Life Below Water		Environmental
	Goal 15 Life on Land		Environmental
	Goal 16 Peace, Justice and Strong Institutions		Social
	Goal 17 Partnerships For The Goals		Social

The Investment Manager looks to identify companies with high standards of non-financial ESG quality, as well as SDG economic activity alignment, by assessing each business across a number of metrics, including those outlined within the PAI reporting requirements. The aim is to identify companies that perform well relative to peers and the wider market. The Product does not adopt a thematic approach to sustainable investing, rather each investment may align to any of the 17 SDGs.

Periodic reporting for the Product will provide measures of the above indicators over the reporting period, and compared to past periods where applicable, with a commentary on the changes in performance and the underlying reasons.

8. Data sources and processing

The data sources used by the Investment Manager to measure the attainment of the environmental or social characteristics promoted by the Product include:

- Direct from investee companies, via engagement, analyst queries and by processing of the companies' reporting (e.g. Annual sustainability reports, conferences etc.).
- From third party data sources, including from established data providers with leading market positions. Standard and industry-defined metrics at security level are used for such large scale analysis.
- A platform with additional information by industry analysts and experts familiar with the underlying companies (e.g. ex-employees).

A selection process was undertaken to choose a suitable provider of ESG data to support the investment due diligence process. Data providers are kept under review and updated in line with business and regulatory requirements.

The proportion of data which is estimated will vary by asset class and throughout time.

9. Limitations to methodologies and data

The Investment Manager is dependent, to a degree on models and calculations being carried out by third parties. The Investment Manager often does not have visibility of the underlying model drivers, and as such could be at risk of erroneous calculations. The Investment Manager is also dependent on information and data which may be incomplete, inaccurate or unavailable. Further, data quality and coverage in relation to investee companies may have various challenges across different countries and regions (especially for smaller companies and less developed markets). Some data may be modelled or may be delayed and not all self-reported data are independently verified and so remains challenging over the near term.

Companies are also at various stages of sophistication with regard to their ability to report on ESG-related data and, accordingly, getting complete and accurate data can sometimes be challenging.

Further, certain instrument types (e.g. units in funds) can have multiple underlying positions whereby the level of detail available would vary. The so called "look-through" of such instrument portfolios can create skewed representations of sustainable adherence.

Finally, verifying that an issuer's revenue-generating economic activity meets an SDG has been subjective to-date. As companies do not typically disclose product revenue breakdowns, the Investment Manager cannot use thresholds for selection and (where necessary) depends on qualitative assessments.

10. Due diligence

As part of initial and ongoing investment due diligence, an assessment is carried out into the governance practices of investee companies. This includes the 'good governance test' prescribed within the SFDR, which requires assessment across certain areas. The metrics considered across these areas are set out in Section 4.

Governance due diligence then goes beyond this to look at the structure of short and long term executive compensation, and an assessment into accounting quality.

Internal control mechanisms

Please refer to Section 6 – Internal control mechanisms.

External control mechanisms

Please refer to Section 6 – External control mechanisms.

11. Engagement policies

Since October 2022, the Investment Manager has partnered with a stewardship service provider, EOS at Federated Hermes (EOS), who supports the Investment Manager in engagement across its assets, in direct equity and fixed income, and voting for its direct equity assets. EOS helps long-term institutional investors around the world to meet their fiduciary responsibilities and become active owners of public companies.

Through partnership with EOS, the Investment Manager seeks to highlight key ESG issues of concern that it believes are material to its portfolio companies. EOS's engagement with corporates takes place at board and senior executive level, covering a range of topics such as climate change, executive pay, human rights and labour rights including modern slavery.

Reports on BBI's engagement and voting through partnership with EOS can be found at: https://privatebank.barclays.com/what-we-offer/investments/responsible-investing-engagement-and-voting-activities/ and BBI's Shareholder Engagement Statement can be found at https://privatebank.barclays.com/support-and-information/important-information/

12. Designated reference benchmark

No reference benchmark has been designated for the purposes of attaining the environmental or social characteristics promoted by the financial product.

Addendum

Investment Selection Process for Barclays Bank Ireland PLC's Sustainable Strategies:

Barclays Bank Ireland PLC's Discretionary Portfolio Management (DPM) strategies are underpinned by the objective of maximising risk-adjusted return while integrating Environmental, Social and Governance (ESG) considerations in the investment process. There is currently no market consensus, universally accepted framework (legal, regulatory or otherwise), criteria or purely objective way to select investments for sustainable strategies. Multiple screening processes and a number of factors are analysed in the investment selection process as considered relevant in accordance with internally defined criteria. A high level overview of the investment selection process is set out in Barclays Private Bank's Responsible Investing Policy for its Discretionary Portfolio Management business, which is available on this webpage: https://privatebank.barclays.com/what-we-offer/investments/responsible-investing-engagement-and-voting-activities/

The investment selection process includes subjective elements which require consideration to whether, on balance, a particular investment is appropriate for inclusion in a sustainable strategy based on internal criteria, available information (including ESG data) and professional judgement. This means there may be companies and investments that, on balance, Barclays Bank Ireland PLC deems appropriate to include in a sustainable strategy, but a specific company or investment may still have certain areas where it could improve its ESG profile (including in relation to any adverse sustainability-related impacts of such companies and investments) or where ESG controversies exist. While Barclays Bank Ireland PLC seeks to screen for adverse sustainability-related impacts and ESG controversies against internally defined criteria as part of the investment selection process, this process includes subjective judgements and investors should review the Responsible Investing Policy and disclosures relevant to any sustainability strategy, to understand Barclays Bank Ireland PLC's approach and determine whether this aligns with their ESG expectations for their investments. Further, ESG considerations are rapidly evolving and may vary by sector/industry, market trends, current science or academic thought, and the macro environment. Therefore, any information herein should not be relied upon as being an exhaustive or complete view of the ESG profile or characteristics of any particular company or investment. No assurance can be given that a sustainable strategy will meet any or all client expectations regarding 'ESG', 'sustainable', 'responsible', or other similarly labelled objectives or that no adverse environmental, social, and/or other impacts will occur.

Barclays Bank Ireland PLC's sustainable strategies rely on ESG data. There is currently no universally accepted way of reporting, rating or categorising ESG data and so, where Barclays Bank Ireland PLC relies on third-party data, such data may be subject to certain limitations (including in relation to the quality, timeliness, completeness and availability of such ESG data). Importantly, ESG data may not be audited or otherwise reviewed by an independent third-party and while Barclays Bank Ireland PLC will use sources it believes to be reliable, it does not guarantee the information is accurate, complete, and up-to-date. The ESG data, models and methodologies used, and the judgements, estimates or assumptions made, are rapidly evolving and this may directly or indirectly affect the metrics and data contained herein.

Key Investment Risks

Investment Risk:

The risk of loss for the Portfolio resulting from fluctuations in the market values of positions in the Portfolio attributable to changes in market variables such as interest rates, foreign exchange rates, equity and commodity prices, or an issuer's creditworthiness. A degree of market risk is inherent in all investments. Portfolios are monitored to ensure that they are consistent with the defined risk profile.

Liquidity Risk:

Liquidity risk is the risk that a position in the Portfolio cannot be sold, liquidated or closed at limited cost in an adequately short time frame.

Counterparty and Credit Risk:

The risk of loss for the Portfolio resulting from the possible default or downgrade of a counterparty on its obligations prior to the final settlement of a transaction or contract.

Concentration Risk:

The risk of loss because of the concentration of exposure to a specific instrument, individual transaction, industry or country. Factors considered in the setting of the limits applied to the portfolios may include the following:

- Investment objective and policy.
- Mandate restrictions.

Operational Risk:

Any circumstance where there is a potential or actual impact to the Portfolio resulting from inadequately controlled or failed internal processes, people and systems or from an external event. The impact can be financial, including incurring either a loss, or in some cases a financial gain and can include non-financial (e.g. Conduct or Reputational) consequences. The definition of operational risk includes but is not limited to breaches of regulations or contract, business continuity disruptions, accounting and technology incidents.

Currency Risk:

The risk of loss for the Portfolio resulting from changes in the exchange rate between the base currency of a Portfolio and the currency of any asset held in that Portfolio which may lead to depreciation of the value of the assets expressed in the base currency.

Interest Rate Risk:

Each Portfolio may have exposure to fixed interest securities. The value of such securities is sensitive to changes in interest rates. The value of Shares is likely to fall if interest rates rise in the medium to long term, and vice versa.

High Yield Security Risk:

Generally, medium or lower rated securities and unrated securities of comparable quality offer a higher yield than is offered by higher rated securities. But they will also likely have some quality and protective characteristics that, in the judgment of the ratings organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions. Additionally, they are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal, in accordance with the terms of the obligation.

The market values of these securities tend to be more volatile than those of higher quality bonds. They also present a higher degree of credit risk. The risk of loss due to default by these issuers is significantly greater because medium and lower rated securities and unrated securities of comparable quality generally are unsecured, and frequently are subordinated to the prior payment of senior indebtedness.

Emerging Market Risk:

Investment in emerging markets may involve a higher risk than that inherent in established markets. Where Portfolios are invested in some overseas markets, these investments may carry a risk associated with:

- Failed or delayed settlement of market transactions and the registration and custody of securities.
- Political risk
- Taxation risk
- Currency conversion or repatriation risk
- Lack of transparency in accounting and reporting standards

Size Factor Risk:

Some Portfolios may present risks normally associated with investment in smaller companies. The markets in such securities tend to the less liquid (in other words, such securities may not be easy to buy or sell) and more volatile than for larger companies. This may affect the value of the Portfolio and may be particularly relevant when trying to raise cash in the portfolio.

Derivative Instrument Risk:

Some Portfolios may hold derivatives in OTC markets where there may be uncertainty as to the fair value of such derivatives due to their tendency to have limited liquidity and possibly higher volatility. In addition, the Portfolio will be exposed to Credit Risk on counterparties with whom the transactions are made and will bear the risk of settlement default with those counterparties.

Credit Risk:

A Portfolio may have a credit risk on the issuer of debt securities in which it invests which will vary depending on the issuer's ability to make principal and interest payments on the obligation. Not all of the securities in which a Portfolio may invest are issued by governments or political sub-divisions, agencies or instrumentalities, as a result of which default will have adverse consequences for a Portfolio. A Portfolio may also be exposed to credit risk on Counterparties to:

- Repurchase agreements or securities lending contracts
- Forward foreign exchange contracts, futures and other transactions
- Derivative transactions

Compliance with mandate restrictions:

The risk of non-compliance with mandate restrictions.

Special Situation Risk:

The Portfolios may invest in securities of an issuer based upon, or in anticipation of, a special corporate event (including an event that may be characterised as a risk arbitrage situation, a spin-off, merger or other reorganisation). In special situation investing, there are risks that the anticipated special situation will not occur or the anticipated benefit of the special situation will not be realised.

ESG Interpretation Risk:

Barclays Bank Ireland PLC's DPM business incorporates Environmental, Social and Governance (ESG) considerations and certain exclusions across all of its strategies. These considerations and exclusions are applied to varying degrees depending on the type of strategy, including but not limited to whether the strategy is internally categorised as a 'traditional strategy' or a 'sustainable strategy'. As a result, a strategy will perform differently from a strategy or reporting benchmark that uses a different methodology to identify and/or incorporate environmental and/or social impact criteria or relies solely or primarily on financial metrics.

There is currently no globally accepted framework or definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, an 'ESG', 'green', 'sustainable', 'climate-friendly' or an equivalent company, investment, strategy or consideration or what precise attributes are required to be eligible to be categorised by such terms. This means there are different ways to evaluate a company or an investment and so different values may be placed on certain ESG credentials as well as adverse ESG-related impacts of companies and ESG controversies. The evolving nature of ESG considerations, models and methodologies means it can be challenging to definitively and universally classify a company or investment under an ESG label and there may be areas where such companies and investments could improve or where adverse ESG-related impacts or ESG controversies exist. The evolving nature of sustainable finance related regulations and the development of jurisdiction-specific regulatory criteria also means that there is likely to be a degree of divergence as to the interpretation of such terms in the market. Industry guidance, market practice, and regulations in this field are expected to continue to evolve.

Any references to ‘sustainable strategy’ ‘sustainable investment’, ‘ESG considerations’, ‘ESG factors’, ‘ESG issues’ or other similar terms or related exclusions in this document are as used in Barclays Bank Ireland PLC’s internal framework and as explained in the Responsible Investing Policy and not to any jurisdiction-specific regulatory definition or other interpretation of these terms unless specified otherwise. Further details are set out in this document and in the Responsible Investing Policy on this website: https://privatebank.barclays.com/what-we-offer/investments/responsible-investing-engagement-and-voting-activities/. Investors with specific sustainability preferences or sustainability-related objectives should review and consider the Responsible Investing Policy and disclosures relevant to any sustainability strategy in detail to ensure the sustainability profile of the sustainable strategy (including the approach Barclays Bank Ireland PLC takes to evaluating and screening adverse ESG-related impacts or ESG controversies) reflects such preferences or objectives. There can be no guarantee that the aims or characteristics of any sustainability strategy will be achieved or any adverse ESG-related impact or controversy avoided. Any decision to invest in a sustainable strategy should take into account both the financial and non-financial characteristics of the strategy.

The approach taken by the Barclays Bank Ireland PLC DPM business may differ from decisions made by other Barclays entities and lines of business.

ESG Analysis Risk:

As part of the investment due diligence process, Environmental, Social and Governance (ESG) factors are analysed to gain insight into the operational quality of a business and its resilience to ESG risks. For those that are eligible, each investment undergoes fundamental quantitative ESG analysis, which highlights areas where further qualitative investigation is then undertaken. There is no guarantee that the assessment undertaken is exhaustive in nature or that this will influence Barclays Bank Ireland PLC’s investment decisions. Certain asset classes, such as cash or hedging derivatives, are ineligible for ESG analysis.

Where ESG data, models and methodologies are used, such data, models and methodologies are considered to be appropriate and suitable for these purposes as at the date on which they were deployed based on Barclays Bank Ireland PLC’s knowledge at the time. However, these data, models and methodologies are subject to further risks and uncertainties and may change over time.

These data, models and methodologies are still evolving and therefore not as developed as standards for financial information, nor subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Therefore, historical data may no longer be a strong indicator of future trajectories. Outputs of models, processed data and methodologies will also be affected by underlying data quality which can be hard to assess or challenges in accessing data on a timely basis.

The data, models and methodologies used, and the judgements, estimates or assumptions made, are rapidly evolving and this may directly or indirectly affect the metrics, data points and targets Barclays Bank Ireland PLC uses. Barclays Bank Ireland PLC will continue to review and develop its approach to data, models and methodologies in line with market principles and standards as this subject area matures on a reasonable endeavours basis.

Third-party risks in respect of ESG data (including research):

There are differences in approach, coverage and methodology applied by third parties in compiling ESG data across the market (including but not limited to assignment of ESG ratings), which may lead to divergent views and opinions as to ESG credentials and considerations (including but not limited to the ESG rating applicable, if any). Where Barclays Bank Ireland PLC relies on third-party data (including research), it will consider the credibility of the source, however, underlying data quality can be challenging to verify and assess due to certain limitations. Industry guidance, market practice, and regulations in this field are expected to continue to change and Barclays Bank Ireland PLC will review and develop its approach as appropriate. Any use of third-party data, including as part of the investment due diligence process, may therefore be subject to limitations. As such, Barclays Private Bank and its affiliates (including Barclays Bank Ireland PLC) shall have no liability for any errors or omissions in connection with any third-party data (including ESG ratings) which they consider to be credible.

Sustainable Strategy Risk:

Barclays Bank Ireland PLC's Sustainable strategies look to identify businesses that are helping to address either an environmental or social consideration through the products and services that they sell. The disparate nature of global businesses means that this analysis is subjective, using a combination of qualitative and quantitative inputs. Such strategies may not succeed in generating a positive environmental and/or social impact. The incorporation of environmental and/or social impact criteria into an investment process may cause a sustainable strategy to select, screen or require the disposal of investments for reasons other than financial performance. As a result, a sustainable strategy will perform differently from a strategy that uses a different methodology to identify and/or incorporate environmental and/or social impact criteria or relies solely or primarily on financial metrics. There is no assurance that an investment objective will be achieved. For further information, see the section entitled "Investment selection process for Barclays Bank Ireland PLC's Sustainable strategies" further above. Investors with specific sustainability preferences or sustainability-related objectives should review and consider the Responsible Investing Policy and the relevant disclosures relevant to any sustainability strategy in detail to ensure the sustainability profile of the sustainable strategy reflects such preferences or objectives. Any decision to invest in a sustainable strategy should take into account both the financial and non-financial characteristics of the strategy.

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