

iob Independent Oversight Body

2nd Report

October 2022



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Disclaimer

This report has been prepared by the Independent Oversight Body (IOB). The IOB was established in line with a bilateral agreement between the Commission for Communications Regulation (ComReg) and Eircom Ltd (trading as eir) (the Settlement Agreement). The IOB's mandate, known as the IOB Charter, is set out in Annex 3 of the Settlement Agreement.

The opinions included in this report are entirely those of the IOB and are not necessarily those of its individual members. It is not a legal document, nor does it contain legal, commercial, financial, technical or other advice.

The IOB's operating model is described in Section 2. Its opinions are based on the IOB's assessment of the documents provided by and presentations made by eir.

In considering eir's compliance with its obligations, the IOB has only assessed those obligations contained within the Settlement Agreement, and specifically those contained within the Regulatory Governance Model Undertakings (RGMU) and the IOB Charter. Other regulatory and legal obligations to which eir may be subject to are not addressed. Other individuals considering the same information could form a different assessment of it. Similarly, the IOB might have formed a different assessment had it considered other information. Accordingly, the opinions set out in this report should not be treated as determinative of any fact, nor of the performance of, or compliance with, any legal or regulatory obligation.

For the avoidance of doubt, this report was prepared by the IOB pursuant to the terms of the Settlement Agreement between ComReg and eir and is therefore addressed only to ComReg and eir. The IOB and its individual members do not make any representation or warranty as to the accuracy or completeness of the statements or any information contained in or omitted from this report and any liability therefore, including in respect of direct, indirect or consequential loss or damage, is expressly disclaimed.

This report is published pursuant to Section 6 of the IOB Charter.

Chair's Message

Welcome to the Second Report from the Independent Oversight Body (IOB). During the period since publication of the IOB's First Report in October 2021, the IOB has continued to refine its operating practices, as it progresses on its five year work programme culminating in 2024.

IOB Core Activities

The IOB was established on foot of the Settlement Agreement between eir and ComReg dated 10 December 2018 (the Settlement Agreement), pursuant to which eir agreed to implement an enhanced Regulatory Governance Model (RGM). The IOB's core responsibility is to fulfil the duties and responsibilities set out in the IOB Charter (as set out in Annex 3 to the Settlement Agreement), namely to provide assurance to eir and ComReg that there is in place a clear and unambiguous set of measures, arrangements, structures and internal controls that will ensure compliance with the Regulatory Governance Model Undertakings (RGMU) (as set out in Annex 1 to the Settlement Agreement). This is without prejudice to ComReg's statutory role in relation to monitoring eir's compliance with its Regulatory Obligations.

The Settlement Agreement outlines a wide range of issues upon which the IOB is required to form an opinion and the core reporting mechanisms into the IOB are the reports defined in the Settlement Agreement across eir's Internal Audit (IA) and RGM functions. For the purposes of the Second IOB Report, a practical approach was developed by the IOB, which saw the eir RGM and Internal Audit reports grouped into the following areas of regulatory risk:

- i. Regulatory Code of Practice
- ii. Incentives;
- iii. Regulatory Complaints & Whistleblowing;
- iv. Allocation of Capex & Group Resources;
- v. Bids;
- vi. Equivalence KPIs;
- vii. Regulated Product Processes – RAP Requests, Prioritisation & Portfolio Board
- viii. open eir Wholesale's Independence, Decision Making and Management of Conflicts of Interests;
- ix. Management of Structured Confidential Regulatory Information (CRI);
- x. Management of Unstructured CRI;
- xi. Regulatory Risk Management;
- xii. Wholesale Pricing; and
- xiii. Wholesale Service Level Agreements (SLAs).

The IOB has engaged with eir's Internal Audit function on its regulatory auditing of these areas, and conducted extensive analysis of the relevant reporting processes and outputs. As well as assessing the reporting outputs on their own merits, the IOB also directly engaged with eir's senior management teams, focusing in particular on open eir Wholesale and Networks, eir IT, eir Group Risk and eir Wholesale Regulatory Operations (WRO).

This approach allowed the IOB to rigorously assess eir's compliance with its Settlement Agreement obligations and assisted the IOB in meeting its own obligations. The results of these processes are the subject of this Report.

It should be noted that some matters remain part of our ongoing work programme, and some in the future may require additional expert scrutiny on behalf of the IOB. While the IOB is kept informed of open eir wholesale compliance investigations that ComReg have raised with eir, it should also be noted that the IOB's mandate in the Settlement Agreement is to monitor and assess the adequacy of governance structures as they apply to the RGMU, not investigate individual cases of regulatory non-compliance.

Second IOB Report – workplan and methodology enhancements

In developing and carrying out its workplan for the Second Report, I am pleased to state that a number of enhancements were made to the operating practices of the IOB, and the reporting functions on which it relies. These include:

- The development and delivery by eir's Internal Audit team of a regulatory audit schedule aligned with the reporting timeline of the IOB, ensuring all areas of regulatory risk were covered by Internal Audit for this report;
- The review and approval of regulatory audit scopes by the IOB in advance of audits to ensure that they addressed the specific requirements of the Settlement Agreement, including the obligations of the IOB, in the above outlined areas of regulatory risk;
- The attendance by eir's Director of Internal Audit at each IOB meeting to report on the scoping, progress and outputs of the regulatory auditing programme;
- The testing of all regulatory controls by eir's Regulatory Risk Group at least once within a 12 month cycle and the mapping of regulatory controls against the corresponding IOB risk review areas;
- The supply of eir's monthly RGM committee minutes to the IOB, as requested by the IOB;
- The regular attendance by eir's senior management team at IOB meetings, as requested by the IOB, which assisted the IOB to understand directly how business units are addressing eir's obligations under the Settlement Agreement at an operational level;
- The development and approval of the IOB's own operational and governance procedures and the undertaking of a self-assessment process on the adequacy of the IOB's own governance, as mandated by the Settlement Agreement;
- The agreement by eir to contract external assistance to the IOB in the area of data. This will see a third party assist the IOB in understanding how eir is managing the complex area of regulatory risks to structured and unstructured data as it relates to the various IT transformation programmes now underway in eir. The scope of the external assistance required is based on an agreement by the IOB and arrangements for this external assistance are currently underway.

- In addition, the IOB notes that eir undertook an External Quality Assessment (EQA) of its Internal Audit Regulatory Governance Function. We also note the output of that assessment which stated there was general conformance by eir's Internal Audit Regulatory Governance Function with international auditing standards.

While the above measures are not an end in themselves, I believe they demonstrate a continued effort by the IOB to build increasingly robust processes for delivering the outputs required by the Settlement Agreement. It should be noted that the opinions of the IOB are not intended, or required, to be referenced to any formal auditing or assurance standard. They are the opinions of the IOB based on the extensive material provided by eir and interrogated by the IOB, as mandated by the Settlement Agreement.

Third IOB Report – an evolving journey

The Settlement Agreement requires that an independent external agency (or person) undertakes a review of the effectiveness of the IOB's activity. The appointment of an independent agency is currently underway and its outputs will help shape the methodology and workplan for the IOB's Third Report. Notwithstanding the independence of that process, I believe it is particularly important that while the Settlement Agreement occurred at a particular point in time, the operations of the IOB going forward should be flexible enough to adapt to changes in the regulatory environment. It is my ambition, and the ambition of my fellow IOB members, that the Third IOB report continues to demonstrate an evolution in the oversight capabilities and effectiveness of the IOB, and a growing maturity in eir's RGM framework and compliance culture.

To that end, and with many of the obligations in the Settlement Agreement completed by eir and reported as such by the IOB, we now intend to recommend that the scope of the IOB's activities be refined and to engage proactively with our sponsors in this regard, so as to ensure that the integration of the IOB's activities into eir's RGM takes place in a structured and orderly manner up to the point when the IOB's activities conclude in 2024.

In conclusion, I would like to thank all our stakeholders for their support and guidance. In particular, I would like to express my appreciation to my fellow IOB members, to the IOB Executive and to executives in both eir and ComReg.

Bob Downes

IOB Chair

1. Executive Summary

Under the 2018 Settlement Agreement¹ between eir and ComReg, the IOB is required to publish an annual report with respect to the operation and effectiveness of eir's regulatory governance model. This annual report must include IOB's opinion on its own governance and resources and on the adequacy of eir's:

- **Second and Third Lines of Defence;**
- **Regulatory Code of Practice; and**
- **Governance structures in place to ensure regulatory compliance.**

The IOB is also required to provide an opinion on the extent to which eir's RGM meets the requirements of the RGMU contained within the Settlement Agreement.

This is the second such report of the IOB and covers material received by the IOB during the April 2021 to September 2022 time period, following on from the First IOB Report which covered July 2019 to March 2021.

The remainder of Section 1 below summarises the IOB's opinions in this Second Report. The contents of the sections that follow (sections 2 to 6) are outlined as follows:

- Section 2 contains an introduction and describes the operating model of the IOB leading to its Second Report;
- Section 3 contains the IOB opinions, the reasons for these opinions and the information that the IOB has relied upon;
- Section 4 provides an overview of the IOB's engagement with eir during the period of this report;
- Section 5 contains management representations provided by eir at the IOB's request with regard to the information that eir has submitted to the IOB during the period of this Report; and
- Section 6 sets out eir's comments on the IOB Report as provided for in the IOB Charter.

The appendices include information on the IOB members, a list of the material received from eir by the IOB and a glossary of terms used in this report.

¹ "Wholesale Compliance litigation update, Outcome of Cases 481 and 568 and related litigation.", ComReg 18/110, 10 December 2018

Summary IOB Opinions

The IOB's opinions are based on a combination of review activities, including reliance on eir's Internal Audit. The IOB's opinions are not intended, or required, to be referenced to any formal auditing or assurance standard.

The following is a summary of the IOB's opinions in this report.

1.1. The IOB's own Governance & Resources

With regard to its own governance and resourcing, the IOB concluded an internal governance self-assessment review in September 2022, which found both its own governance and resourcing to be satisfactory in achieving its workplan. The appointment of an independent external agency to undertake a review of the effectiveness of the IOB's activity is currently underway. Upon completion of that review, the IOB effectiveness report will be shared with eir and ComReg. It will also be made publicly available on open eir's website.

1.2. eir's Second and Third Lines of Defence

The IOB considers that eir's Second Line of Defence and Third Line of Defence with responsibilities in respect of regulatory governance are adequately resourced to meet their workplans and have appropriate mandates, in so far as relevant to eir's compliance with the RGMU.

The IOB received an EQA report concerning eir's Internal Audit Regulatory Governance Function at its meeting of 06 October 2021. This EQA set out the Function's general conformance against the Chartered Institute of Internal Auditors (CIIA) standards and benchmarked against similar industry peers. The EQA also provided some minor recommendations for improvement. These improvements have since been implemented. In addition the IOB has received annual statements from eir's Director of Internal Audit with regard to the Internal Audit Regulatory Governance Function's independence of line management. Having engaged with Internal Audit on its regulatory audit plan and having made requests of the regulatory audit scoping documents to ensure alignment to requirements of the Settlement Agreement, the IOB has relied on the opinions provided by eir's Internal Audit in forming the IOB's own opinions for this Report.

Further details on reasons for the IOB's opinion regarding the adequacy of eir's Second and Third Lines of Defence are set out in Section 3.2 below.

1.3. eir's Regulatory Code of Practice

The IOB considers that compliance with eir's Regulatory Code of Practice (CoP) training requirement is good and with the CoP itself is adequate, based on the assurance received from eir's Internal Audit. eir continues to make progress on streamlining its internal CoP process and on strengthening the process with Managed Service Partners, where some improvements are still required. The referrals of staff through eir's disciplinary process for breach of the CoP and failure to complete mandatory training is viewed by the IOB as evidence of the governance arrangements operating as they should.

1.4. eir's Regulatory Governance Structures

As a means of categorising the significant number of obligations contained in the Settlement Agreement for which the IOB has oversight responsibility, the IOB has identified that these obligations fall into 12 areas of regulatory risk. The analysis undertaken by the IOB has assessed the governance structures, and the extent to which eir's RGM meets the requirements of the RGMU, separately under each of these headings. These are:

- i. Incentives;
- ii. Regulatory Complaints & Whistleblowing;
- iii. Allocation of Capex & Group Resources;
- iv. Bids;
- v. Equivalence KPIs;
- vi. Regulated Product Processes – RAP Requests, Prioritisation & Portfolio Board;
- vii. open eir Wholesale's Independence, Decision Making and Management of Conflicts of Interests;
- viii. Management of Structured Confidential Regulatory Information (CRI);
- ix. Management of Unstructured CRI;
- x. Regulatory Risk Management;
- xi. Wholesale Pricing; and
- xii. Wholesale Service Level Agreements (SLAs).

i. Incentives

With regard to incentives, the IOB is satisfied with eir's compliance against the requirements of the relevant RGMU. As such, the governance arrangements are considered adequate.

ii. Complaints and Whistleblowing

The governance arrangements outlined in eir's Regulatory Complaint processes are adequate; however the volume of regulatory complaints is so low as to limit the evidence available for review by eir's Internal Audit Function. The Speak-Up Policy is fully rolled out within eir but is not expected to be communicated to all eir contractors until December 2022. In this regard, the governance arrangements are not considered adequate by the IOB until the entire roll-out of the Speak Up policy has been completed.

iii. Allocation of Capex & Group Resources

The IOB notes that governance arrangements for the allocation of capital expenditure are considered adequate in that eir has demonstrated and provided assurance on the Wholesale Capex Process, the Wholesale Capex budget, the role of the Wholesale SMT, the operation of a formal decision making framework and the consideration of capex processes in eir's review of regulatory risks.

The IOB considers that governance arrangements for the allocation of group resources, with respect to the development and provision of regulated services, are effective in that resourcing has not impacted open eir's delivery of its regulatory product development timeframes.

iv. Bids

While the IOB has assurance from eir that bids are receiving the appropriate reviews and approvals by the appropriate stakeholders and that segregation of information as per the CoP is in place, the IOB expects to see improved management of process documentation, including the relevant regulatory controls.

v. Equivalence KPIs

Governance arrangements to ensure the accuracy of KPI metrics are adequate and it is positive to see eir's intention to further automate this process. The IOB's opinion on structured data governance is relevant to the underlying data integrity for KPI metrics and the IOB intends to continue monitoring both this and governance arrangements for ComReg's revised KPI Decision as this is implemented by eir.

vi. Regulated Product Processes – RAP Requests, Prioritisation & Portfolio Board

The IOB considers the governance arrangements for RAP requests, prioritisation and eir's Portfolio Boards to be adequate as per the requirements of the Settlement Agreement. open eir has noted an increase in infrastructure related access requests and their complexity. However, open eir continues to meet the development milestones as required.

The IOB notes that access to Civil Engineering Infrastructure (CEI) by way of Major Infrastructure Programmes (MIP) has not been specifically considered from an equivalence perspective for the IOB's Second Report. The IOB also notes a separate consultation being undertaken by ComReg with regard to KPIs for CEI. As part of its work planning for the Third Report, the IOB intends to engage the two Principals to the Settlement Agreement on both matters.

vii. open eir Wholesale Independence, Decision Making and management of Conflicts of Interest

The IOB is satisfied that it has received detailed assurance from eir's Internal Audit Function confirming that eir's RGM meets the requirements relating to open eir's independence, decision making and management of conflicts of interests as required by the RGMU. The IOB recognises the importance of company culture and intends to address this more directly in its Third Report, including in relation to decision making at the eir Board as set out in the RGMU.

viii. Structured CRI

eir remains compliant with the RGMU regarding structured confidential regulated information (data held within IT systems). In the absence of formal adherence to an internationally recognised standard in eir IT's risk governance framework, eir has agreed to contract external assistance to the IOB by way of a consulting service managed by Internal Audit. This purpose of this external assistance is to help the IOB to understand how eir is managing this complex area.

ix. Unstructured CRI

Despite eir complying with the RGMU and having adequate policies and training under the Regulatory CoP, from the perspective of the IOB, gaps remain in the adequacy of the current governance arrangements for unstructured confidential regulated information (emails, file depositories, documents etc.). However, remediation plans are in place and these gaps have not resulted in breach of either eir's regulatory obligations or its Regulatory CoP.

x. Regulatory Risk Management

The IOB has seen improvements in the processes and process adherence underpinning the RGM during its term. The IOB also expects to see ongoing improvements in eir's reporting on its regulatory risk management.

In addition to assurance reports from eir's Internal Audit Function, the IOB receives quarterly self-certification and control test reports from eir's Second Line of Defence. The self-certification process is administered by eir's Risk Management Function and the Regulatory Risk Group undertakes control testing of 100% of regulatory controls annually. The most recent quarterly control test results received by the IOB, covering the period April to June 2022, reflected testing of 52 regulatory controls by the Second Line of Defence, equivalent to 27% of all controls. No action was required in 96% of tests, but in 4% of cases recommendations were made to improve evidence retention of control operation.

xi. Wholesale Pricing

While the IOB's and eir Internal Audit's review of Wholesale Pricing noted the complexity of the process, the IOB considers that the governance arrangements are adequate. The business agreed to a recommendation from Internal Audit in order to provide better clarity on the separation between the roles of the First and Second Lines of Defence.

xii. Wholesale SLAs

The governance arrangements for the operation and management of open eir Wholesale Service Level Agreements (SLAs) are adequate. The IOB will be requesting a further review by Internal Audit of internal open eir process documentation in relation to the CEI order process following the renegotiation of CEI SLAs which is expected to conclude in early October.

2. Introduction

With regard to the operating model of the IOB leading to its Second Report, the IOB has placed reliance on eir Internal Audit opinions. The IOB has received an EQA of the Internal Audit Regulatory Governance, the terms of which were set by eir, and has also engaged with eir Internal Audit on its regulatory governance work plan and audit scoping.

The IOB is informed by submissions and presentations from eir's First and Second Lines of Defence to guide its direction to and questioning of eir's Third Line of Defence (Internal Audit). The IOB has received and interrogated approximately 200 inputs from eir's First, Second and Third Lines of Defence in the period covered by this report, including by way of senior eir management presentations to the IOB.

As per the governance procedures of the IOB, the IOB aims to reach decisions by consensus. Where unable to do so, decisions are made on a simple majority basis with any dissenting opinion recorded in the minutes. The IOB is supported by an Executive Function (IOBE) consisting of two staff members.

In line with the IOB work plan and following receipt of a relevant audit report, the IOBE prepares an update to the IOB containing the following:

- i. The IOB & eir Settlement Agreement requirements relevant to the area of regulatory risk being addressed;
- ii. The IOB's First Report's conclusion on that area of regulatory risk;
- iii. An overview and outline of all relevant eir submissions received by the IOB, including the audit report, since the previous IOB analysis undertaken to inform the IOB's First Report; and
- iv. Recommendations for the IOB to request additional information or assurances from eir in order for the IOB to conclude its opinion on the adequacy of governance arrangements for that area of regulatory risk;

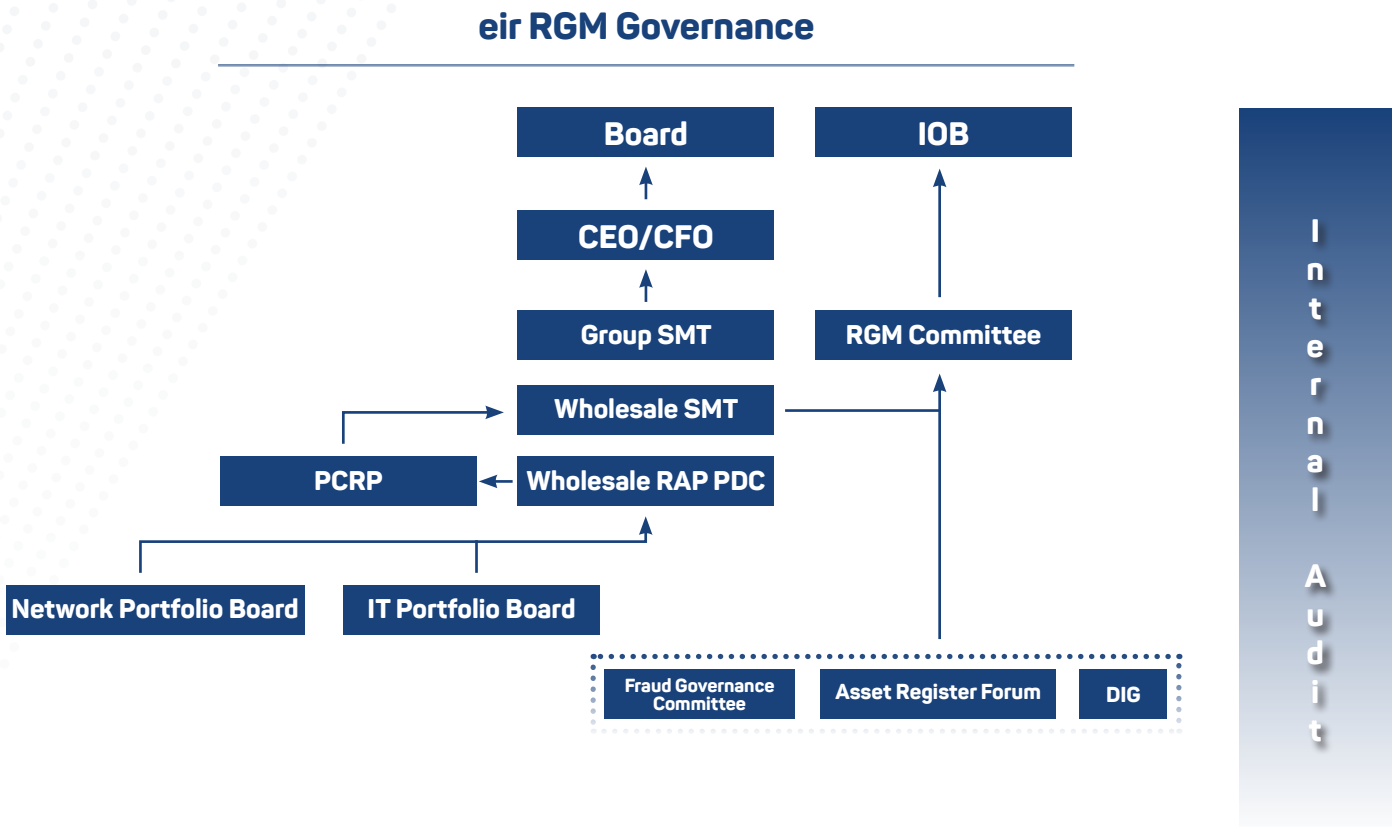
OR

- iv. A draft IOB opinion on the adequacy of governance arrangements for that area of regulatory risk, including reasons for the opinion and details of information that the IOB has relied on, which the IOB then concludes.

As well as the summary report from IOBE, the IOB receives and reviews all relevant eir inputs, as per Schedule Two of the IOB Charter and the Internal Audit work plan. There is an ongoing documented process of the IOB questioning these inputs from each IOB meeting to the next. In forming and finalising their opinions, the IOB accepts, rejects and/or adds to the recommendations proposed by IOBE, having reviewed the material available to them and based on their agreement or otherwise to the conclusions and recommendations proposed.

The IOB has adopted an iterative process in the development of its operating model. It has met 16 times in the period under review, and minutes of these meetings have been provided to both eir and ComReg as required by the IOB Charter.

The following diagram represents the position of the IOB within eir's RGM governance framework.



In terms of stakeholder engagement, the IOB has convened an annual meeting with relevant industry stakeholders since its establishment, the next of which is planned for January 2023.

3. IOB Opinions, Reasoning & Information Relied Upon

The IOB considers its review of eir's governance arrangements and compliance with the RGMU as required under the Settlement Agreement as an ongoing constructive engagement with eir over the five years of its term. The IOB Reports represent narrative insights at a point in time from the perspective of the IOB based on the information received by the IOB using the reporting sources outlined in the IOB Charter, principally those of eir's Internal Audit Regulatory Governance Function. The IOB Charter requires the IOB Report to include the IOB's opinion as to:

- a) Whether the IOB's own governance was satisfactory;
- b) Whether adequate resources – financial and non-financial – had been made available to it;
- c) Whether eir's Second Line of Defence and Third Line of Defence with responsibilities in respect of regulatory governance had appropriate mandates and were adequately resourced and whether the Third Line of Defence was sufficiently independent of line management;
- d) The adequacy of the Regulatory Code of Practice and other relevant documentation to foster regulatory compliance; and
- e) The adequacy of the governance structures in place to ensure regulatory compliance.

In addition, the IOB is required to give its opinion on the extent to which eir's RGM meets the requirements of the RGMU and to undertake a number of specific tasks, 19 in total, in forming these opinions. As stated in Section Two above, the IOB has received and interrogated approximately 200 inputs from eir's First, Second and Third Lines of Defence in the period covered by this report, including by way of senior eir management presentations to the IOB.

As also noted above in Section 1, the opinions of the IOB are not intended or required to be referenced to any formal auditing or assurance standard. The IOB Charter requires that, at a minimum, the IOB's Report explains the reasons for its opinions and the information relied upon, which are set out in the sections that follow.

3.1. The IOB's Own Governance and Resources

The IOB has approved governance and operating procedures. It has undertaken a self-assessment governance review by way of a questionnaire derived principally from the Irish State Body Board Self-Assessment Evaluation Questionnaire, under the Code of Practice for the Governance of State Bodies. The IOB's governance and resources are currently adequate to meet its workplan. The arrangements for an independent review of IOB's effectiveness are currently underway and over the next period the IOB will be engaging with this external review to constructively develop its plans for the Third IOB Report.

3.2. eir's Second & Third Lines of Defence

The IOB considers that eir's Second and Third Lines of Defence with responsibilities in respect of regulatory governance have appropriate mandates and are resourced adequately to meet their workplans. Furthermore, the IOB is of the opinion that eir's Third Line of Defence is sufficiently independent of line management.

The IOB notes as a positive development eir's investment in its Internal Audit Function by way of audit software to maintain the audit "universe", improve the end-to-end workflow and increase efficiency.

The reasons for this opinion include:

- The IOB has received an EQA of eir's Third Line of Defence (Internal Audit) with regard to regulatory governance. This assessment found general conformance to the Institute of Internal Auditors (IIA) Global Standards and the Internal Audit Code of Practice. It noted that:
 - The specificity of the Internal Audit Regulatory Governance Function's mandate in the context of the Settlement Agreement has given the Director of Internal Audit the status and independence to perform his duties effectively.
 - Structured and effective coordination of activities and sharing of information existed with first line management and second line assurance functions.
 - The Internal Audit Regulatory Governance Function has an appropriate combination of internal audit, regulatory, operational, finance and IT skills to enable it to competently execute the Audit Plan.
 - Internal Audit work products are appropriately supported by evidence files setting out the tests performed, test results and conclusions.

A number of areas for development were recommended in the EQA, and the IOB expects to be kept informed of future reviews of the Internal Audit Regulatory Governance Function with regard to its efficiency and effectiveness.

- The IOB has engaged with Internal Audit on its regulatory governance work plan and audit scoping, the result of which has been the receipt from Internal Audit of explicit opinions on various RGMU and requirements of the IOB Charter.
- The IOB has received assurance from eir Internal Audit on the extent to which eir's RGM meets the requirements of RGMU 20, 25, 26, 27, 28, 29, 37, 38, 42, 43, 44 and 45. This concludes with the following opinion from eir Internal Audit:
 - *"In my opinion the Second Line of Defence is adequately resourced and mandated to provide the essential compliance monitoring and consulting service that oversees and manages risk identification and the associated development, management of controls by the First Line of Defence. In summary this is demonstrated by;*
 - *The RACM quarterly self-certification process is scheduled coordinated and administered effectively by the Risk Management Analyst.*
 - *All RACM controls are tested by the RRG on an annual basis, provides adequate oversight on the compliance to control testing and reports this to the RGM Committee, Internal Audit and the IOB.*
 - *The WRO provides regulatory compliance advice on the development of controls, and consultancy on regulatory compliance matters.*

"We did not find any regulatory non-compliance matters in eir's performance of any of the Undertakings in scope. Any findings in this audit are minor in nature and are currently being worked on by management. Internal Audit will track these to completion in conjunction with the relevant stakeholders."

- The IOB has received adequate mandates for Internal Audit (Third Line), Regulatory Operations, Group Risk

and the Regulatory Risk Group (Second Line).

- The reporting lines of the Second Line Functions are separate to the administrative reporting line of Internal Audit and also separate to Business Units which operate the majority of regulatory controls. No regulatory controls are managed or operated by the reporting lines into which the control testing function of the Second Line reports (Regulatory Risk Group).
- The Director of Internal Audit reports to the IOB, by way of attendance and reporting at all IOB meetings outside of the IOB-only agenda time and by directly furnishing final RGM audit reports to the IOB at the same time as these are shared with eir management and eir's RGM Committee. Within eir, the Director of Internal Audit reports to the Chief Financial Officer and has a reporting line to the eir Board. As per Internal Audit's Charter:

"Although positioned within the CFO organisational structure, the Function has unfettered access to the Senior Management Team, the Board and the Independent Oversight Body".

- The IOB has received confirmation from the Director of Internal Audit of the organisational independence of Internal Audit's activity, most recently in the Annual Report and Opinion provided to the IOB meeting of 30 March 2022, which notes:

"IA is committed to assisting eir Group achieve its objectives through adding value and improving eir's operations by applying a robust, systematic and professional approach to its work in the evaluation of internal controls and the management of risk.

We are an independent function in eir that reviews the control environment across the eir Group including the Regulatory Governance Framework. Two independent regulatory auditors were ring-fenced to RGM audit activities to deliver the agreed RGM audit plan. A third IT auditor conducts reviews of the IT infrastructure including systems that impact on the regulatory environment. The Head of Investigations also reporting within IA conducts investigations into any confidential Speak-Up reports received that relate to regulatory matters."

"In respect of the RGM environment the purpose of the Function is primarily to:

Provide assurance to the Board, Senior Management and the IOB as to the adequacy, application and effectiveness of the Group's internal control system including risk management and governance processes.

- *Assist management by reviewing the elements of the internal control system for which they are responsible and by identifying opportunities for improvement.*
- *IA is adequately resourced to deliver the RGM audit plan into FY22 and following feedback from an external quality assessment plans to introduce auditor rotation and contingency plans as part of a new five year IA strategy due to commence in Q1 FY22."*

- Internal Audit has presented to the IOB on its risk based approach to work planning, including references to specific areas and requirements of the Settlement Agreement. This approach is based on risk scores on the Regulatory Risk and Control Matrix and on IT system risk categorisations. The IOB has commented on and approved the work plan of Internal Audit. While the audit plan was designed and delivered in order for the IOB to meet its internal deadline for publication of its Second Report, the expected delivery dates of audits were moved a number of times by Internal Audit. In this regard, the IOB has requested that further attention is paid to detailed time and resource planning ahead of the next Internal Audit work plan.
- The IOB regularly receives Internal Audit's Issues Tracker report on the status of recommendations to the business, with discussion about the tracker taking place between the IOB and Internal Audit, in particular in the case of any overdue items or items with a high audit risk score.
- The IOB has reviewed reports and submissions from eir's Third Line of Defence and worked with eir's Director of Internal Audit on the content and format of these reports. The IOB considers these reports to be effective in providing assurance with regard to the extent to which eir's RGM meets the requirements of the RGMU.
- Internal Audit's review of the Second Line of Defence found the three relevant Functions to be adequately resourced in order to maintain operations and manage the established mandates and annual plans of these units (Wholesale Regulatory Operations, Regulatory Risk Group and Group Risk). Furthermore, the IOB notes that quarterly regulatory self-certification is consistently operated on time and the Regulatory Risk Group is operating at an annual cycle of 100% testing of regulatory controls. With regard to the independence of the Second Line advisory function (Wholesale Regulatory Operations), the IOB notes changes brought about by the July 2020 update to the Three Lines of Defence model published by the Institute of Internal Auditors. As per [this](#) article from BDO in December 2021 *"The new model recognises that what was described as the second line is part of management, removing an artificial rigid distinction and accepting that in practice there is often considerable fluidity between first and second line activities. It is also stressed that activities are not undertaken in linear sequence but the roles of each "line" operate concurrently."*
- The IOB receives reports from eir's First and Second Lines of Defence by way of the RGM Committee, which approves these reports for issuing to the IOB. With regard to Second Line reports, the IOB has been assured that Second Line findings and conclusions are not revised by the RGM Committee; the RGM Committee may add comments on these for the attention of the IOB. Members of the First, Second and Third Lines of Defence all sit on the RGM Committee.

The IOB has relied on an EQA of eir's Third Line of Defence with regard to regulatory governance and eir's Internal Audit reports and opinions. The IOB has also been informed by reports and management presentations by eir Regulatory Operations and Group Risk. The IOB has engaged with, sent queries to and received responses from eir's Second and Third Lines in preparation of this opinion.

3.3. eir Regulatory Code of Practice

The IOB's opinion on the adequacy of the Regulatory Code of Practice (CoP) and other relevant documentation to foster regulatory compliance is that compliance is good and eir continues to make progress to streamline its internal CoP process and strengthen the CoP process with Managed Service Partners. For the reasons outlined below, there are aspects where improvements are still required.

The reasons for this opinion include:

- Very high and consistent company training completion compliance;
- Evidence of consistent companywide communications;
- Senior Management Team (SMT) level responsibility for identification of external contractors in scope and Regulatory Operations approval required for exemptions;
- A breach of the CoP has disciplinary consequences and eir reports to the IOB on these matters. During the period since publication of the IOB's First Report, the IOB has been notified by eir of:
 - One staff member exiting the company who did not receive a bonus as a result of non-completion of CoP training,
 - Seven staff referrals to HR under the Discipline Policy for failure to complete CoP training, five of whom subsequently completed training and two of whom left the company, and
 - Two confirmed breaches of the Regulatory CoP. One resulted in two staff member referrals to HR under the Discipline Policy and did not result in a breach of eir's regulatory obligations. The other resulted in additional training to staff and, as of September 2022, eir IT were assessing potential IT solutions. This also did not result in a breach of eir's regulatory obligations.
- The opinion of eir's Internal Audit concerning the adequacy of the CoP and other relevant documentation to foster regulatory compliance is: *"The CoP is adequate in design and is in a form that is easy to understand and outlines all obligations for employees to comply with it. This is reviewed regularly and there is clear evidence of performance improvement to the document throughout the different versions. We tested this in a recent audit of unstructured data (yet to be published) which demonstrated eir employee's compliance with various aspects of the Code of Practice. We have assessed all CoP training documentation and advisories from a top down approach embedding the CoP as a culture. CoP training form a regular topic discussed in the Regulatory Governance Committee."*
- The opinion of IA concerning the effectiveness of governance arrangements to address breaches of the COP is: *"WRO provide guidance to eir staff on all regulatory matters and manages the email CoPQueries@eir.ie where employees can send queries and report suspected breaches of the code. There have been no regulatory CoP breaches reported through the CoPQueries mailbox." "Separately a 'Speak Up' reporting facility is managed independently within the business and no RGM Speak Up reports have been received in the previous two years. There is a documented internal investigation policy and a separate disciplinary policy in place ready to manage any detected non-compliance. Discussions have occurred with the RGM Committee relating to escalation of some issues identified around internal self-certification of controls and or testing. These were referred to HR for appropriate remediation and will remain confidential."*
- Improvements are required to the internal process with regard to version control across all relevant policy

and training material locations. Improvements are required to fully finalise and maintain the list of in scope Managed Service Partners or contractors.

The IOB has relied on eir Internal Audit reports and opinions and has been informed by reports and presentations by eir's Regulatory Operations Unit. The IOB has engaged with, sent queries to and received responses from eir's Second and Third Lines in preparation of this opinion.

3.4. eir's Governance Structures

The IOB has identified the following areas of regulatory risk as a means of categorising the significant number of obligations contained in the Settlement Agreement which the IOB has oversight responsibility for. Analyses undertaken by the IOB have assessed the governance structures and eir's compliance with the RGMU separately under each of these headings. For this reason, the IOB's opinion on the adequacy of governance structures in place to ensure regulatory compliance is split over a number of headings.

a) Incentives

The IOB has undertaken an annual review of eir's approach to incentivising Wholesale and Internal Audit personnel as required by the IOB Charter and is satisfied with eir's compliance with the requirements of paragraphs 22, 23 and 24 of the RGMU.

The reasons for this opinion include:

- Evidence provided to the IOB on the implementation of a framework in line with the RGMU in the first year of the IOB's operation;
- Explicit confirmation from eir to the IOB that the open eir Short Term Incentive Plan (STIP) was the only relevant incentive remuneration related to company performance that was payable to employees of the Wholesale Function;
- Confirmation from eir that the group remuneration policy was approved by the eir Board;
- IA reviews, reported to the IOB, of the implementation of the incentives policy across all pay grades in October 2020 and December 2021;
- The following opinion of IA: *"eir meets the requirements of the relevant S.A. undertakings (sections 22, 23 and 24). In FY21, there have been no incidences of employees not completing any of the mandatory training modules across eir and open eir employees. Regular advisories were issued to all staff led by the CEO and completion rates were issued to the relevant managers in the weeks leading up to the cut-off dates. Therefore all in-scope employees were eligible for a STIP payment. Out of scope employees included eir direct retail and graded employees who were still required to complete the training but are on different bonus structures that are job or commission based. The open eir STIP is the only relevant incentive remuneration related to the performance of employees of the Wholesale Function. Following my review of this sample of 2021 payments I can confirm that all sampled Wholesale (and Group) STIP payments were correctly assessed and processed from Line Manager level through HR to Payroll in line with eir Group policy and process."*

The IOB has relied on eir Internal Audit reports and opinions and has been informed by Settlement

Agreement milestone submissions from eir to ComReg and the IOB as well as reports and presentations by open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's Second and Third Lines of Defence in preparation of this opinion.

b) Regulatory Wholesale Complaints & Whistleblowing

It is the IOB's opinion that the governance arrangements as outlined in eir's Regulatory Complaint processes are adequate; however the volume of regulatory complaints is so low as to limit the evidence available for review by eir's Internal Audit Function and the IOB. The Speak-Up Policy is fully rolled out within eir but is not expected to be communicated to all eir contractors until December 2022 and in this regard the governance arrangements will not be considered adequate by the IOB until this roll-out has been completed in full.

The reasons for this opinion include:

- The IOB has reviewed and queried the process for Operators to lodge regulatory complaints with eir, the communication of this and the management of complaints. While the IOB remains somewhat concerned by the low volume of regulatory complaints despite having heard non-specific concerns raised by Operators, the IOB considers that the governance arrangements in place are adequate to manage the complaints being received.
- The following opinion of eir Internal Audit:
"The regulatory complaints process is adequately managed for in-scope complaints. We observed gaps with internal process only, concerning an inconsistent approach to the logging of some out of scope complaints. This is now addressed. Also a minor finding with non-recording of the most recent Speakup policy review and subsequent agreed deferral awaiting legislative change. We are satisfied that communication to eir staff of the Speakup policy and associated management of the Speakup process is adequate, however there is a gap with restricted access to the policy for most contractors."
- The IOB has received assurance specifically in relation to eir's compliance with paragraphs 31 and 32 of the RGMU.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by eir Regulatory Operations and open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's First, Second and Third Lines in preparation of this opinion.

c) Capex & Group Resource Allocations

Governance arrangements for the allocation of capital expenditure are documented and the IOB has accepted assurance from Internal Audit of eir's compliance with the requirements of the RGMU.

The reasons for this opinion include:

- eir has demonstrated and provided assurance on the Wholesale Capex process, the Wholesale Capex budget, the role of the Wholesale SMT, the operation of a formal decision making framework and the consideration of capex processes in eir's review of regulatory risks.

- The following opinion of IA: *"We observed a management commitment from the top-down (Board and SMT) in ensuring the provision and allocation of a ring-fenced regulatory Capex budget in line with regulatory requirements. A clear process document sets out the process underpinning this ringfenced budget approval and allocation process as part of the group wide Capex approval process. We also note additional Capex spend outside of the ring-fenced budget obligations, that has a beneficial impact to Wholesale customers. This relates to Operations support systems (OSS) development."*

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's Second and Third Lines in preparation of this opinion.

Governance arrangements for the allocation of group resources in light of eir's regulatory obligations, with respect to the development and provision of regulated services, are effective in that resourcing has not impacted open eir's delivery of product development regulatory requirements with regard to regulatory development timeframes.

The reasons for this opinion include:

- eir submissions demonstrate how input from IT and Networks form the basis of open eir's annual capex budget request.
- eir's submissions, including from Internal Audit, note how the prioritised list of projects are set by open eir and determine the allocation of relative delivery resources by IT and Networks.
- eir's continuing compliance with its regulatory milestone requirements prescribed in prescribed ComReg's Wholesale Local Access and Wholesale Central Access Market Review dated 19 November 2018 (ComReg Decision D10/18) in RAP development.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's First and Third Lines in preparation of this opinion.

d) Bids

eir is compliant with RGM Undertakings 19 and 27 and points of divergence in eir's bid process from bid process guidance contained in Schedule 3 of the IOB Charter have no negative impact on the adequacy of these arrangements. The IOB has received assurance from Internal Audit that bids are receiving the appropriate reviews and approvals by the appropriate stakeholders and segregation of information as per the Code of Practice is in place.

The IOB does, however, expect to see improvements going forward in open eir's management of process documentation, including the relevant controls, which have the potential to impact assurance surrounding the bids process and the adequacy of governance arrangements to ensure regulatory compliance.

The reasons for this opinion include:

- The following opinion of Internal Audit:
"We did not find any non-compliance with RGM undertakings in respect of Bid processes in eir. eir generally operates its processes and manages associated controls well. Based on our review of the Bid Evaluation Team (BET) process documentation and associated controls for this on the RACM we observed a level of non-compliance which resulted in an assessment that there were some performance weaknesses with gaps in process documentation that require addressing."
- The following comments from Internal Audit:
 - *"Whilst the pricing decisions are handled appropriately an inadequate pricing process document may result in future process changes not being recorded."*
 - *"While there are gaps in the labelling of CWCI the documents are secure and there is no access available to downstream as per the Code of Practice and the 'Handling Confidential Regulated Information and Confidential Wholesale Customer Information Policy.'"*

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's First and Third Lines in preparation of this opinion.

e) Equivalence KPIs

Governance arrangements to ensure the accuracy of KPI metrics are adequate and it is positive to see eir's intention to further automate this process. The IOB considers it reasonable that eir put the automation of further KPI Tables on hold while awaiting publication of the revised Equivalence KPI Decision. The IOB's opinion on structured data governance is relevant to the underlying data integrity for KPI metrics and the IOB intends to continue to monitor both this and governance arrangements for ComReg's revised KPI Decision as this is implemented by eir.

The reasons for this opinion include:

- The IOB has queried a number of metrics and trends during its term to date. eir's responses have provided the IOB with further insight to the internal eir KPI metric review processes, and have been accepted by the IOB. The IOB queries have related to marginal differences, none of which consistently breach the eir "trigger levels" for review. The IOB has not identified any consistent metric trend in eir Retail's or eir White Label's favour. The IOB is not aware of any equivalence issue highlighted by either ComReg or Industry pertaining to the KPI metrics, as confirmed by eir.
- With regard to the governance arrangements to ensure the accuracy of the KPI data and metrics presented in the Tables, the IOB has received detailed assurance from eir Internal Audit including positive findings on the operational effectiveness of relevant regulatory controls, remediation of previously identified single point of dependency issues and the conclusion of Internal Audit that relevant policies and processes were managed in line with best practice.
- Internal Audit's opinion that *"there were no significant issues identified ... and eir was found to be*

- *compliant with the ... relevant undertakings concerning the generation and publication of Equivalence KPI's."*

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by eir Regulatory Operations and open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's Second and Third Lines in preparation of this opinion.

f) Regulated Product Processes – RAP Requests, Prioritisation & Portfolio Board

open eir Wholesale has adequate governance arrangements in place in respect of its assessment of requests for regulated products and services and its RAP product prioritisation process.

The IOB notes that eir's arrangements with regard to its Portfolio Boards are in line with the requirements of the RGMU.

The IOB's mandate is to assess the adequacy of governance structures as outlined in the Settlement Agreement, not investigate individual cases of regulatory non-compliance.

Despite the adequacy of the governance arrangements, the non-performance of a relevant regulatory control was detected by Internal Audit at the end of the previous IOB reporting period (see more under Wholesale SLAs). This resulted in a failure to comply with eir's transparency obligations for a period as well as non-compliance with an internal eir process. Timely action was taken by management on identification of the issue, including a change to the disciplinary process going forward. Internal Audit have reviewed and accepted as satisfactory the root cause analysis relating to the issue.

The IOB notes from ComReg's Strategy Statement 2021–2023 that ComReg intends to consider whether it is appropriate to publish further information and guidance on certain aspects of its compliance investigation practices and methodologies, after the European Electronic Communications Code has been transposed into Irish law. The IOB considers that this would be of assistance to eir's internal governance processes, in particular for those compliance cases that have not been communicated on for extended periods of time.

While the IOB has received assurance on the mandate and work plan of eir's Second Line of Defence, which includes the implementation of regulatory obligations, the IOB has not itself received or reviewed the process for the implementation of regulatory decisions. This may be an area of further focus in the IOB's Third Report – both by way of management presentations and more focused review by Internal Audit.

The reasons for this opinion include:

- eir's audit of 28 "change control" controls dated 29 March 2021 and submitted to the IOB meeting of 26 April 2021, which identified delayed publication of SLA reports.
- eir's audit of the five controls relating to transparency risks dated June 2021, which noted no issues requiring follow up.
- eir's audit of 10 controls relating to the Product Development Council (PDC) Process dated December 2021, which found these to be "fully operational and effective in managing the identified risks".

- Following a performance improvement observation from Internal Audit, open eir has updated its internal RAP process with regard to the location of documentation repositories along the Product Change Request Process (PCRP) and Product Development Council (PDC) Process, to aid in future audits and to improve transparency.
- In the vast majority of cases, eir has consistently met the milestones for RAP assessment, consultation and publication as outlined in ComReg Decision D10/18. The IOB has received details from eir on cancelled and declined requests and notes that accounts for these are published on the RAP customer portal. A recent additional step to the process, whereby ComReg receive withdrawal requests and have the opportunity to provide feedback before the withdrawals are progressed, is also noted.
- The opinion from Internal Audit's Annual Report on eir's RGM for the period 01 July 2020 to 31 December 2021.
- The following opinion of Internal Audit:
"Based on the supporting evidence derived from multiple reviews in my opinion the IOB can be assured that arrangements to secure governance, risk management and internal control, underpinned by the overarching Regulatory Governance Framework, for regulated products and services, are suitably designed, applied effectively throughout eir and are in compliance with the SA and relevant decision instruments."
- Second and Third Line reports to the IOB on prioritisation scores applied to RAP requests.
- The following opinion of Internal Audit:
"In our opinion there are effective governance arrangements to assure regulatory compliance for eir's RAP product prioritisation process. We analysed each of the relevant undertakings to form this opinion. The Prioritisation process and Portfolio board was previously audited by IA (Audit R08-21 Review of Prioritisation process). The outcome from that audit concluded that controls overseeing various documented prioritisation risks were well managed. We recommended amending the relevant process documentation which was delivered. Management agreed to obtain formal SMT sign off for all product offers even if the prioritisation score assigned to a project is 100 which indicates that a project was initiated. There has been no change to this position; the Prioritisation process and Portfolio board are operating as intended. In addition to previous audit reviews we offer additional evidence below to support the current review. There was no non-compliance detected with the relevant undertakings."

The IOB has relied on eir Internal Audit reports and opinions and has been informed by reports and presentations by eir's Regulatory Operations (Second Line) and open eir Wholesale (First Line). The IOB has engaged with, sent queries to and received responses from eir's First, Second and Third Lines in preparation of this opinion.

g) Wholesale Independence, Decision Making & Conflict of Interest Management

The IOB is satisfied that it has received detailed assurance from eir's Internal Audit Function confirming that eir's RGM meets the requirements relating to open eir's independence, decision making and management of conflicts of interests as required by the RGMU.

With regard to the IOB's oversight responsibility for eir's compliance with the RGMU (i.e. the extent to which eir's RGM meets the requirements of the RGMU) it should be noted that the IOB's reviews have focused on eir's Wholesale Function, including the creation and independence of the Wholesale SMT with regard to regulatory compliance. Decision making at the eir Board level has not been addressed by IOB reviews. This will form part of the agenda for discussion in the IOB's Third Report.

The reasons for this opinion include:

- Internal Audit has communicated its ongoing review of open eir's physical segregation from the downstream arms of the business as eir proceeds with a physical return to work. As of September 2022, open eir share a building with downstream arms of the business under the "return to office" post-Covid, whereas prior to the pandemic they did not. The IOB has received assurance that open eir is located on a separate floor with swipe access restrictions in place and has requested Internal Audit to keep the IOB informed of Internal Audit's opinion on the adequacy of the arrangements from a regulatory and Settlement Agreement perspective.
- The following opinion of IA: *"Paragraph 1: eir is compliant with the undertaking. We reviewed the end to end processes and controls across a number of RAP product submissions addressing risk conflicts of interest in access to regulated products and services."*
- The following opinion of IA: *"Paragraph 11: eir is compliant with the undertaking. We observed that in practice the PDC and WSMT operate in line with the approved terms of reference, with adequate resources and mandates."*
- The following opinion of IA: *"Paragraph 19: eir is compliant with the undertaking. We saw evidence of this through reviewing various end to end product submissions and related governance in place."*
- The following note in Internal Audit's Annual Report and Opinion for the period ending December 2021: *"There are adequate governance arrangements in place to maintain an adequate and effective Regulatory Governance Framework. The Regulatory Governance Committee continues to operate through FY21 with sufficient mandate and adequate attendance and authority to manage existing and emerging regulatory risks as they arise."*

Included under eir Internal Audit's review were the following forums and terms of reference:

Forums:

- Group Risk Profile reviewed by Corporate Risk Committee
- IT risk register
- IT asset application Management Register
- Business Continuity Plans (BCP) processes (42) in place and associated Self Cert where all associated network infrastructure and IT risks are reviewed annually by management and all plans to manage these risks are tested and updated as required
- Regulatory Governance Committee

- Data Information Governance Committee
- Portfolio Board (review of RAP/Non-Rap products)
- Product Development Council
- Wholesale SMT
- Fraud Governance Committee (Speak-up reporting)

Terms of reference:

- Group SMT Terms of Reference
- RGM Committee Terms of Reference
- WSMT Terms of Reference
- RAP PDC Terms of Reference
- Portfolio Board Terms of Reference Processes
- Capex Process
- Internal product change request process
- KPI generation and publication process
- Wholesale bespoke bid process (FY20)

The IOB has relied on eir Internal Audit reports and opinions and has been informed by reports and presentations by eir Regulatory Operations (Second Line) and open eir Wholesale (First Line). The IOB has engaged with, sent queries to and received responses from eir's First, Second and Third Lines in preparation of this opinion.

h) Data Governance – Structured Confidential Regulated Information

With regard to the governance arrangements for structured confidential regulated information (data held within IT systems), eir has completed the actions required of it under Paragraphs 52, 53, 55, 56, 57 and 58 of the RGMU and remains compliant with Paragraphs 47, 51, 60, 62 and 63.

The adequacy of the IT Transformation plan with regard to governance arrangements, as per Paragraph 64 of the RGMU, remains under consideration by the IOB. At the IOB's request eir agreed to contract external assistance to support further assurance to the IOB, arrangements for which are currently underway.

The reasons for this opinion include:

- Internal Audit has tested 25% of IT system controls within the period of review for the IOB's Second Report, resulting in only minor findings. eir's Second Line of Defence is operating at a schedule of 100% control testing on an annual basis.
- Internal Audit system reviews have found eir to be compliant with the RGMU requirements relating to confidential regulated information. While the audit report notes risks relating to the lack of automated

privileged user access reviews and vulnerability scans for some systems, it also notes how eir is managing these risks to an acceptable level pending the required upgrades which are scheduled for August 2023 and February 2024.

- In addition to the eir Information Security Management Policy and the eir Application and Data Security Policy, the IOB notes the existence of a Protocol for the introduction of all new IT systems, focusing on principles relating to user access profiles and data segregation.
- In May 2019 there were 37 IT systems with high regulatory risk ratings; action taken by eir IT to remediate and mitigate regulatory risk has meant there are currently no IT systems with high risk ratings.
- There are currently 20 IT systems containing confidential regulated information in eir that both the Wholesale and downstream arms of the business have legitimate access to, with regulatory controls in place. This number is forecast to reduce to 8 IT systems by December 2025.
- The IOB was somewhat concerned by audit findings in particular on risks, which were not realised and are now remediated, of third parties inadvertently gaining access to wholesale confidential regulated data. eir has acknowledged that its risk governance framework does not align with internationally recognised standards and has undertaken an internal self-assessment exercise to identify gaps.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by eir IT. The IOB has engaged with, sent queries to and received responses from eir's First and Third Lines in preparation of this opinion.

i) Data Governance – Unstructured Confidential Regulated Information

With regard to the governance arrangements for unstructured confidential regulated information (emails, file depositories, documents etc.), eir remains compliant with Paragraph 47 of the RGMU and has completed the actions required of it under Paragraphs 59 and 61. eir has policies and adequate training in place under the CoP but has acknowledged risks associated with extended use of "Agile" in IT development, which include gaps in adequate change management. Due to difficulties encountered by eir with a technology solution, a number of unstructured data controls over the contents of Windows file shares and some Google drives remain non-operational since 2019, with a target date for remediation being mid-November 2022. In conclusion, gaps remain in the adequacy of the current governance arrangements although these have not resulted to date in a breach of either eir's regulatory obligations or its Regulatory CoP.

The reasons for this opinion include:

- eir Internal Audit's opinion that:
"In my opinion eir Group has adequate, for a, policies and training documentation in place to oversee the governance and management of unstructured confidential regulated. We observed that in practice all emails, links and document depositories inspected that contained unstructured data were found to be compliant with eir policies to sufficiently and clearly label and inform the recipient of the content and restrict that content for authorised access only."

- Audit reporting of a specific risk to confidential regulated information based on the original set-up of eir's communication and data management platform, however eir management have responded to this and implemented remediation.
- While eir has provided the IOB with a self-assessment exercise, at this point there is insufficient evidence available to the IOB to demonstrate that eir's IT risk governance framework aligns to internationally recognised standards.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by eir IT. The IOB has engaged with, sent queries to and received responses from eir's First and Third Lines in preparation of this opinion.

j) Regulatory Risk Management

The IOB assessed the adequacy of governance arrangements for regulatory risk management as part of its review of eir's Second and Third Lines of Defence. The IOB considers that the relevant processes and process adherence underpinning regulatory risk management and the RGM framework have significantly improved during the course of the IOB's term to date, in terms of roles and responsibilities, standardisation and auditable documentation.

The IOB expects to see ongoing improvements in eir's articulation of its management of regulatory risk, with regard to emerging risks, control failures and their potential impact to the business and stakeholders. Handover of control responsibilities when Control Executors leave the business is another area where IOB expects to see continuing improvement, which eir's Second Line of Defence has itself identified.

See Section 3.2 above for details on IOB's reasons for this opinion.

As noted in the First IOB Report, eir agreed at the IOB's request to an integrated control testing approach between Internal Audit and the Regulatory Risk Group. This approach is now in place and includes the maintenance of a joint log of control test findings by the Second and Third Lines of Defence.

eir's Director of Internal Audit reported an issue it had identified to the IOB in November and December 2021 which required re-testing of a portion of second line control tests, which were completed within the first quarter of 2022. The IOB has noted this issue as evidence of governance arrangements operating as intended.

With regard to quarterly self-certification of controls from eir's First Line of Defence, administered by the Second Line, the IOB has seen ongoing maturity of the process, improved quarterly returns from Control Owners and improved risk analyses commentary.

The IOB notes the key role of Wholesale Regulatory Operations, also part of the Second Line of Defence, for their guidance to the business and the Risk Management Function in terms of the analyses of regulatory risk and oversight of the Business Unit Process Compliance Review (BUPCR). The BUPCR is eir's regulatory risk review process to determine whether existing controls suffice when a process changes or if new controls are required.

k) Wholesale Pricing

The governance arrangements for open eir Wholesale Pricing are adequate and eir's RGM regarding Wholesale Pricing meets the requirements of the RGMU. The IOB is satisfied that Internal Audit

has reviewed the Wholesale Pricing process and has provided assurance on the relevant RGMU requirements in Paragraphs 11, 18, 19 and 27 of the RGMU. No issues of significant concern were highlighted by Internal Audit.

The IOB notes the following:

- As of 15 March 2021, the Wholesale Pricing Function was re-structured and relevant responsibilities absorbed by the "Regulatory Wholesale Products" team within open eir. There remains a documented mandate for the Wholesale Pricing Function – though it should be noted that "Function" is one individual i.e. the Director of Regulatory Wholesale Products who reports directly to the Managing Director of open eir. Internal Audit recommended and received management agreement to changes to the pricing mandates between the First and Second lines of defence, to provide better clarity on the separation between the roles.
- An Internal Audit review recommended standardised pricing templates to open eir, however the business rejected this recommendation on the basis of the pricing models being owned by ComReg and complexity preventing the application of a standardised approach.
- The IOB notes that open eir Wholesale did not accept the need for new or enhanced controls over the Wholesale Pricing Function as recommended by Internal Audit following publication of two pricing errors, instead agreeing to commence a peer review process. It should be noted that the cause of the published prices being lower than the approved prices was a manual typographical error, the published prices were amended prior to any orders taking place and ComReg was notified.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by eir Regulatory Operations and open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's First, Second and Third Lines in preparation of this opinion.

I) Wholesale SLAs

Regarding the operation and management of open eir Wholesale Service Level Agreements (SLAs) for regulated products, the governance arrangements pertaining to the regulatory requirements set out in the WLA and WCA Decision Instruments of ComReg Decision D10/18 under Clauses 8 and 10 are adequate. This includes the requirements that SLAs are in place, published on an aggregate basis (including quarterly data and methodology) and for automated timely payment of penalties. At the request of the IOB, eir Internal Audit focused its review on SLAs for duct and pole access and appointment based SLAs. The IOB notes that open eir is undertaking a review and renegotiation of CEI SLAs which is expected to conclude in early October. The IOB will be requesting a further review by Internal Audit of internal open eir process documentation in relation to the CEI order process following this update.

The IOB was notified by eir in April 2021 of the non-performance of a regulatory control which resulted in a failure to comply with eir's transparency obligations for a period as well as non-compliance with internal eir processes. Timely action was taken by management on identification of the issue, including a change to the disciplinary process going forward.

The reasons for this opinion include:

- The Internal Audit report received by the IOB found eir to be compliant with relevant Decisions and that all four controls on the Regulatory Risk and Control Matrix (RACM) are operating effectively. The report also stated that another control was under development on the performance of pole and duct access requests. Internal Audit also found that open eir maintained the integrity of the raw data regarding SLAs.
- Though noted by Internal Audit as minor in nature, the SLA audit provided to the IOB suggests more attention is required to maintenance of process documents relating to SLAs, in particular with regard to the CEI order process.
- The IOB was informed by Internal Audit that open eir had not published the aggregated SLA report for three quarters although required to do so by Clauses 10.18 and 10.19 of the WLA and WCA Decision Instruments of ComReg Decision D10/18. The report was subsequently published and governance arrangements were enhanced. Internal Audit reviewed and accepted as satisfactory the root cause of this issue.

The IOB has relied on eir's Internal Audit report and opinions and has been informed by reports and management presentations by open eir Wholesale. The IOB has engaged with, sent queries to and received responses from eir's First and Third Lines in preparation of this opinion.

4. IOB and eir Engagement

As noted in Section 2 above, there is an ongoing documented process of the IOB questioning and commenting on eir's inputs and presentations to the IOB from each IOB meeting to the next. In doing so, the IOB is both seeking to inform its opinions and seeking to contribute to the strengthening and resilience of eir's regulatory governance framework beyond the term of the IOB. To this end, in April 2020, the IOB communicated a set of principles to ComReg regarding how it intended to treat information passed to it by eir. The following are some examples of areas of constructive engagement between the IOB and eir.

a) Alignment between the Second and Third Lines of Defence

As mentioned above, there is a significant volume of obligations contained in the Settlement Agreement RGMU which the IOB has oversight responsibility for. Previously, the reports required of eir as per the IOB Charter did not always directly address these RGMU. Therefore, the IOB identified a number of areas of regulatory risk as a means of categorising the RGMU. The IOB sought and achieved agreement with eir's Second and Third Lines to in turn report to the IOB on risk management, control testing and auditing broadly using these categories, thereby streamlining more manageable and directly relevant inputs from an IOB perspective. Such alignment should be of ongoing benefit to eir beyond the term of the IOB.

b) Internal Audit Reporting

Building on a number of audit structure and audit standard changes agreed during the period of the IOB's first report, the IOB has continued to engage with Internal Audit on various areas. This includes the clarity of Internal Audit's opinions, specifically for the IOB's purposes in relation to requirements of the Settlement Agreement. With regard to Internal Audit report structure and consistency, in response to a number of IOB comments eir has noted that it is in the process of procuring audit management software to facilitate more standardisation. Review by the IOB of Internal Audit's approach to addressing instances of eir management's non-acceptance of Internal Audit's findings and recommendations remains underway.

The IOB invited eir's Director of Internal Audit and Internal Audit Regulatory Manager to attend the eir management presentations to the IOB, which strengthened the contextual understanding of the auditors. The IOB also hopes that this will serve the governance framework in eir beyond the term of the IOB.

eir's willingness to undertake an EQA of its Internal Audit Regulatory Governance Function should be noted as should the added assurance that this has provided to stakeholders. In addition, eir has agreed to contract external assistance by way of a consulting service to the IOB managed by Internal Audit.

c) Risk Management Reporting

Through feedback to and engagement with eir's Risk Management Function, the IOB continues to encourage focus from eir on the descriptive detail provided by its Second Line reports on accuracy and effectiveness of control operation, remedial solutions and the differentiation between substantive and non-substantive control changes. The IOB considers that this has resulted in continuous improvements in terms of the transparency of eir's Second Line management reports. The analysis by eir of the impact of control failures on regulatory risk management remain under review by the IOB.

d) Product Development Reporting & Process Documentation

During the period of this report, eir agreed to align the product development reports received from its First and Second Lines, thereby allowing easier comparison at an IOB review level. Additionally, eir agreed to review and update its internal Product Development Process to include the summary roadmap of documentation requested by the IOB, to support future audits and improve transparency.

5. eir Management Representations

Following a request by the IOB to eir to provide a set of management representations relating to the information it has provided the IOB in the course of the IOB's work, the following representations were received from eir on 3 October 2022.

Management representations

eir acknowledges the responsibility of eir under the terms of the Settlement Agreement, among other matters, to implement the Regulatory Governance Model Undertakings as set out in Annex 1 to the Settlement Agreement. Included in the Undertakings is an undertaking that eir will design, implement, embed and monitor controls to mitigate the risks of non-compliance with eir's regulatory obligations within the governance fora or decision making processes outlined in Clause 19 to Annex 1.

eir confirms that, to the best of its knowledge and belief, having made such enquiries as it considered necessary for the purpose of appropriately informing itself that:

- (i) the information which the company has provided to you regarding the RGM, has been presented fairly in all material respects;
- (ii) we have designed such internal controls over the Regulatory Governance Model (RGM), or caused such internal controls over the RGM to be designed under our supervision, to provide reasonable assurance regarding the reliability of the RGM to ensure compliance with eir's regulatory obligations. As of 30th September 2022 there were a total of 191 controls on eir's RACM (Risk and Control Matrix).
- (iii) we have disclosed to you all weaknesses in the design or operation of internal control over the RGM as identified as part of our evaluation
- (iv) we have performed an evaluation and assessed the effectiveness of eir's internal control over the RGM as of 30 September. Our assessment, which is supported with sufficient evidence, including documentation, is that eir maintained effective internal control over RGM covering the period from 1 April 2021 to 30 September 2022
- (v) we have resolved internal control weaknesses identified in the period that were determined to be material weaknesses, other than a single item, reference number R10-20 where eir is undertaking an IT update relating to certain fileshares. This IT update is due to complete by end 2022; manual controls will remain in place pending its completion.
- (vi) no changes in internal control to the RGM or other factors that have occurred to the date of this letter that might significantly affect internal control over the RGM, including corrective actions taken by management with regard to material weaknesses
- (vii) the IOB has received minutes of the meetings of the Regulatory Governance Committee (RGC) for the period from July 2021 to the date of this letter. We represent that, insofar as we are aware, no matters are recorded in minutes of the RGC meetings for the relevant period that eir considers would have an impact on the reporting obligations of IOB for the same relevant period –

- (ix) we have complied with the requirement in the RGM Undertakings to capture, review, and resolve all Wholesale related complaints

- (x) the representations made on the implementation of effective governance arrangements to ensure that the allocation of capital expenditure to the Wholesale function is in accordance with eir's regulatory obligations, are made based on enquiries of management and staff. These persons had the relevant knowledge and experience to satisfy ourselves that we can properly make these representations to you, the IOB.

DocuSigned by:
Kjeld Hartog
1115562C6ADA43E...

RGM Chair

3/10/2022

DocuSigned by:
Oliver Loomes
0455A75C8FD44AB...

CEO

3/10/2022

6. eir Comments

Paragraph 6.3 of the IOB Charter states that *"At least 4 weeks in advance of publication, the IOB will share a copy of its opinion with eir and ComReg. Eir will have 4 weeks within which to comment on the opinion prior to publication. The IOB will include eir's comments in its report. The IOB opinion shall be published on the dedicated IOB section on the open eir website and ComReg's website."*

eir's comments on the Second IOB report provided in accordance with Clause 6.3 of the IOB Charter.

The methodology and work plan adopted by the IOB for its Second IOB Report represents a positive step in the ongoing work of the IOB and reflects continuous improvement in the IOB's operating practices. The IOB's engagement and enhancements in working with eir's Internal Audit Regulatory Governance (IARG) function is positive and facilitates the IOB to further oversee the wide range of issues upon which the IOB is required, by its Charter, to form an opinion.

In order to facilitate enhancements to the form the IOB's annual opinions can take, eir voluntarily allowed the independence of its IARG function to be independently assessed by a major accountancy firm, as to its conformance with the Institute of Internal Auditors Global Standards and the Internal Audit Code of Practice. While such external assessments are beyond the contractual requirements of the Settlement Agreement, it is evident to eir that the positive conclusions, such as that provided by the External Quality Assessment of the IARG function, provides added assurance to the IOB. eir has also agreed to contract external assistance to the IOB, by way of a consulting service managed by IARG, to provide the IOB with a further understanding of how eir is managing regulatory risks to structured and unstructured data in the context of its IT Transformation Plan (as is noted in the Second IOB Report).

eir acknowledges the continued work of the IOB and its members. eir's regulatory governance forum has been fully briefed on the IOB's opinions on eir's Regulatory Code of Practice and regulatory governance structures. eir is already implementing the potential improvements to certain areas as recommended by the IOB in its Second Report. eir will continue to engage constructively with the IOB in the continued evolution of its regulatory governance model over the coming years.

Appendices

i. Who we are

As per the terms of the Settlement Agreement the IOB consists of five members, three independent members appointed by ComReg and two members appointed by eir. These are:

Bob Downes – IOB Chair:

Bob is Chair of the Scottish Environment Protection Agency (SEPA) and a non-executive Director of OFCOM, the UK communications and media regulator. He was formerly a Director with BT Group involved in the set-up of Openreach and held a number of leadership roles throughout BT. He also Chaired CENSIS, an innovation centre for sensor technology and he advises a number of communication technology businesses including Kubenet where he is a non-executive director. Bob is Chair of Cryptic, an international arts production house based in Glasgow. He was previously a non-executive Director with the Scottish Government where he Chaired the Digital Public Services Transformation Group. He has also held non-executive positions with Glasgow University Business School, Glasgow School of Art and Scotrail.

Paddy Browne – IOB Member:

Paddy is a non-executive Director of eir. He recently retired from the position of Head of the Crops, Environment and Land Use Programme in Teagasc, having held this position since 2012. Prior to this, Paddy held various positions within Teagasc, having commenced his career there in 1977. Paddy previously served as Chairman of the Governing Body of Institute of Technology Carlow. He is also a former Council member of the Further Education and Training Awards Council of Ireland (FETAC). Paddy is a graduate of University College Dublin with a Bachelor in Agricultural Science. He was also awarded an MBA from Waterford Institute of Technology.

Miriam Hughes – IOB Member:

Miriam is a non-executive Director of eir and has over 30 years of experience in marketing, brand reputation and communications. She is the former CEO of DDFH&B Group, one of the largest communication groups in Ireland and has also held a number of senior client marketing roles in blue-chip Irish companies. Miriam has also held senior management roles in Nestlé, Bank of Ireland, Smith & Nephew, and AIB. Miriam is the Chair of the Board of Directors of the Advertising Standards Authority of Ireland, a mentor on the Enterprise Ireland panel, a non-executive director at Pluto and Chair of the Bus Eireann board. Miriam is a Chartered Director from the IOD, a graduate of UCD, and holds a BComm and MBS in marketing.

Lakh Jemmett – IOB Member:

Lakh has built and led international Telecommunications Businesses for the past 30 years in Europe, Asia and the US. He has a track record of P&L leadership within incumbent and competitor providers. In addition to 10 years with Colt Telecom plc., latterly as CEO Major Enterprise Division, during which time he also had P&L responsibility for Ireland, Lakh spent three years with Alcatel Lucent before moving to BT, where he was CEO BT Managed Services Ltd. and Managing Director BT Wholesale. Lakh is currently a non-executive Director at HM Courts & Tribunals, the Royal Surrey NHS Foundation Trust and Healthcare Partners Ltd. He is a Director of Wimoweh Ltd and the Chair of Portsmouth Water Ltd Customer Challenge Group.

Declan Purcell – IOB Member:

For over 20 years Declan successfully progressed through a range of positions within the Department of Enterprise, Trade and Employment. During 1998, he joined the Irish Competition Authority (ICA) as a Member / Director; in 2010 he was appointed as (Executive) Chairperson of the ICA. Over the years Declan was heavily involved with the deregulation of the broader Irish economy and he has a deep understanding of market competition within the European Union. He has regularly spoken at international conferences on various aspects of competition law and policy. Declan holds a Masters degree in Economic Policy Studies (MSc TCD). Since retiring, Declan has maintained an active professional career and currently advises both within Ireland and internationally on competition policy plus related matters.

ii. List of all material received from eir April 2021 to September 2022

Meeting no.	Meeting Date	Report Name
21	26 Apr'21	IOB 21.2a Milestone 4 Updated RACM & Review
		IOB 21.2b Master Evidence List
		IOB 21.2c Supplemental Log
		IOB 21.2d RACM Change Matrix
		IOB 21.3 Audit R06-21 Review of Regulatory Change Controls
		IOB 21.4 Audit R07-21_Review of Regulatory Provisioning Controls
		IOB 21.5 Wholesale Bid Process
		IOB 21.7a Clause 18-Separate Wholesale Pricing function v1 final
22	01 Jun'21	IOB 22.2 Audit R08-21 Review of Prioritisation process_Final Report
		IOB 22.3 Audit R09-21_Self-Certification_May 2021
		IOB 22.4 eir Equivalence KPI's Oct - Dec 2020 [Comreg V1]
		IOB 22.5 R06 CapEx Report Oct'20 - Mar'21
		IOB 22.6 R02 RRG Quarterly Test Report Jan-Mar'21
		IOB 22.7 HR Mandatory Training Process Sep 2020
		IOB 22.14 confidential IA Reg IOB presentation 01 Jun'21
		IOB 22.15 IA Memo - Annual Report Summary & Audit Plan May'21
		IOB 22.16 IA Issue Tracker full extract-26042021_IOB
		IOB 22.17 Update on IT Transformation Programmes 21 May'21
23	28-Jun-21	IOB 23.2 Interim RGM Control Test Report to end March 2021
		IOB 23.3a Regulatory Code of Practice v5.2 - unmarked
		IOB 23.3b Regulatory Code of Practice v5.2 - marked
		IOB 23.4a R01 Self Cert Report Jan- March 2021
		IOB 23.4b R01 Self Cert Report Jan- March 2021 - consolidated return
		IOB 23.5 R08 Wholesale Regulatory Complaints Report Jan - Mar 2021
		IOB 23.6 R10 Equivalence KPI Summary Report Q1 2021 (Jan - Mar 2021)
		IOB 23.7 R12 ComReg Compliance FY2021 Q4 (Mar - Jun 2021)
		IOB 23.8 R14 - WRO / Reg Strategy Quarterly review Jan - Jun 2021
		IOB 23.9a WSMT ToR v4 - unmarked
		IOB 23.9b WSMT ToR v4 - marked
		IOB 23.10 Proposed RGM Committee reporting schedule to IOB

Meeting no.	Meeting Date	Report Name
24	15-Jul-21	N/A – internal IOB meeting with IOB Executive re plan for coming months
25	06-Sep-21	IOB 25.8 eir Equivalence KPI Report Jan-Mar'21
		IOB 25.9 R08 Wholesale Customer Complaints Apr-Jun'21
		IOB 25.10 R09 Speak Up Complaints Jan-Jun'21.docx
		IOB 25.11 R14 Regulatory Strategy Annual Plan FY21–22 (Jul'21-Jun'22)
		IOB 25.12 R14 WRO Annual Plan FY21–22 (Jul'21-Jun'22)
		IOB 25.13 Audit R10–21_Review of Regulatory Transparency Controls
		IOB 25.14 Audit R12–21_Review of Pricing Controls
		IOB 25.15 Audit R11–21 Review of Code of Practice
		IOB 25.16 IA Audit Plan FY21_status August 2021
		IOB 25.17 IA Memo_Enhanced engagement by Internal Audit_August 2021
IOB 25.18 IOB_Update_RRG_August2021_final		
26	06-Oct-21	IOB 26.3a R01 Self Cert Report Apr-Jun'21
		IOB 26.3b R01 Self Cert Consolidated Return
		IOB 26.4 R02 RGM Risk Group Report Apr-Jun'21
		IOB 26.5 R04 Product Prioritisation Review Jan-Jun'21
		IOB 26.6 R06 CapEx Report Apr-Jun'21
		IOB 26.7 RGM Committee Minutes 22 Jun'21
		IOB 26.8 RGM Committee Minutes 06 Jul'21
		IOB 26.9 RGM Committee Minutes 14 Jul'21
		IOB 26.10 RGM Risk Group Mandate Aug'21
		IOB 26.11 RGM Risk Group Work Plan Jul-Dec'21
		IOB 26.12 Protocol for the implementation of New Systems (Update) Jul'21
		IOB 26.15 eir EQA final report Aug'21
		IOB 26.17 IA 12 month work plan proposal
		IOB 26.18 IA proposal on rotation of regulatory auditors
IOB 26.19 Confidential eir IT October Presentation to IOB		
IOB 26.20 Confidential eir Regulatory October Presentation to IOB		

Meeting no.	Meeting Date	Report Name
27	29-Nov-21	IOB 27.2 R03 IOB Product Development and Access Requests Review Jan-Jun'21
		IOB 27.3 R05 Wholesale Remuneration Policy
		IOB 27.4 R07 Regulatory Code of Practice Mandatory Training Jul'20 – Jun'21
		IOB 27.5a R10 IOB Apr – June 2021 Equivalence KPI Summary Report
		IOB 27.5b R10 IOB Apr – June 2021 Equivalence KPI Full Report
		IOB 27.6 R14 Regulatory Annual Plans Quarterly review July-Sept21
		IOB 27.7 Confidential RGM Committee Meeting Minutes 07 Sept'21
		IOB 27.8a IOB Query # 176 – Report on review of Metric 3.1 provision of line share
		IOB 27.8b IOB Query # 176 – Report on review of Metric 3.3 quality of lineshare provide
		IOB 27.9 Protocol for implementation of future systems – tracked changes Oct'21
		IOB 27.10 IOB Query # 178 Self-Certification
		IOB 27.13 RGM_IA Issue Tracker Extract_26 Oct'21
		IOB 27.14 Confidential open eir presentation Nov'21
		IOB 27.15 Report on the Independence of Wholesale Oct'21
		IOB 27.16a Clause 18-Separate Wholesale Pricing function Oct'21
		IOB 27.16b Clause 18-Separate Wholesale Pricing function Oct'21 tracked changes
		IOB 27.17 eir IT presentation Nov'21
28	06-Dec-21	IOB 28.2a R01 Self Cert Report Jul-Sept'21
		IOB 28.2b R01 Self Cert Consolidated Return
		IOB 28.3 R02 RGM Risk Group Report Jul-Sept'21
		IOB 28.4 R06 CapEx Report Jul-Sept'21
		IOB 28.5a R10 Equivalence KPI Summary Report Jul-Sept'21
		IOB 28.5b R10 Equivalence KPIs Jul-Sept'21
		IOB 28.6 RGM Committee Meeting Minutes Oct'21
		IOB 28.10 IA Scope Eclipse (Structured Data & Tables 1-4 Equivalence KPIs) – tracked suggested changes
		IOB 28.11 IA Scope CapEx & Group Functions – tracked suggested changes
		IOB 28.12 IA Scope Equivalence KPIs – tracked suggested changes
		IOB 28.13 Audit R13-21 IT BAR SoD TSDS_ALU AMS 2000_Final_Nov21
		IOB 28.14 Confidential eir Regulatory December Presentation to IOB
		IOB 28.15 Confidential eir Risk Presentation to IOB

Meeting no.	Meeting Date	Report Name
29	02 Feb'22	IOB 29.2 R08 Wholesale Regulatory Complaints Report Jul-Dec'21
		IOB 29.3 R09 Speak Up Report Jul-Dec'21
		IOB 29.4 R11 ComReg Decisions Report Jul-Dec'21
		IOB 29.5 R12 ComReg Compliance Report Jul-Dec'21
		IOB 29.6a R14 Regulatory Annual Plans Quarterly Review Oct-Dec'21
		IOB 29.6b R14 WRO Annual Work Plan UPDATED Jul'21-Jun'22
		IOB 29.6c R14 WRO Annual Work Plan UPDATED Jul'21-Jun'22 tracked changes
		IOB 29.6d R14 Regulatory Strategy Annual Plan UPDATED Jul'21-Jun'22
		IOB 29.6e R14 Regulatory Strategy Annual Plan UPDATED Jul'21-Jun'22 tracked changes
		IOB 29.7 Confidential Regulated RGM Committee Meeting Minutes 24 Nov'21
		IOB 29.8 Master RACM incl. Risk Categorisation
		IOB 29.13 Scope Audit R01-22 Review of IT System controls – tracked suggested changes 07 Jan'21
		IOB 29.14 Scope Audit Rxx-22 Review of Service Level Agreements – tracked suggested changes 12 Jan'22
		IOB 29.18 Conf_Regulated_Audit R14-21-Review of open eir Wholesale PDC_Final
		IOB 29.19 Audit_08-21_Review of Google Workspace_Final Report
		IOB 29.20 Audit_R15-21_H2 Self-Cert_Final Report_Nov21
		IOB 29.21 Audit R16-21 Review of RACM high risk controls_Final Report
		IOB 29.22 Incentives Memo
		IOB 29.23 Audit R19-21 Review of Capex_Final_January 2022
		IOB 29.24 IA Slides
IOB 29.25 WRO Review Process – response to action #189 from IOB 06 Dec'21		
IOB 29.26 Confidential Regulatory slides IOB 26Jan22		

Meeting no.	Meeting Date	Report Name
30	30 Mar'22	IOB 30.6a R01 Quarterly Self-Cert Report Oct-Dec'21
		IOB 30.6b Consolidated Return Oct-Dec'21
		IOB 30.7 R02 RGM Risk Group Quarterly Report Oct-Dec'21
		IOB 30.8 R03 Product Development and Access Requests Summary Review Jul-Dec'21
		IOB 30.9 R04 Product Prioritisation Report Jul-Dec'21
		IOB 30.10 R06 Openeir Capex Report Oct-Dec'21
		IOB 30.11 Mandate of the RGM Risk Group (RRG) V4.0
		IOB 30.12 Annual Plan of the RGM Risk Group (RRG) V4.0
		IOB 30.13 Group Risk RGM Mandate and Annual Plan 2022
		IOB 30.14 RGM Committee Meeting Minutes 19 Jan'22
		IOB 30.23 Audit R02-22 H3FY21 Self-Certification – tracked suggested changes to include reg risk mgmt 28 Jan'22
		IOB 30.24 Scope Audit Rxx-21 Review of Wholesale Pricing tracked suggested changes 07 Feb'22
		IOB 30.25 IA RGM Update March 2022
		IOB 30.26 IA Annual Report & Opinion_RGM_FY21
		IOB 30.27 Confidential eir IT Slides 30 Mar'22
		IOB 30.28 Confidential Regulatory Slides 30 Mar'22
31	27 Apr'22	IOB 31.2 R05 Wholesale Remuneration Policy v1 Mar22
		IOB 31.3 R07 – Regulatory Code of Practice Mandatory Training FY2021 (jul-dec)
		IOB 31.4 R08-Wholesale Regulatory Complaints Report January- March (Q1) 2022
		IOB 31.5 R10 IOB Oct – Dec 2021 Equivalence KPI summary report
		IOB 31.6 R12 IOB Report ComReg Compliance FY22 Q1
		IOB 31.7 R14 Regulatory Annual Plans Quarterly review Jan-Mar22
		IOB 31.8 eir KPI Equivalence KPI_s Oct – DEC 2021 [Comreg V1] 24022022
		IOB 31.9 Confidential Regulated Minutes of Meeting 23022022
		IOB 31.13 (a) IA RGM Update April 2022
		IOB 31.13 (b) IA Memo_eir IT Audit Framework Assessment_April 2022
		IOB 31.14 Confidential Regulatory slides IOB 27Apr22v2

Meeting no.	Meeting Date	Report Name
32	25 May'22	IOB 32.2a R01 Quarterly Self-Cert Report Jan-Mar'22
		IOB 32.2b R01 Consolidated Return Jan-Mar'22
		IOB 32.3 R02 RGM Risk Group Quarterly Report Jan-Mar'22
		IOB 32.20 RGM Committee Meeting Minutes 06 Apr'22
		IOB 32.10 Scope – Audit R06–22 Review of Bespoke Bids 05 May'22
		IOB 32.11 Scope – Audit R05–22-Review of Regulatory Complaints including Speak-Up policy 12 May'22
		IOB 32.12 Scope – Audit R07–22 IT BAR-SoD & TSDS Review of Opencell 17 May'21
		IOB 32.13 IA Slides
		IOB 32.14 Draft external assistance scope
		IOB 32.15 Eclipse KPIs & IT Asset Application Register Forum
		IOB 32.16 Audit R18–21-Review of Equivalence KPIs_Final Report_April 2022
		IOB 32.17 Audit R01–22 Review of IT System Controls_Final_May 2022
		IOB 32.18 R03–22 Review of Wholesale Pricing_Final Report_May 2022
		IOB 32.19 Confidential – open eir Wholesale Slides
33	22 Jun'22	IOB 33.2 R10 IOB Equivalence KPI Summary Report Jan-Mar'22
		IOB 33.3 Confidential RGM Committee Meeting Minutes 19 May'22
		IOB 33.4 Response to action 207 – KPIs
		IOB 33.9 IA Slides Jun'22
		IOB 33.10 Draft TOR for IOB External IT Audit Engagement June 2022
		IOB 33.11 RGM Issue Tracker Extract 10 Jun'22
		IOB 33.12 IA Memo Review 01–22 Prioritisation and Portfolio Board Governance
		IOB 33.13 Audit R17–21 IT BAR SoD TSDS (Eclipse)
		IOB 33.14 Confidential open eir Wholesale Slides 22 Jun'22
		IOB 33.15 BET Process Update 13 Jun'22
IOB 33.16 RRG & Self-Cert Update June 2022		
34	19 Jul'22	IOB 34.3 eir KPI Equivalence KPI's Jan-Mar 2022 [Comreg V1]
		IOB 34.4 IOB action 216 KPIs
		IOB 34.15 IA RGM Update
		IOB 34.11 Audit R17–21 IT BAR SoD TSDS (Eclipse)_Revised
		IOB 34.16 Audit R02–22 The Second Line incl. Self Cert
		IOB 34.12 Regulatory Operation – overview of regulated markets
		IOB 34.13 Confidential eir IT July 2022 Presentation to IOB
		IOB 34.14 IT – Remediation & Mitigation of Regulatory Risks

Meeting no.	Meeting Date	Report Name
35	31 Aug'22	IOB 35.4a R01 Quarterly Self-Cert Report Apr-Jun'22
		IOB 35.4b R01 Consolidated Return Q2 2022 RGM Self-Cert
		IOB 35.5 R02 RGM Risk Group Quarterly Report Apr-Jun'22 pdf
		IOB 35.6 R03 Product Development and Access Requests Summary Review Jan-Jun'22 pdf
		IOB 35.7 R04 Product Prioritisation Review Jan-Jun'22
		IOB 35.8 R06 open eir Capex Report Jan-Jun'22
		IOB 35.9 R08 Wholesale Regulatory Complaints Report Apr-Jun'22
		IOB 35.10 R09 Speak Up Report Jan-Jun'22
		IOB 35.11 R11 ComReg Decisions Apr-Jun'22
		IOB 35.12 R12 ComReg Compliance Apr-Jun'22
		IOB 35.13a R14 Regulatory Annual Plans Quarterly Review Apr-Jun'22
		IOB 35.13b R14 WRO Annual Work Plan Jul'22-Jun'23
		IOB 35.13c R14 Regulatory Strategy Annual Plan Jul'22-Jun'23
		IOB 35.14 Regulatory Mandate Jun'22
		IOB 35.15 Clause 18-Separate Wholesale Pricing Function Update
		IOB 35.16 Internal Audit_RGM Audit & Resource Plan_Charter_09 May'19
		IOB 35.17 RGM Committee Minutes 15 Jun'22
		IOB 35.18 Draft eir Management Representations
		IOB 35.19 IA & RRG Annual Control Test Log 31 Aug 2022
		IOB 35.29 Audit R04-22 Review of SLAs_Final Report_July 2022
		IOB 35.30 R05-22_Review of Complaints_Final Report_July 2022
		IOB 35.31 IA Memo_Review 03-22 Review of Wholesale Pricing_Opinion Statement
		IOB 35.32 IA Memo_Opinion on governance in eir on regulated products and services_July 2022
		IOB 35.33 Draft ToR data governance
		IOB 35.34 open eir Networks Presentation 31 Aug'22
		IOB 35.35 IA RGM Update August 2022
		IOB 35.36 Audit R07-22 IT BARSoD and TSDS (Opencell)
		IOB 35.37 Audit R06-22 Review of Bespoke Bids

Meeting no.	Meeting Date	Report Name
36	28 Sept'22	IOB 36.2 R10 Equivalence KPI Summary Report Apr-Jun'22
		IOB 36.3 RGM Committee Minutes 18 Aug'22
		IOB 36.4 RGM Committee Minutes 23 Aug'22
		IOB 36.5 Internal Audit Presentation Deck 28 Sept'22
		IOB 36.6 Draft ToR external assistance 28 Sept'22
		IOB 36.7 Internal Audit Issues Tracker Sept'22

iii. Glossary of terms

Acronym	Full Name	Description
BAR	Business Access Review	The standard Business Access Review (BAR) is a review of all employees' access rights to systems, accounts, and entitlements.
BUPCR	Business Unit Process Compliance Review	eir's process to identify new/changed regulatory compliance risks and issues in the regulated market.
ComReg	Commission for Communications Regulation	ComReg is the statutory body responsible for the regulation of the electronic communications sector (telecommunications, radio communications, broadcasting transmission and premium rate services) and the postal sector. ComReg is one of the two signing parties to the Settlement Agreement.
CRI	Confidential Regulated Information	Information related to regulated access products (RAP) over and above that which is currently in the public domain, which may be of value to eir's downstream business or a wholesale customer or to a downstream wholesale customer. This includes Confidential Wholesale Information.
CWI	Confidential Wholesale Information	Confidential or commercially sensitive information provided to the Wholesale Function by a wholesale customer.
eir	Eircom, trading as eir	Eircom Limited, trading as eir, is an authorised provider of electronic communications networks and services in Ireland. Eircom Limited is one of the two signing parties to the Settlement Agreement.
IOB	Independent Oversight Body	The Independent Oversight Body established in accordance with the IOB Charter at Annex 3 of the Settlement Agreement.
IOBE	Independent Oversight Body Executive	The support team put in place to support the work of the IOB.
KPI	Key Performance Indicator	
RACM	Risk and Control Matrix	eir's Risk and Control Matrix sets out a full list of all identified risks

Acronym	Full Name	Description
COP	Regulatory Code of Practice	eir's Regulatory Code of Practice which was been designed to foster regulatory compliance and which must be adhered to by all employees, board members and – where appropriate – contractors and sub-contractors.
RGM	Regulated Governance Model	eir's Regulatory Governance Model
RGMU	Regulated Governance Model Undertakings	The Undertakings given by eir to ComReg as contained in Annex 1 of the Settlement Agreement and published on ComReg's website.
	Three lines of defence	This refers to the separation of governance, operational and assurance roles within eir in respect of the Regulatory Governance Model. The First Line of Defence comprises eir's business units which own and manage regulatory risks, including the identification, assessment and mitigation of risk. The Second Line of Defence comprises a risk management function, a risk testing function and an advisory function independent from the First Line of Defence. The Third Line of Defence comprises an independent assurance function (Internal Audit) which is independent from the First and Second Lines of Defence and which has a functional reporting line to the IOB in respect of regulatory matters.
TSDS	Technical System Data Segregation	
	Wholesale Function	Those divisions of eir collectively referred to as open eir which include eir's wholesale regulated activities, eir's networks business and the regulated activities of field operations.
WRO	Wholesale Regulatory Operations	Part of the Second Line of Defence which provides the independent advisory function in respect of the RGM.
WSMT	Wholesale SMT	Wholesale Senior Management Team is the management team of the Wholesale Function (including a Managing Director or Directors with a formal terms of reference) responsible for inter alia wholesale regulatory governance.



iob Independent
Oversight Body